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Key findings as at the end of October 2006

The number of civil summonses issued for debt increases

The total number of civil summonses issued for debt for the first ten months of 2006 increased by 7,9% compared with the first ten months of 2005. This is the highest increase ever reported since 2002 for the first ten months in each year.

The total number of civil summonses issued for debt for the three months ended October 2006 increased by 8,6% compared with the three months ended October 2005.

In contrast, the total number of civil summonses issued for debt for the three months ended October 2005 reflected a 0,3% decrease compared with the three months ended October 2004.

The major contributors to the increase of 8,6% in civil summonses issued for debt for the three months ended October 2006 compared with the three months ended October 2005, was money lent (+13,7 percentage points) and other debts (+2,6 percentage points). There was, however, a decrease of 2,0 percentage points with regard to civil summonses of professional services (see Table 6 column 2 page 9).

The total number of civil summonses issued for debt for October 2006 increased by 14,6% compared with October 2005.

The number of civil judgements recorded for debt decreases

The total number of civil judgements recorded for debt for the three months ended October 2006 decreased by 7,5% compared with the three months ended October 2005.

In contrast, the total number of civil judgements recorded for debt for the three months ended October 2005 increased by 10,0% compared with the three months ended October 2004.

The major contributors to the decrease of 7,5% in the number of civil judgements recorded for debt for the three months ended October 2006 compared with the three months ended October 2005, were civil judgements in respect of "other" services (-3,1 percentage points), money lent (-2,6 percentage points) and other debts (-1,8 percentage points). However, this decrease was partially counteracted by an increase in goods sold on an open account (+2,4 of a percentage point) (see Table 6 column 3 page 9).

The total number of civil judgements recorded for debt for October 2006 decreased by 2,8% compared with October 2005.

The value of civil judgements recorded for debt decreases

The total value of civil judgements recorded for debt for the three months ended October 2006 decreased by 12,7% compared with the three months ended 2005.

In contrast, the total value of civil judgements recorded for debt for the three months ended October 2005 increased by 6,8% compared with the three months ended October 2004.

The major contributors to the decrease of 12,7% in the value of civil judgements recorded for the three months ended October 2006 compared with the three months ended October 2005, were civil judgements recorded in respect of money lent (-3,7 percentage points), promissory notes and others (-3,6 percentage points) and other debts (-3,6 percentage points). However, this decrease was partially counteracted by an increase in judgements recorded for professional services (+0,7 of a percentage point) (see Table 6 column 4 page 9).

The total value of civil judgements recorded for debt for October 2006 decreased by 15,4% compared with October 2005.

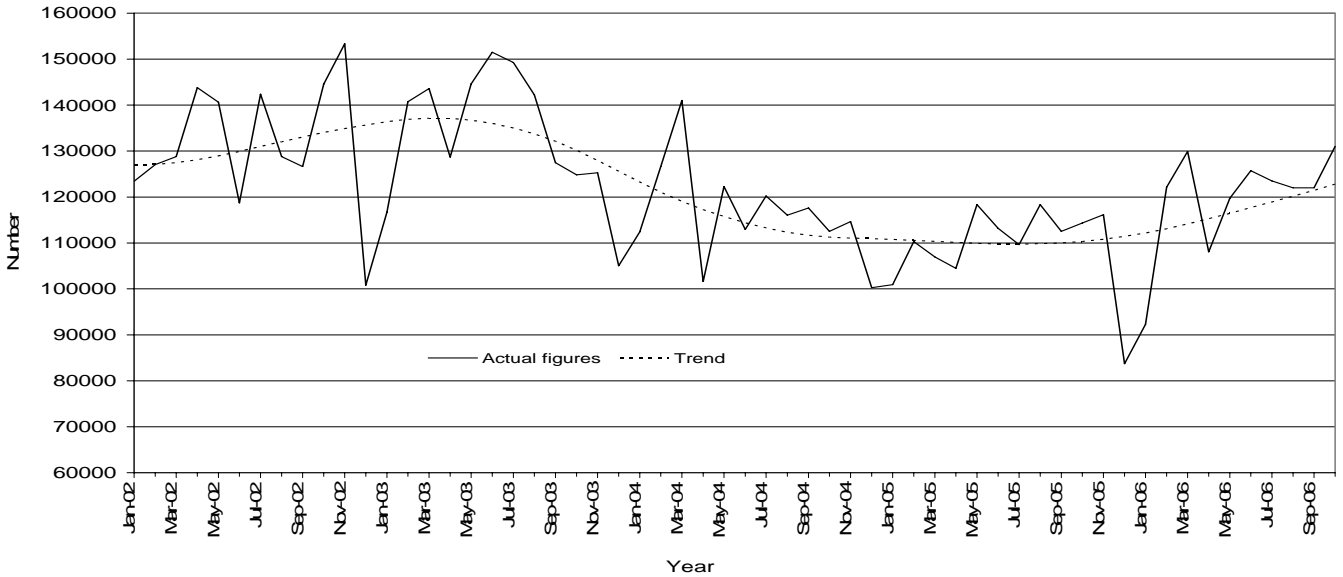
During October 2006, 79 870 civil judgements for debt, amounting to R583,5 million, were recorded. The largest contributors to the R583,5 million were civil judgements relating to money lent (R185,1 million or 31,7%) and other debts (R157,9 million or 27,1 %) (see Table 4 page 8).

Key figures for the month of October 2006

	October 2006	% change between October 2005 and October 2006	% change between August 2005 to October 2005 and August 2006 to October 2006
Actual estimates			
Number of civil summonses issued for debt	131 007	14,6	8,6
Number of civil judgements recorded for debt	79 870	-2,8	-7,5
Value of civil judgements recorded for debt (R million)	583,5	-15,4	-12,7

Figures 1 and 2 outline the number of civil summonses issued and civil judgements recorded for debt from January 2002 to October 2006 respectively. In figure 1 since March 2002 the trend estimates for the total number of civil summonses issued for debt showed an increasing trend until April 2003. The trend started decreasing from May 2003 until September 2004 but levelled off until October 2005. The trend has been rising since November 2005.

Figure 1 - Civil summonses issued for debt



In figure 2 since May 2002 the trend estimates for civil judgements recorded for debt showed an increasing trend until May 2003. The trend has decreased since June 2003 until October 2004 but since November 2004 it has increased slightly until September 2005 and has been decreasing until May 2006. Since June 2006 the trend started to level off until present.

Figure 2 - Civil judgements recorded for debt

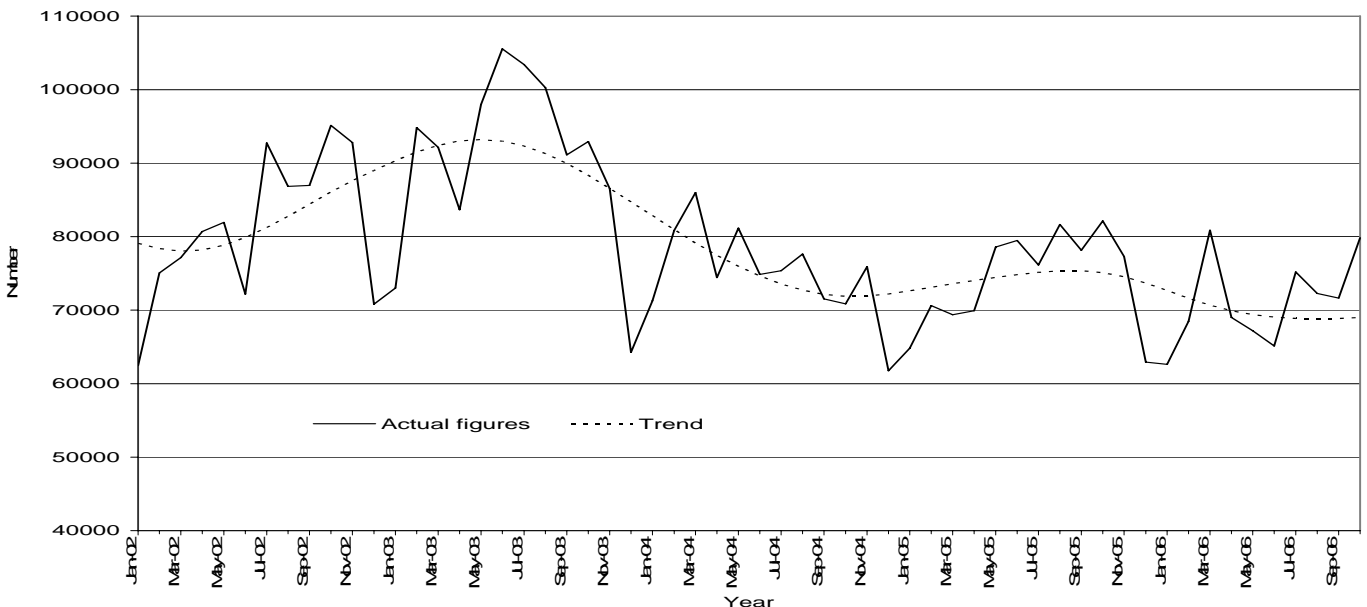


Table 1 - Number of civil cases recorded and summonses issued for debt according to business enterprises and private persons

Item	Business enterprises and private persons				Private persons			
	2005	2005	2006	2006	2005	2005	2006	2006
		Oct.	*Sept.	1/ Oct.		Oct.	*Sept.	1/ Oct.
1. Cases recorded								
1.1 Actual figures	1 514 116	131 657	137 699	146 724	1 373 027	118 670	123 197	133 120
1.2 Seasonally adjusted		127 073	134 443	142 376		114 068	120 734	128 584
2. Civil summonses for debt								
2.1 Goods sold								
2.1.1 Open account	159 679	15 427	12 313	12 404	138 886	13 357	10 679	10 311
2.1.2 Instalment sale transactions	51 566	4 328	2 373	2 973	46 903	3 827	2 088	2 540
2.2 Services								
2.2.1 Professional	152 858	12 247	11 594	11 022	133 286	9 901	9 411	9 456
2.2.2 Other	229 019	19 619	15 975	19 301	208 046	17 698	13 963	16 916
2.3 Rent	49 151	5 090	4 774	4 742	39 785	3 837	3 985	3 941
2.3.1 Money lent	296 341	25 137	39 389	44 966	277 400	23 976	37 568	43 224
2.3.2 Promissory notes, bills, R/D cheques, credit cards and other acknowledgements of debt	128 403	10 349	11 145	12 511	118 238	9 460	10 206	11 607
2.6 Other debts	241 952	22 122	24 445	23 088	215 513	19 593	20 611	19 931
2.7 Total								
2.7.1 Actual figures	1 308 969	114 319	122 008	131 007	1 178 057	101 649	108 511	117 926
2.7.2 Seasonally adjusted		111 510	120 020	127 842		98 618	106 965	114 409

1/ Preliminary

* Revised

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

Year or month	Cape Peninsula	Port Elizabeth	East-London	Kimberley	Pieter-maritzburg	Durban	Johannes-burg	East Rand	West Rand	Pretoria	Vereenig-ing and Vander-bijlpark	Bloem-fontein
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
2005	165 535	69 776	38 487	9 248	20 091	77 468	156 641	58 486	58 984	138 300	27 437	59 361
2005 - J	11 896	6 551	2 247	545	1 578	10 239	14 059	3 943	4 003	9 006	2 093	4 441
F	14 772	6 551	3 172	895	1 781	9 815	11 918	5 120	5 274	12 240	2 592	4 182
M	11 976	5 099	2 889	632	1 439	5 740	13 198	4 899	4 666	10 904	2 980	4 604
A	13 600	4 474	2 504	801	1 526	3 230	13 299	5 143	3 967	14 042	2 991	4 808
M	12 386	7 915	3 151	997	2 268	5 435	14 706	6 654	5 028	12 756	1 832	4 884
J	15 193	6 117	3 350	721	1 636	4 921	12 201	4 335	5 686	12 114	1 794	5 073
J	13 402	4 474	3 240	873	1 894	4 921	12 726	4 973	5 567	11 494	2 127	5 083
A	18 630	5 573	2 941	861	2 220	7 311	14 095	4 914	5 759	11 839	3 311	5 249
S	15 391	5 612	3 517	911	1 539	7 311	13 090	5 117	4 851	12 216	1 112	5 371
O	14 575	7 432	3 951	871	1 433	6 397	13 889	4 751	4 479	11 456	1 901	5 291
N	16 106	6 489	4 009	740	1 410	6 397	11 730	5 502	5 731	12 428	2 469	5 214
D	7 608	3 489	3 516	401	1 367	5 751	11 730	3 135	3 973	7 805	2 235	5 161
2006 - J	10 205	5 091	4 446	209	1 171	5 751	6 505	4 097	4 441	10 867	2 437	5 120
F	11 387	7 860	5 785	756	1 751	5 751	13 143	4 652	7 231	12 266	2 492	5 117
M	14 010	8 082	6 013	732	1 742	6 285	14 398	5 761	6 259	14 272	2 994	4 789
A	11 657	5 239	4 285	311	1 290	6 364	12 046	5 658	4 454	8 127	3 028	5 191
M	13 981	5 393	2 620	741	1 893	4 925	15 758	5 585	5 489	11 299	3 200	5 253
J	13 359	6 628	5 688	555	1 254	4 999	16 849	5 418	4 411	10 018	5 307	5 244
J	12 981	5 770	5 218	442	1 348	5 867	16 060	6 478	5 190	10 318	3 847	5 449
A	11 196	3 824	4 814	480	1 348	5 796	15 146	6 702	5 147	8 550	2 712	5 513
S	12 137	5 315	2 350	507	1 140	5 291	18 632	5 593	5 057	13 258	1 869	5 368
1/ O	13 397	6 537	2 616	532	1 577	5 291	19 761	6 699	5 199	14 758	5 142	5 174

1/Preliminary

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			
	2005	2005	2006	2006	2005	2005	2006	2006
		Oct.	*Sept.	1/ Oct.		Oct.	*Sept.	1/ Oct.
1. Judgements								
1.1 Goods sold								
1.1.1 Open account	114 109	9 274	8 727	14 654	104 472	8 244	7 656	13 914
1.1.2 Instalment sale transactions	16 620	1 730	910	966	14 927	1 508	759	789
1.2 Services								
1.2.1 Professional	83 017	6 509	5 740	6 762	77 613	5 766	4 719	6 007
1.2.2 Other	122 987	10 113	8 066	7 993	115 538	9 502	7 393	7 500
1.3 Rent	29 088	3 420	1 921	2 128	22 870	2 563	1 552	1 719
1.4 Money lent	309 063	30 455	27 879	30 126	304 434	29 954	27 053	29 754
1.5 Promissory notes, bills, R/D cheques, credit cards and other acknowledgements of debt	82 229	8 661	7 799	6 178	77 741	8 223	7 504	5 769
1.6 Other debts	134 032	11 986	10 612	11 063	121 147	11 141	9 627	9 944
1.7 Total								
1.7.1 Actual figures	891 145	82 148	71 654	79 870	838 742	76 901	66 263	75 396
1.7.2 Seasonally adjusted		75 908	70 588	73 807		70 391	65 283	68 891

1/ Preliminary

* Revised

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			
	2005	2005	2006	2006	2005	2005	2006	2006
		Oct.	*Sept.	1/ Oct.		Oct.	*Sept.	1/ Oct.
1. Judgements								
1.1 Goods sold								
1.1.1 Open account	661 352	50 949	51 103	65 694	540 967	36 986	38 699	55 067
1.1.2 Instalment sale transactions	273 731	31 623	18 345	22 006	227 774	24 122	12 590	17 110
1.2 Services								
1.2.1 Professional	258 691	40 471	18 480	34 826	219 341	34 221	14 008	31 104
1.2.2 Other	601 147	64 768	43 084	42 599	507 366	55 010	32 951	34 175
1.3 Rent	217 608	25 633	15 226	21 503	155 938	20 556	10 932	14 844
1.4 Money lent	2 152 458	209 135	194 649	185 108	2 028 303	193 502	186 233	164 112
1.5 Promissory notes, bills, R/D cheques, credit cards and other acknowledgements of debt	822 425	95 229	69 706	53 893	729 677	80 921	62 760	46 409
1.6 Other debts	1 663 448	171 763	139 117	157 890	1 281 651	123 389	96 668	128 591
1.7 Total								
1.7.1 Actual figures	6 650 860	689 571	549 710	583 519	5 691 017	568 707	454 841	491 412
1.7.2 Seasonally adjusted		592 345	508 504	498 611		502 207	419 147	432 634

1/ Preliminary

* Revised

Table 5 - Percentage change in the total number and value of debts recorded between the current quarter and the corresponding quarter of the previous year.

	Actual estimates August 2005 to October 2005	Actual estimates August 2006 to October 2006	% change between August 2005 to October 2005 and August 2006 to October 2006	Difference between August 2005 to October 2005 and August 2006 to October 2006
Number of summonses for debt	345 215	375 020	8,6%	29 805
Number of judgements for debt	241 961	223 801	-7,5%	-18 160
Value of judgements for debt (R million)	1 912,5	1 670,5	-12,7%	-242,0

Table 6 – Contribution of the different kinds of debts to the total number and value of debts recorded for the current quarter and the corresponding quarter of the previous year.

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	-1,4	2,4	-0,5
Instalment sale transactions	-1,9	-0,9	-0,6
Professional services	-2,0	-0,7	0,7
Other services	-1,9	-3,1	-1,5
Rent	-0,1	-0,5	0,1
Money lent	13,7	-2,6	-3,7
Promissory notes, bills, R/D cheques, credit cards and other acknowledgement of debt	-0,4	-0,3	-3,6
Other debts	2,6	-1,8	-3,6
Total	8,6	-7,5	-12,7

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 August 2005 to October 2005, divided by 100.

Table 7 - Percentage change in the total number and value of debts recorded between the current month and the corresponding month of the previous year.

	Actual estimates October 2005	Actual estimates October 2006	% change between October 2005 and October 2006	Difference between October 2005 and October 2006
Number of summonses for debt	114 319	131 007	14,6%	16 688
Number of judgements for debt	82 149	79 870	-2,8%	-2 279
Value of judgements for debt (R million)	689,6	583,5	-15,4%	-106,1

Explanatory notes

Introduction	<p>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.</p> <p>2 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.</p>
Purpose of the survey	<p>3 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.</p>
Scope of the survey	<p>4 This survey covers -</p> <ul style="list-style-type: none"> • 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	<p>5 The statistical unit for collection of information is a magistrates' office. Magistrates' offices include the small claims courts.</p> <p>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 151 magistrates' offices is drawn using only the number of civil cases recorded as the measure of size.</p>
Survey methodology and design	<p>6 The survey is conducted by mail each month from approximately 151 magistrates' offices.</p>
Response rate	<p>7 The response rate for the civil cases for debt for September 2006 was 90,7%.</p>
Trend cycle	<p>8 Smoothed seasonally adjusted and trend estimates are generated using the X-11 Seasonal Adjustment Programme.</p>
Publications	<p>9 Users may also wish to refer to the following publications:</p> <ul style="list-style-type: none"> • <i>Bulletin of Statistics</i> issued quarterly. • <i>SA Statistics</i> issued annually.
Unpublished statistics	<p>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.</p>
Symbols and abbreviations	<p>11 R/D Refer to Drawer CD Compact Disc Stats SA Statistics South Africa TBVC Transkei, Bophuthatswana, Venda, Ciskei. * Revised figures</p>

Glossary

Acknowledgement of debt	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.
Bills	Bills are statements of charges for services rendered or for amounts owed.
Civil judgements	Civil judgements are decisions taken in a civil matter or a dispute between two people or parties.
Civil summonses	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.
Consent judgements	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.
Default judgements	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.
Instalment sale transaction	Instalment sale transaction 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.
Litigants	Litigants are people who take part in court proceedings, usually against each other, like a debtor and a creditor.
Litigants referred	Litigants referred relates to a case where the parties have been referred to another instance/court.
Open account transaction	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.
Other services	“Other services” refers to municipal services (except outstanding assessment rates), plumbers, builders, mechanics, panel-beaters and electricians.
Other debts	“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.
Plaintiff	Plaintiff is a person/party in a civil case who asks the court for judgement against another person.
Professional services	Professional services refer to medical doctors/dentists, advocates/attorneys, auditors/accountants, architects, engineers and hospital services.
Promissory note	Promissory note is a written note, 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.
Reference month	Reference month refers to one calendar month.
Refer to drawer (R/D) cheques	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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