

# **Statistics of civil cases for debt**

## **December 2004**

**Embargoed until:  
24 February 2005  
11:00**

## Key figures for the month ended December 2004

	<b>December 2004</b>	<b>% change between December 2003 and December 2004</b>	<b>% change between October 2003 to December 2003 and October 2004 to December 2004</b>	<b>% change between January 2003 to December 2003 and January 2004 to December 2004</b>
<b>Actual estimates</b>				
Number of civil summonses issued for debt	100 399	-4,4	-7,8	-12,6
Number of civil judgements recorded for debt	61 795	-3,8	-14,4	-17,0
Value of civil judgements recorded for debt (R million)	436,3	-12,6	-23,0	-10,7

	<b>December 2004</b>	<b>% change between November 2004 and December 2004</b>	<b>% change between July 2004 to September 2004 and October 2004 to December 2004</b>
<b>Seasonally adjusted estimates</b>			
Number of civil summonses issued for debt	126 054	+17,0	-0,6
Number of civil judgements recorded for debt	75 065	+5,1	+2,1
Value of civil judgements recorded for debt (R million)	505,0	-14,7	-7,8

## **Key findings for the year 2004**

### **The number of civil summonses for debt lower than a year ago**

*The number of civil summonses issued for debt for the year 2004 decreased by 12,6% compared with year 2003.*

The major contributors to the decrease of 12,6% in civil summonses issued for debt for the year 2004 compared with year 2003 were civil summonses issued in respect of money lent (-5,8 percentage points) and goods sold on open account (-2,6 percentage points) and 'other' debts (-2,1 percentage points).

### **The number of civil judgements recorded for debt lower than a year ago**

*The number of civil judgements recorded for debt for the year 2004 decreased by 17,0% compared with year 2003.*

The major contributors to the decrease of 17,0% in the number of civil judgements recorded for debt for the year 2004 compared with year 2003 were civil judgements recorded in respect of money lent (-7,4 percentage points), 'other' debts (-3,7 percentage points) and goods sold on open account (-2,7 percentage points).

### **The value of civil judgements recorded for debt lower than a year ago**

*The value of recorded civil judgements for debt for the year 2004 decreased by 10,7% compared with year 2003.*

The major contributor to the decrease of 10,7% in the value of civil judgements recorded for debt for the year 2004 compared with year 2003 was civil judgements recorded in respect of money lent (-9,9 percentage points).

## **Key findings as at the end of December 2004**

### **The number of civil summonses issued for debt decreases**

*The number of civil summonses issued for debt for the fourth quarter of 2004, after seasonal adjustment, decreased slightly by 0,6% compared with the third quarter of 2004. Furthermore, the total number of civil summonses issued for debt for the fourth quarter of 2004 decreased by 7,8% compared with the fourth quarter of 2003.*

The major contributors to the decrease of 7,8% in civil summonses issued for debt for the fourth quarter of 2004 compared with the fourth quarter of 2003, were civil summonses issued in respect of goods sold on open account (-3,2 percentage points), rent (-2,2 percentage points) and money lent (-1,5 percentage points) (see table 5 column 2).

### **The number of civil judgements recorded for debt increases**

*The number of civil judgements recorded for debt for the fourth quarter of 2004, after seasonal adjustment, increased by 2,1% compared with the third quarter of 2004. However, the total number of civil judgements recorded for debt for the fourth quarter of 2004 decreased by 14,4% compared with the fourth quarter of 2003.*

The major contributors to the decrease of 14,4% in the number of civil judgements recorded for debt for the fourth quarter of 2004 compared with the fourth quarter of 2003, were civil judgements in respect of goods sold on open account (-3,0 percentage points), promissory notes (-2,7 percentage points), rent (-2,4 percentage points) and 'other' debts (-2,1 percentage points) (see table 5 column 3).

### **The value of civil judgements recorded for debt decreases**

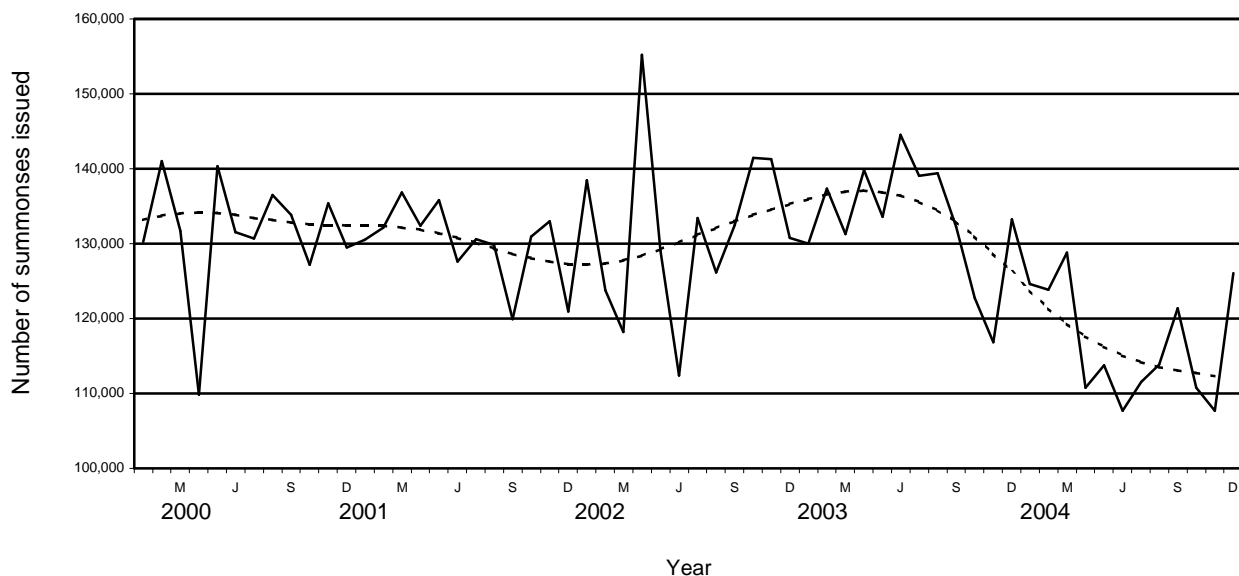
*The value of civil judgements recorded for debt for the fourth quarter of 2004, after seasonal adjustment, decreased by 7,8% compared with the third quarter of 2004. Furthermore, the total value of civil judgements recorded for debt for the fourth quarter of 2004 decreased by 23,0% compared with the fourth quarter of 2003.*

The major contributor to the decrease of 23,0% in the value of civil judgements recorded for the fourth quarter of 2004 compared with the third quarter of 2003, was civil judgements recorded in respect of money lent (-17,0 percentage points) (see table 5 column 4).

During December 2004, 61 795 civil judgements for debt, amounting to R436,3 million, were recorded. The largest contributors to the R436,3 million were civil judgements relating to money lent (R137,2 million or 31,4%), 'other' debts (R80,3 million or 18,4%), 'other' services (R54,9 million or 12,6%) and promissory notes (R53,3 million or 12,2%) (see table 4 column 5).

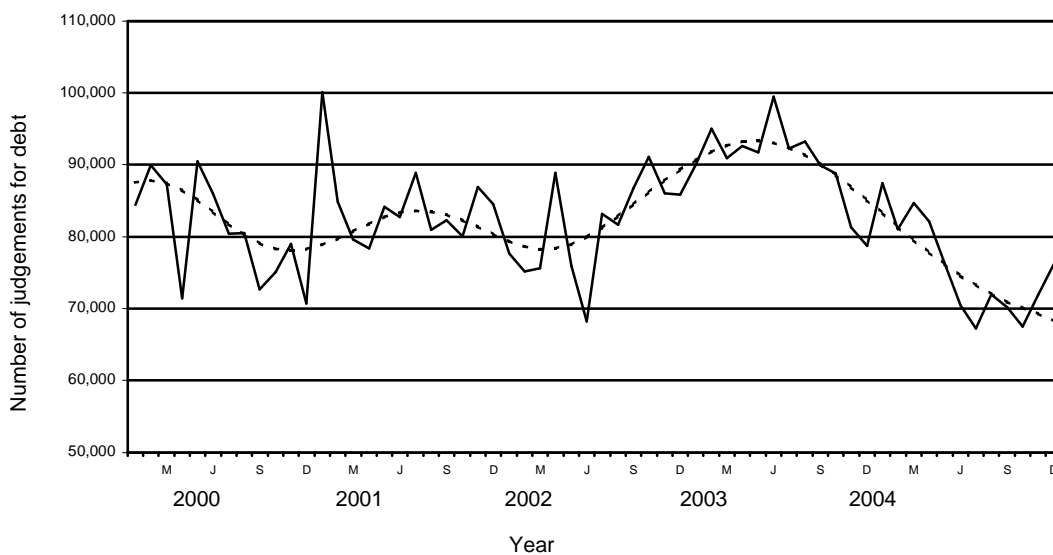
**Figures 1 and 2 outline the number of civil summonses issued and civil judgements recorded from 2000 to 2004**

**Figure 1 - Civil summonses issued for debt**



Source : Stats SA      — Seasonally adjusted      - - - Trend

**Figure 2 - Civil judgements recorded for debt**



Source : Stats SA      — Seasonally adjusted      - - - Trend

**PP  
PJ Lehohla  
Statistician-General**

## Notes

<b>Forthcoming issue</b>	<b>Issue</b>	<b>Expected release date</b>
	January 2005	24 March 2005
<b>Purpose of the survey</b>	The survey of Civil Cases for Debt covers a sample of magistrates' offices in South Africa, excluding the former Transkei, Bophuthatswana, Venda and Ciskei (TBVC states). This survey collects information regarding civil cases recorded, civil summonses issued and civil judgements recorded in order to provide users with information on the extent of unpaid debt in South Africa. The results of the survey are used by the private and public sectors as an indicator of economic performance.	
<b>Response rate</b>	The response rate for December 2004 was 80,2%.	

## Contents

	<b>Page</b>
Notes .....	5
<b>Tables</b>	
Table 1 Number of civil cases recorded and summonses issued for debt according to business enterprises and private persons .....	7
Table 2 Number of civil cases recorded according to selected magistrates' offices .....	8
Table 3 Number of civil default and consent judgements for debt according to business enterprises and private persons .....	9
Table 4 Value of civil default and consent judgements for debt according to business enterprises and private persons.....	10
Table 5 Contribution of the different kinds of debts to the total number and value of debts recorded .....	11
Table 6 Contribution of the different kinds of debts to the total number and value of debts recorded .....	11
<b>Explanatory notes</b> .....	12
<b>Glossary</b> .....	14
<b>General information</b> .....	16

Table1 - Number of civil cases recorded and summonses issued for debt according to business enterprises and private persons

Item	Business enterprise and private persons				Private persons			
	2004	2003 December	2004 November	2004 December	2004	2003 December	2004 November	2004 December
1 Cases recorded								
1.1 Actual figures	1 594 394	119 331	136 967	114 268	1 468 327	110 199	127 387	105 168
1.2 Seasonally adjusted		145 945	123 825	138 676		134 475	114 446	127 433
2 Civil summonses for debt								
2.1 Goods sold								
2.1.1 Open account	166 767	12 539	12 198	10 918	146 829	11 107	10 811	9 665
2.1.2 Instalment sale transactions	50 254	4 004	5 124	3 990	46 274	3 753	4 818	3 703
2.2 Services								
2.2.1 Professional	167 309	11 051	13 485	13 640	158 514	10 654	12 872	12 897
2.2.2 Other	261 099	20 689	23 209	21 495	244 624	19 930	21 952	20 033
2.3 Rent	59 423	6 042	3 986	3 933	45 216	4 914	2 867	2 699
2.4 Money lent	325 574	22 805	25 478	22 216	310 523	22 029	24 531	21 574
2.5 Promissory notes, bills, R/D cheques, credit cards and other acknowledgement of debt	131 092	9 717	10 303	7 328	121 147	8 991	9 661	6 325
2.6 Other	236 831	18 204	20 862	16 879	214 163	16 071	18 777	15 433
2.7 Total								
2.7.1 Actual figures	1 398 349	105 051	114 645	100 399	1 287 291	97 449	106 289	92 330
2.7.2 Seasonally adjusted		133 224	107 723	126 054		123 517	98 635	115 870



Table 2- Number of civil cases recorded according to selected magistrates' offices

Year or month	Cape Peninsula	Port Elizabeth	East-London	Kimberley	Pietermaritzburg	Durban	Johannesburg	East Rand	West Rand	Pretoria	Vereeniging and Vanderbijlpark	Bloemfontein
2003	184 499	86 919	37 534	26 953	30 153	131 913	183 463	78 614	53 072	145 245	33 818	71 882
2004	143 146	81 408	37 375	13 044	19 321	121 484	169 721	87 621	51 872	128 803	25 498	55 835
2003 -J	14 177	7 468	2 485	4 755	2 845	8 389	8 967	4 122	4 833	14 363	1 908	4 578
F	16 617	9 707	3 828	2 028	2 708	11 544	12 822	6 445	5 998	16 259	2 819	6 164
M	16 204	10 104	3 091	2 017	2 941	11 797	14 690	8 256	5 724	12 175	3 475	6 164
A	15 395	6 154	2 564	2 017	3 284	11 414	11 964	7 229	3 321	13 075	2 544	6 687
M	15 663	7 849	2 999	2 017	3 532	13 239	14 584	7 746	4 515	15 954	2 499	6 717
J	14 038	6 813	3 472	2 017	2 276	12 049	19 623	7 395	4 213	12 343	2 113	8 446
J	16 709	7 379	3 584	2 017	2 426	11 438	18 292	8 742	4 731	13 751	3 394	9 502
A	15 263	6 345	2 921	2 017	2 539	11 528	17 204	6 545	4 861	11 187	4 042	9 418
S	15 414	6 477	2 918	2 017	1 841	10 367	16 802	5 611	4 448	11 275	1 854	3 035
O	15 798	5 764	2 918	2 017	2 401	11 321	16 231	6 024	4 288	9 855	3 293	5 282
N	15 315	6 869	3 925	2 017	1 518	7 403	16 231	6 028	4 003	7 602	3 021	3 285
D	13 906	5 990	2 829	2 017	1 842	11 424	16 053	4 471	2 137	7 406	2 856	2 604
2004 -J	13 627	7 634	2 149	1 370	1 249	8 053	14 070	5 493	3 745	11 949	1 568	3 417
F	15 167	6 921	2 149	1 957	1 713	9 997	16 006	6 014	5 127	11 989	2 513	4 337
M	12 787	10 896	3 587	1 957	2 427	10 711	17 689	9 544	5 759	12 922	2 827	3 945
A	10 087	5 786	2 243	1 957	1 215	8 415	11 018	5 510	3 806	7 605	2 252	4 542
M	11 545	8 252	3 521	990	1 712	11 633	14 059	7 474	4 564	9 739	2 504	4 542
J	12 390	3 174	3 521	790	1 682	11 346	12 525	6 408	4 375	9 692	1 442	4 542
J	12 988	3 174	4 823	1 100	2 052	10 239	14 059	5 847	4 347	10 652	2 015	5 292
A	11 424	7 185	3 034	710	1 663	10 867	14 059	8 433	4 750	9 826	2 021	5 676
S	10 897	5 063	3 087	710	1 837	10 867	14 059	7 954	4 369	10 797	1 494	5 676
O	9 933	5 483	3 087	488	1 112	8 878	14 059	9 423	3 928	11 728	3 001	5 676
N	10 688	8 920	3 087	488	1 574	10 239	14 059	8 729	4 388	14 231	2 134	4 195
D	11 613	8 920	3 087	527	1 085	10 239	14 059	6 792	2 714	7 673	1 727	3 995

Table 3 - Number of civil default and consent judgements for debt according to business enterprises and private persons

Item	Business enterprise and private persons				Private persons			
	2004	2003 December	2004 November	2004 December	2004	2003 December	2004 November	2004 December
1 Judgements								
1.1 Goods sold								
1.1.1 Open account	112 512	8 494	8 833	7 443	103 008	7 333	8 048	6 715
1.1.2 Instalment sale transactions	16 017	1 273	1 431	1 280	14 307	1 142	1 278	1 117
1.2 Services								
1.2.1 Professional	84 626	5 382	6 577	5 764	80 040	5 164	6 272	5 416
1.2.2 Other	139 479	8 480	12 366	10 358	131 282	8 056	11 534	9 636
1.3 Rent	41 418	4 520	2 835	2 590	31 039	3 773	2 082	1 905
1.4 Money lent	308 871	21 942	26 929	22 190	303 381	21 160	26 498	21 811
1.5 Promissory notes, bills, R/D cheques, credit cards and other acknowledgement of debt	94 137	5 607	7 440	5 138	89 724	5 361	6 982	4 989
1.6 Other	104 609	8 571	9 509	7 032	96 031	7 909	8 899	6 386
1.7 Total								
1.7.1 Actual figures	901 669	64 269	75 919	61 795	848 813	59 898	71 592	57 975
1.7.2 Seasonally adjusted		77 885	71 400	75 065		72 149	66 919	69 871

Table 4 - Value of civil default and consent judgements for debt according to business enterprises and private persons

Item	Business enterprise and private persons				Private persons			
	2004	2003 December	2004 November	2004 December	2004	2003 December	2004 November	2004 December
	R' 000							
1 Judgements								
1.1 Goods sold								
1.1.1 Open account	585 643	42 444	50 746	42 886	453 429	31 542	39 039	32 878
1.1.2 Instalment sale transactions	284 507	20 511	39 036	26 093	233 000	16 731	32 126	20 873
1.2 Services								
1.2.1 Professional	260 268	14 855	20 608	18 236	226 122	13 445	18 259	14 820
1.2.2 Other	744 670	57 067	75 362	54 927	642 635	52 105	59 032	46 689
1.3 Rent	316 839	22 664	24 317	23 478	226 723	17 477	17 266	16 639
1.4 Money lent	2 285 714	189 741	241 640	137 188	2 201 068	177 272	238 427	132 570
1.5 Promissory notes, bills, R/D cheques, credit cards and other acknowledgement of debt	902 100	62 676	71 714	53 258	826 289	56 873	65 307	49 453
1.6 Other	1 523 782	89 097	108 923	80 273	1 069 192	68 378	82 326	68 691
1.7 Total								
1.7.1 Actual figures	6 903 523	499 055	632 346	436 339	5 878 461	433 823	551 782	382 613
1.7.2 Seasonally adjusted		572 960	592 123	504 925		505 575	517 385	448 755

Table 5 – Contribution of the different kinds of debts to the total number and value of debts recorded

Different kinds of debts	Contribution percentage points to the percentage change in the total number of summonses for debt	Contribution percentage points to the percentage change in the total number of civil judgements for debt	Contribution percentage points to the percentage change in the total value of civil judgements for debt
Goods sold			
Open account	-3,2	-3,0	-1,6
Instalment sale transactions	-0,7	-1,6	0,7
Professional services	0,6	-0,1	0,5
Other services	-0,7	-0,7	0,1
Rent	-2,2	-2,4	0,0
Money lent	-1,5	-1,9	-17,0
Promissory notes, bills, R/D cheques, credit cards and other acknowledgement of debt			
Other	-0,1	-2,7	-2,5
Other	0,0	-2,1	-3,3
Total	-7,8	-14,4	-23,0

The contribution (percentage points) is calculated by multiplying the quarterly percentage change of each kind of debt with the percentage contribution to the total number or value of cases recorded during September 2003 to November 2003, divided by 100.

Table 6 – Contribution of the different kinds of debts to the total number and value of debts recorded

Different kinds of debts	Contribution percentage points to the percentage change in the total number of summonses for debt	Contribution percentage points to the percentage change in the total number of civil judgements for debt	Contribution percentage points to the percentage change in the total value of civil judgements for debt
Goods sold			
Open account	-2,6	-2,7	-2,3
Instalment sale transactions	-0,1	-1,6	0,0
Professional services	0,1	0,0	0,6
Other services	-0,7	0,0	1,4
Rent	-1,2	-1,0	0,2
Money lent	-5,8	-7,4	-9,9
Promissory notes, bills, R/D cheques, credit cards and other acknowledgement of debt			
Other	-0,1	-0,5	-0,2
Other	-2,1	-3,7	-0,6
Total	-12,6	-17,0	-10,7

The contribution (percentage points) is calculated by multiplying the annual percentage change of each kind of debt with the percentage contribution to the total number or value of cases recorded during 2003, divided by 100.

## Explanatory notes

### Introduction

- 1 Statistics South Africa (Stats SA) conducts a monthly sample survey of civil cases recorded and civil summonses for debt issued in South Africa. This information is obtained from selected magistrates' offices.
- 2 Except for cases recorded, all other information relates to debt cases only, therefore claims for damages, ejectment orders and other non-debt cases are excluded.

### Scope of the survey

- 3 This survey covers -
  - Number of civil cases recorded;
  - Number of civil summonses issued for debt;
  - Number of civil judgements recorded for debt; and
  - Value of civil judgements recorded for debt.

### Statistical unit

- 4 The statistical unit for collection of information is a magistrate's office. Magistrates' offices include the small claims courts.
- 5 The largest magistrates' offices in South Africa, which account for approximately 95% of all the civil cases in South Africa, are included in the monthly survey of civil cases recorded and civil summonses for debt issued. The smallest magistrates' offices are not used in the sample. A sample of 152 magistrates offices is drawn using only the number of civil cases recorded as the measure of size.

### Survey methodology and design

- 6 The survey is conducted by mail each month for approximately 152 magistrates' offices.

### Seasonal adjustment

- 7 Seasonal adjustment (variation) is a means of removing the estimated effects of normal seasonal variation from the series so that the effects of other influences on the series can be more clearly recognised. Seasonal adjustment does not aim to remove irregular or non-seasonal influences which may be present in any particular month. Influences that are volatile or unsystematic can still make it difficult to interpret the movement of the series even after adjustment for seasonal variations. This means the month-to-month movements of seasonally adjusted estimates may not be reliable indicators of trend behaviour.

### Trend cycle

- 8 Smoothed seasonally adjusted estimates are generated using the X-11 Seasonal Adjustment Programme.

### Publications

- 9 Users may also wish to refer to the following publications:
  - *Bulletin of Statistics* issued quarterly.
  - *SA Statistics* issued annually.

**Unpublished statistics**

- 10** In some cases Stats SA can also make available statistics which are not included in standard publications. The statistics can be made available in one or more of the following ways: computer printout, CD or diskette. Generally a charge is made for providing unpublished statistics.

**Symbols and abbreviations**

- 11** R/D            Refer to Drawer  
CD              Compact Disc  
Stats SA        Statistics South Africa  
TBVC            Transkei, Bophuthatswana, Venda, Ciskei.

## Glossary

<b>Acknowledgement of debt</b>	Acknowledgement of debt is a statement by a person/debtor in which he admits that he owes money to an individual or a company or a bank.
<b>Bills</b>	Bills are statements of charges for services rendered or for amounts owed.
<b>Civil judgements</b>	Civil judgements are decisions taken in a civil matter or a dispute between two people or parties.
<b>Civil summonses</b>	Civil summonses are notices to appear before the court of law where a dispute between two parties or people has to be heard, i.e. not for a criminal offence.
<b>Consent judgements</b>	Consent judgements refer to where a debtor agrees to subject himself/herself to obey or accept a judgement of a court against him for a debt he owes without defending the action. This usually happens before the debtor signs a binding contract, e.g. a loan agreement.
<b>Default judgements</b>	Default judgements refer to where the court gives a judgement or a ruling against the defendant who is not present in court and was previously given a notice that was ignored, i.e. a judgement was given against a party or an individual while not present in court.
<b>Instalment sale transaction</b>	Instalment sale transactions relates to where a person buys goods on credit and pays for them in instalments, e.g. every week or month, until he/she settles the debt.
<b>Litigants</b>	Litigants are people who take part in court proceedings, usually against each other, like a debtor and a creditor.
<b>Litigants referred</b>	Litigants referred relates to a case where the parties have been referred to another instance/court.
<b>Open account transaction</b>	Open account transactions are revolving credit, i.e. where an account does not have a final payment date and a person can always take more goods and keep paying as long as he has credit.
<b>Other services</b>	“Other services” refers to municipal services (except outstanding assessment rates), plumbers, builders, mechanics, panel-beaters and electricians.
<b>Other debts</b>	“Other debts” refers to all other kinds of outstanding debts such as salaries and wages, outstanding medical fund debts, outstanding sponsored debts, outstanding class and tuition debt, outstanding income and sales, tax, outstanding assessment rates, outstanding money in respect of television maintenance contracts and outstanding money in respect of flat levies.

<b>Plaintiff</b>	Plaintiff is a person/party in a civil case who asks the court for judgement against another person.
<b>Professional services</b>	Professional services refers to medical doctors/dentists, advocates/attorneys, auditors/ accountants, architects, engineers and hospital services.
<b>Promissory note</b>	Promissory notes are written notes, signed by one person, in which he promises to pay money to another person, or to the bearer of such a note on a specific date or on demand.
<b>Reference month</b>	Reference month refers to one calendar month.
<b>Refer to drawer (R/D) cheques</b>	R/D Cheques refer to dishonoured cheques. The drawer is the owner of the cheque. When a person issues a cheque and there is no money in the cheque account, the bank will refuse to pay the bearer. The cheque will be referred back to the drawer.



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(012) 310 8490 (orders)

Fax number: (012) 310 8332 (technical enquiries)

Email: [mpelim@statssa.gov.za](mailto:mpelim@statssa.gov.za) (technical enquiries)  
[info@statssa.gov.za](mailto:info@statssa.gov.za) (user information services)  
[distribution@statssa.gov.za](mailto:distribution@statssa.gov.za) (orders)

Postal address: Private Bag X44, Pretoria, 0001

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