

**P0041**

# **Statistics of civil cases for debt**

July 2002

**Embargo: 09:30**

**Date: 26 September 2002**

**Key figures for the month ended July 2002**

<b>Actual estimates</b>	<b>July 2002</b>	<b>% change between July 2001 and July 2002</b>	<b>% change between May 2001 to July 2001 and May 2002 to July 2002</b>	<b>% change between January 2001 to July 2001 and January 2002 to July 2002</b>
Number of civil summonses issued for debt	141 699	+2,4	-4,4	-1,9
Number of civil judgements recorded for debt	91 740	-7,1	-11,1	-8,8
Value of civil judgements recorded for debt (R million)	651,0	-20,2	-23,6	-13,9

**Seasonally adjusted estimates**

	<b>July 2002</b>	<b>% change between June 2002 and July 2002</b>	<b>% change between February 2002 to April 2002 and May 2002 to July 2002</b>
Number of civil summonses issued for debt	133 863	+16,1	-5,2
Number of civil judgements recorded for debt	80 368	+13,2	-6,2
Value of civil judgements recorded for debt (R million)	620,7	+7,6	-21,6

## **Key findings as at the end of July 2002**

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

*The total number of civil summonses issued for debt for the three months ended July 2002, after seasonal adjustment, decreased by 5,2% compared with the previous three months. Furthermore, the total number of civil summonses issued for debt for the three months ended July 2002, decreased by 4,4% compared with the three months ended July 2001. The total number of civil summonses issued for debt for the first seven months of 2002 decreased by 1,9% compared with the first seven months of 2001.*

The major contributors to the decrease of 4,4% in civil summonses issued for debt for the three months ended July 2002 compared with the three months ended July 2001 were civil summonses issued in respect of goods sold on account (-4,0 percentage points) and 'other' services (-3,4 percentage points). However, this decrease was partially counteracted by an increase in summonses issued for debt relating to money lent (-3,3 percentage points).

### **The total number of civil judgements recorded for debt decreases**

*The total number of civil judgements recorded for debt for the three months ended July 2002, after seasonal adjustment, decreased by 6,2% compared with previous quarter. Furthermore, the total number of civil judgements recorded for debt for the three months ended July 2002 decreased by 11,1% compared with the three months ended July 2001. The total number of civil judgements recorded for debt for the first seven months of 2002 decreased by 8,8% compared with the first seven months of 2001.*

The major contributors to the decrease of 11,1% in the number of civil judgements recorded for debt for the three months ended July 2002 compared with the three months ended July 2001 were civil judgements recorded in respect of 'other' debts (-3,8 percentage points), 'other' services (-3,1 percentage points), goods sold on account (-2,5 percentage points), professional services (-1,5 percentage points) and promissory notes (-1,2 percentage points). However, these decreases were partially counteracted by an increase in judgements relating to money lent (+2,0 percentage points).

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

*The total value of civil judgements recorded for debt for the three months ended July 2002, after seasonal adjustment, decreased by 21,6% compared with the previous three months. The total value of civil judgements recorded for debt for the three months ended July 2002 decreased by 23,6% compared with the three months ended July 2001. Furthermore, the total value of civil judgements recorded for debt for the first seven months of 2002 decreased by 13,9% compared with the first seven months of 2001.*

The major contributors to the decrease of 23,6% in the value of civil judgements recorded for debt for the three months ended July 2002 compared with the three months ended July 2001 were civil judgements recorded in respect of money lent (-6,3 percentage points), 'other' debts (-6,0 percentage points) and goods sold on account (-4,3 percentage points).

During July 2002, 91 740 civil judgements for debt amounted to R651,0 million. The largest contributors to the R651,0 million were civil judgements relating to money lent 37,5% or R244,0 million) and 'other' debts (28,0% or R182,4 million).

## Notes

### Forthcoming issues

#### Issue

#### Expected release date

August 2002	24 October 2002
September 2002	21 November 2002
October 2002	19 December 2002
November 2002	15 January 2003
December 2002	19 February 2003

### Purpose of the survey

The survey of Civil Cases for Debt covering a sample of magistrates' offices in South Africa excluding the former Transkei, Bophuthatswana, Venda and Ciskei (TBVC states). These 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.

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**Table 19 - Number of small claims courts, litigants referred, summonses issued and hearings: 1990 to 1999**

Year	Small claims courts	Litigants referred	Summonses issued	Hearings
1990	92	16 474	16 551	15 540
1991	103	16 857	19 520	17 814
1992	106	18 906	24 942	23 421
1993	109	19 502	24 929	23 953
1994	111	20 101	25 112	25 356
1995	113	20 154	24 905	25 746
1996	120	21 230	27 463	27 690
1997	115	13 423	25 417	26 622
1998	121	22 546	28 622	27 672
1999	127	34 897	30 592	30 651

Source: Department of Justice

# Additional information

## 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 This statistical release reflects a sample of all civil cases recorded and summonses issued against business enterprises and private persons in selected magistrates' offices.
- 3 Except for cases recorded, all other information relates to debt cases only, therefore claims for damages, ejection orders and other non-debt cases are excluded.

### Scope of the survey

- 4 This survey covers:
  - Number of civil cases recorded.
  - Number of civil summonses for debt issued.
  - Number of civil judgements for debt.
  - Value of civil judgements for debt.
- 5 Small claims courts serve as a forum for the adjudication of money claims against individuals or firms. It is for use by the general public only and not for business enterprises.

6

The following actions are excluded from the jurisdiction of small claims courts -

- claims exceeding R3 000 in value;
- claims against the state;
- claims based on cession or the transfer of rights;
- claims for damages in respect of defamation, malicious prosecution, wrongful imprisonment, wrongful arrest, seduction and breach of promise to marry;
- claims for the dissolution of a marriage;
- claims concerning the validity of a will;
- claims concerning the status of a person in respect of his mental capacity; and
- claims in which the performance in accordance with a contract is sought, without an alternative claim for payment of damages, except in the case of a claim for rendering an account or transferring movable or immovable property not exceeding R3 000 in value.

### Comparability

- 7 The information in respect of magistrates' courts shown in this statistical release refers to debt cases only and is therefore not strictly comparable with the information shown for the small claims courts.
- 8 The jurisdiction limit for civil cases handled by magistrates' offices (R20 000 for liquid assets and R50 000 for non-liquid assets) was increased to R100 000 as from 1 July 1995. A comparison with the period prior to July 1995 must thus be handled with circumspection.

<b>Statistical unit</b>	<p><b>9</b> The statistical unit for collection of information is a magistrate's office. Magistrate's offices include the small claims courts.</p> <p><b>10</b> 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 sample 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.</p>
<b>Survey methodology and design</b>	<p><b>11</b> The survey is conducted by mail each month from approximately 152 magistrates' offices.</p>
<b>Seasonal adjustment</b>	<p><b>12</b> Seasonal (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.</p>
<b>Trend cycle</b>	<p><b>13</b> Smoothed seasonally adjusted estimates are generated using the X-11 Seasonal Adjustment Programme.</p>
<b>Publications</b>	<p><b>14</b> Users may also wish to refer to the following publications:</p> <ul style="list-style-type: none"> <li>• Bulletin of Statistics issued quarterly.</li> <li>• SA Statistics issued annually.</li> </ul>
<b>Unpublished statistics</b>	<p><b>15</b> In some cases Stats SA can also make available statistics which are not published. 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.</p>
<b>Symbols and abbreviations</b>	<p><b>16</b> R/D      Refer to Drawer  CD        Compact Disc  Stats SA   Statistics South Africa  TBVC     Transkei, Bophuthatswana, Venda, Ciskei.</p>
<b>Technical notes</b>	
<b>Response rates</b>	<p>The response rate for July was 82,6%</p>



# 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>Hearings</b>	Hearings are proceedings in a court where the court listens or hears the submission or presentation in support of their cases where the two parties submitted the evidence in support of their cases.
<b>Instalment sale transactions</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 kinds of debt</b>	“Other kinds of debt” refers to outstanding 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>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 (RD) cheques</b>	RD 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.
<b>Small claims courts</b>	Small claims courts refer to courts where claims of R3 000 or less are heard. The presiding officer in these courts is called the commissioner. Litigants in the small claims courts do not have to make use of legal representatives.

## For more information

Stats SA publishes approximately 300 different statistical releases each year. It is not economically viable to produce them in more than one of South Africa's eleven official languages. Since the releases are used extensively, not only locally but also by international economic and social-scientific communities, Stats SA releases are published in English only.

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Table 1 - Number of civil cases recorded and summonses issued for debt according to business enterprises and private persons

Item	Business enterprises and private persons				Private persons			
	2001	2001	2002	2002	2001	2001	2002	2002
		Jul.	Jun.	Jul.		Jul.	Jun.	Jul.
Number								
1. Cases recorded								
1.1 Actual figures	1 813 654	150 917	132 847	156 235	1 655 837	136 400	122 970	143 357
1.2 Seasonally adjusted		146 781	129 061	152 492		133 126	119 957	140 456
2. Civil summonses for debt								
2.2 Goods sold								
2.2.1 Open account	248 080	22 242	15 205	19 313	221 283	19 866	13 661	17 394
2.2.2 Instalment sale transactions	45 565	3 308	4 136	4 669	41 154	2 947	3 726	4 214
2.3 Services								
2.3.1 Professional	167 898	14 464	12 484	13 791	160 340	13 685	11 976	13 196
2.3.2 Other	322 400	30 022	22 542	22 274	301 137	27 911	20 894	20 570
2.4 Rent	82 665	6 178	5 645	7 708	66 000	4 756	4 518	6 276
2.5 Money lent	351 681	30 104	29 964	39 523	335 566	28 748	29 202	37 352
2.6 Promissory notes, bills, R/D cheques, credit cards and other acknowledgements of debt	111 152	9 454	10 280	11 979	95 936	7 829	9 516	11 091
2.7 Other	234 135	22 623	20 691	22 442	209 683	20 668	18 297	20 148
2.7 Total								
2.7.1 Actual figures	1 563 576	138 395	120 947	141 700	1 431 098	126 407	111 790	130 241
2.7.2 Seasonally adjusted		130 768	115 320	133 862		119 742	106 815	123 337

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

Year or month	Cape Peninsula	Port Elizabeth	East-London	Kimberley	Pieter-maritzburg	Durban	Johannesburg	East Rand	West Rand	Pretoria	Vereeniging and Vanderbijlpark	Bloemfontein
2000	216 481	116 963	36 979	17 474	35 897	115 562	113 989	94 347	44 280	134 031	44 545	33 581
2001	200 575	126 257	30 998	19 520	42 098	109 605	116 694	85 965	43 278	186 626	38 956	48 186
2001 - J	12 891	9 509	1 938	1 442	3 771	6 484	7 216	7 507	3 341	11 824	3 766	6 619
F	16 231	8 948	6 556	1 035	3 877	10 829	10 785	8 718	3 704	14 951	2 813	6 619
M	23 003	10 380	3 444	1 791	3 911	10 800	12 462	8 077	3 379	16 437	2 727	1 722
A	19 119	13 057	1 708	1 842	3 300	9 504	11 320	6 134	3 220	13 222	2 261	2 636
M	21 742	12 519	3 606	1 370	4 370	9 582	11 733	8 159	4 194	19 208	2 754	2 672
J	18 385	10 095	2 367	2 028	4 646	9 000	10 826	8 252	4 067	15 049	2 277	920
J	16 644	12 649	2 139	1 657	3 721	7 614	9 282	7 352	3 405	13 749	5 577	2 763
A	16 885	10 208	1 903	1 297	3 946	9 396	10 649	6 203	3 542	11 214	6 587	4 352
S	13 065	10 443	1 775	1 957	2 410	7 270	8 720	5 032	3 550	9 986	2 337	2 596
O	15 149	12 793	2 182	1 722	3 082	10 130	8 720	7 559	3 270	15 285	2 922	2 709
N	15 508	11 184	2 225	1 722	3 315	11 873	8 720	7 007	5 306	27 118	2 894	6 617
D	11 953	4 472	1 155	1 657	1 749	7 123	6 261	5 965	2 300	18 583	2 041	7 961
2002 - J	12 399	9 395	1 684	1 657	2 947	6 618	10 413	5 931	3 111	13 571	1 503	2 627
F	12 156	10 065	1 899	769	3 301	13 463	10 413	6 028	3 003	12 691	1 858	2 939
M	15 356	9 855	2 118	3 325	3 393	9 628	11 519	5 847	3 371	12 756	1 751	3 640
A	20 988	9 796	3 344	3 325	3 624	13 563	16 691	5 208	3 013	14 853	3 492	3 726
M	20 483	9 796	2 664	943	4 174	12 811	14 247	5 682	3 144	13 848	3 142	3 751
J	16 127	6 109	2 386	943	3 340	10 140	10 951	6 295	3 116	12 321	2 187	3 947
J	18 106	6 109	2 747	990	4 818	9 948	13 946	6 850	4 010	12 357	4 442	4 297

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

Item	Business enterprises and private persons				Private persons			
	2001	2001	2002	2002	2001	2001	2002	2002
		Jul.	Jun.	Jul.		Jul.	Jun.	Jul.
Number								
1. Judgements								
1.1 Goods sold								
1.1.1 Open account	133 233	13 152	8 923	11 755	122 089	12 289	8 289	10 737
1.1.2 Instalment sale transactions	19 342	1 952	1 453	1 423	17 157	1 812	1 320	1 258
1.2 Services								
1.2.1 Professional	102 587	9 565	6 518	8 209	98 859	9 298	6 279	7 967
1.2.2 Other	159 631	15 189	11 202	13 854	151 104	14 640	10 537	13 213
1.3 Rent	46 551	4 767	2 873	3 338	38 495	4 143	2 514	2 612
1.4 Money lent	310 569	28 197	26 794	33 745	303 382	27 729	22 259	32 829
1.5 Promissory notes, bills, R/D cheques, credit cards and other acknowledgements of debt	85 482	10 778	6 487	8 489	79 025	9 886	6 059	7 486
1.6 Other	152 749	15 134	7 941	10 927	142 434	14 390	7 308	10 148
1.7 Total								
1.7.1 Actual figures	1 010 144	98 734	72 191	91 738	952 545	94 188	64 565	86 250
1.7.2 Seasonally adjusted		87 102	70 997	80 368		83 335	62 814	75 913

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

Item	Business enterprises and private persons				Private persons			
	2001	2001	2002	2002	2001	2001	2002	2002
		Jul.	Jun.	Jul.		Jul.	Jun.	Jul.
	R1 000							
1. Judgements								
1.1 Goods sold								
1.1.1 Open account	1 025 789	90 480	41 847	56 200	848 081	75 192	30 647	43 562
1.1.2 Instalment sale transactions	353 756	42 668	57 253	23 007	286 119	38 383	53 640	18 656
1.2 Services								
1.2.1 Professional	218 869	22 747	12 972	18 869	200 675	20 331	12 516	17 608
1.2.2 Other	770 697	75 231	41 756	51 292	693 405	68 839	31 265	45 443
1.3 Rent	346 812	37 391	18 515	32 437	247 981	25 109	13 964	23 405
1.4 Money lent	2 954 066	284 676	177 523	243 951	2 742 300	267 195	166 170	232 584
1.5 Promissory notes, bills, R/D cheques, credit cards and other acknowledgements of debt	761 520	58 649	33 806	42 914	625 223	48 211	26 572	36 004
1.6 Other	2 729 738	203 927	191 876	182 359	2 080 050	173 821	63 610	106 270
1.7 Total	9 161 247	815 769	575 548	651 029	7 723 837	717 081	398 384	523 531
Seasonally adjusted		777 946	576 863	620 668		691 813	397 618	502 972