



Survey of employment and earnings December 2004

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Summary

Key estimates for the quarters ended September 2004 and December 2004

Estimates	Quarter ended June 2004	Quarter ended September 2004	Percentage change between the quarters ended June 2004 and September 2004	Quarter ended December 2004	Percentage change between the quarters ended September 2004 and December 2004
Number of employees (000)	6 492	6 600*	1,7	6 685	1,3
Gross earnings (R'000)	135 000 000	138 910 000*	2,9	154 267 000	11,1

*Revised figures (see Explanatory notes: paragraph 8).

Estimates of number of employees within 95% confidence limits for September 2004 and December 2004

Quarter	Lower limit	Estimate	Upper limit	RSE
September 2004*	6 359 826	6 599 850	6 839 873	1,9
December 2004	6 441 269	6 683 793	6 926 315	1,9

* Revised figures (see Explanatory notes: paragraph 8).

Key findings for the quarters ended September 2004 and December 2004

Employment in the formal non-agricultural business sector increased between the quarters ended September 2004 and December 2004.

According to the December 2004 Survey of Employment and Earnings (SEE) the number of persons employed in the formal non-agricultural business sector of the South African economy increased by about 85 000 persons or 1,3% from September 2004 (an estimated revised 6 600 000 employees) to December 2004 (an estimated 6 685 000 employees).

Gross earnings paid to employees during the quarter ended December 2004 (October 2004 to December 2004) amounted to R154 267 million. This represents a quarterly increase of R15 357 million or 11,1% compared with the quarter ended September 2004 (July 2004 to September 2004).

Key figures for the quarters ended September 2003, September 2004, December 2003 and December 2004

Estimates	Quarter ended September 2003	Quarter ended September 2004	Percentage change between September 2003 and the quarter ended September 2004	Quarter ended December 2003	Quarter ended December 2004	Percentage change between December 2003 and the quarter ended December 2004
Number of employees ('000)	6 370	6 600*	3,6	6 425	6 685	4,0
Gross earnings (R'000)	125 114 000	138 910 000*	11,0	134 275 000	154 267 000	14,9

* Revised figures (see Explanatory notes: paragraph 8).

Estimates of gross earnings within 95% confidence limits for September 2004 and December 2004

Quarter	Lower limit	Estimate	Upper limit	RSE
September 2004 (R '000)*	134 641 256	138 911 311	143 181 365	1,6
December 2004 (R '000)	149 803 775	154 268 891	158 734 007	1,5

* Revised figures (see Explanatory notes: paragraph 8).

Key findings for the quarters ended December 2003 and December 2004

Employment in the formal non-agricultural business sector increased between the quarters ended December 2003 and December 2004.

According to the December 2004 Survey of Employment and Earnings (SEE), 6 685 000 persons were employed in the formal non-agricultural business sector compared to 6 425 000 persons employed in December 2003. This reflects an annual increase of 260 000 persons or 4,0%.

The gross earnings paid to employees during the quarter ended December 2004 (October 2004 to December 2004) amounted to R154 267 million. This reflects an annual increase of R19 992 million or 14,9% compared with December 2003 (October 2003 to December 2003).

Revisions for the quarter ended September 2004

The September 2004 preliminary estimates for the community, social and personal services was overestimated by about 50 000 employees. This was due to a capturing error that was detected after publication in December 2004. This error has been corrected.

The impact of the error on the final estimates for September 2004 was counteracted by revisions in other industries. (see Explanatory notes paragraph 8).

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 Statistician-General

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Forthcoming issues

Issue

Expected release date

March 2005

28 June 2005

Purpose of the survey

The Survey of Employment and Earnings is a quarterly survey covering a sample of 10 183 private and public enterprises (**with a VAT turnover of R300 000 or more per annum**) in the formal non-agricultural business sector of the South African economy. The information received is used to estimate key economic statistics on employment and gross earnings, and is used as an input to the Gross Domestic Product (GDP).

Previous releases

Stats SA previously published the following publications:

- *Survey of Employment and Earnings for June 2004 (P0275).*
- *Survey of Employment and Earnings for September 2004 (P0275).*

Response rates

The percentage response for June 2004 was 81,6%.

The percentage response for September 2004 was 80,0%.

The percentage response for December 2004 was 79,8%.

Table 1: Total (all formal non-agricultural industries)

1.1. Number of employees

Year and quarter		Total number of employees	Change in number of employees between the current and previous quarters	Percentage change in number of employees between the current and previous quarters	Change in number of employees between the current quarter and the corresponding quarter of the previous year	Percentage change in number of employees between the current quarter and the corresponding quarter of the previous year
2002	Dec	6 517 000	8 000	0,1	-	-
2003	Mar	6 497 000	-20 000	-0,3	-	-
	Jun	6 336 000	-161 000	-2,5	-	-
	Sep	6 370 000	34 000	0,5	-139 000	-2,1
	Dec	6 425 000	55 000	0,9	-92 000	-1,4
2004	Mar	6 448 000	23 000	0,4	-49 000	-0,8
	Jun	6 492 000	44 000	0,7	156 000	2,5
	Sep*	6 600 000	108 000	1,7	230 000	3,6
	Dec	6 685 000	85 000	1,3	260 000	4,0

* Revised figures (see Explanatory notes: paragraph 8).

1.2. Gross earnings (R'000)

Year and quarter		Total gross earnings	Change in gross earnings between the current and previous quarters	Percentage change in gross earnings between the current and previous quarters	Change in gross earnings between the current quarter and the corresponding quarter of the previous year	Percentage change in gross earnings between the current quarter and the corresponding quarter of the previous year
2002	Dec	123 895 000	5 655 000	4,8	-	-
2003	Mar	120 729 000	-3 166 000	-2,6	-	-
	Jun	122 074 000	1 345 000	1,1	-	-
	Sep	125 114 000	3 040 000	2,5	6 874 000	5,8
	Dec	134 275 000	9 161 000	7,3	10 380 000	8,4
2004	Mar	131 019 000	-3 256 000	-2,4	10 290 000	8,5
	Jun	135 000 000	3 981 000	3,0	12 926 000	10,6
	Sep*	138 910 000	3 910 000	2,9	13 796 000	11,0
	Dec	154 267 000	15 357 000	11,1	19 992 000	14,9

* Revised figures (see Explanatory notes: paragraph 8).

Table 2: Mining and quarrying industry

Data obtained from Department of Minerals and Energy (DME). See explanatory notes: paragraph 5.

2.1. Number of employees

Year and quarter		Total number of employees	Change in number of employees between the current and previous quarters	Percentage change in number of employees between the current and previous quarters	Change in number of employees between the current quarter and the corresponding quarter of the previous year	Percentage change in number of employees between the current quarter and the corresponding quarter of the previous year
2002	Dec	418 000	- 1 000	-0,2	-	-
2003	Mar	417 000	- 1 000	-0,2	-	-
	Jun	420 000	3 000	30,7	-	-
	Sep	428 000	8 000	1,9	9 000	2,1
	Dec	436 000	8 000	1,9	18 000	4,3
2004	Mar	453 000	17 000	3,9	36 000	8,6
	Jun	457 000	4 000	0,9	37 000	8,8
	Sep*	458 000	1 000	0,2	30 000	7,0
	Dec	459 000	1 000	0,2	23 000	5,3

* Revised figures (see Explanatory notes: paragraph 8).

2.2. Gross earnings (R'000)

Year and quarter		Total gross earnings	Change in gross earnings between the current and previous quarters	Percentage change in gross earnings between the current and previous quarters	Change in gross earnings between the current quarter and the corresponding quarter of the previous year	Percentage change in gross earnings between the current quarter and the corresponding quarter of the previous year
2002	Dec	7 025 000	259 000	3,8	-	-
2003	Mar	7 173 000	148 000	2,1	-	-
	Jun	7 422 000	249 000	3,5	-	-
	Sep	7 858 000	436 000	5,9	1 092 000	16,1
	Dec	8 178 000	320 000	4,1	1 153 000	16,4
2004	Mar	8 516 000	338 000	4,1	1 343 000	18,7
	Jun	8 378 000	- 138 000	-1,6	956 000	12,9
	Sep*	8 622 000	244 000	2,9	764 000	9,7
	Dec	8 931 000	309 000	3,6	753 000	9,2

* Revised figures (see Explanatory notes: paragraph 8).

Table 3: Manufacturing industry

3.1. Number of employees

Year and quarter		Total number of employees	Change in number of employees between the current and previous quarters	Percentage change in number of employees between the current and previous quarters	Change in number of employees between the current quarter and the corresponding quarter of the previous year	Percentage change in number of employees between the current quarter and the corresponding quarter of the previous year
2002	Dec	1 253 000	3 000	0,2	-	-
2003	Mar	1 249 000	- 4 000	-0,3	-	-
	Jun	1 237 000	- 12 000	-1,0	-	-
	Sep	1 247 000	10 000	0,8	- 3 000	-0,2
	Dec	1 255 000	8 000	0,6	2 000	0,2
2004	Mar	1 265 000	10 000	0,8	16 000	1,3
	Jun	1 265 000	0	0,0	28 000	2,3
	Sep*	1 282 000	17 000	1,3	35 000	2,8
	Dec	1 280 000	-2 000	-0,2	25 000	2,0

* Revised figures (see Explanatory notes: paragraph 8).

3.2. Gross earnings (R'000)

Year and quarter		Total gross earnings	Change in gross earnings between the current and previous quarters	Percentage change in gross earnings between the current and previous quarters	Change in gross earnings between the current quarter and the corresponding quarter of the previous year	Percentage change in gross earnings between the current quarter and the corresponding quarter of the previous year
2002	Dec	22 089 000	1 743 000	8,6	-	-
2003	Mar	20 357 000	-1 732 000	-7,8	-	-
	Jun	20 916 000	559 000	2,7	-	-
	Sep	22 032 000	1 116 000	5,3	1 686 000	8,3
	Dec	24 641 000	2 609 000	11,8	2 552 000	11,6
2004	Mar	22 635 000	-2 006 000	-8,1	2 278 000	11,2
	Jun	23 372 000	737 000	3,3	2 456 000	11,7
	Sep*	24 537 000	1 165 000	5,0	2 505 000	11,4
	Dec	28 129 000	3 592 000	14,6	3 488 000	14,2

* Revised figures (see Explanatory notes: paragraph 8).

Table 4: Electricity, gas and water supply industry

4.1. Number of employees

Year and quarter		Total number of employees	Change in number of employees between the current and previous quarters	Percentage change in number of employees between the current and previous quarters	Change in number of employees between the current quarter and the corresponding quarter of the previous year	Percentage change in number of employees between the current quarter and the corresponding quarter of the previous year
2002	Dec	46 000	- 1 000	-2,1	-	-
2003	Mar	46 000	0	0,0	-	-
	Jun	43 000	- 3 000	-6,5	-	-
	Sep	42 000	- 1 000	-2,3	- 5 000	-10,6
	Dec	43 000	1 000	2,4	- 3 000	-6,5
2004	Mar	44 000	1 000	2,3	- 2 000	-4,3
	Jun	44 000	0	0,0	1 000	2,3
	Sep	44 000	0	0,0	2 000	4,8
	Dec	45 000	1 000	2,3	2 000	4,7

4.2. Gross earnings (R'000)

Year and quarter		Total gross earnings	Change in gross earnings between the current and previous quarters	Percentage change in gross earnings between the current and previous quarters	Change in gross earnings between the current quarter and the corresponding quarter of the previous year	Percentage change in gross earnings between the current quarter and the corresponding quarter of the previous year
2002	Dec	1 714 000	279 000	19,4	-	-
2003	Mar	1 537 000	- 177 000	-10,3	-	-
	Jun	1 924 000	387 000	25,2	-	-
	Sep	1 518 000	- 406 000	-21,0	83 000	5,8
	Dec	1 769 000	251 000	16,5	55 000	3,2
2004	Mar	1 659 000	- 110 000	-6,2	122 000	7,9
	Jun	2 333 000	674 000	40,6	409 000	21,3
	Sep*	1 689 000	-644 000	-27,6	171 000	11,3
	Dec	2 058 000	369 000	21,8	289 000	16,3

* Revised figures (see Explanatory notes: paragraph 8).

Table 5: Construction industry

5.1. Number of employees

Year and quarter		Total number of employees	Change in number of employees between the current and previous quarters	Percentage change in number of employees between the current and previous quarters	Change in number of employees between the current quarter and the corresponding quarter of the previous year	Percentage change in number of employees between the current quarter and the corresponding quarter of the previous year
2002	Dec	350 000	0	0,0	-	-
2003	Mar	337 000	- 13 000	-3,7	-	-
	Jun	296 000	- 41 000	-12,2	-	-
	Sep	288 000	- 8 000	-2,7	- 62 000	-17,7
	Dec	288 000	0	0,0	- 62 000	-17,7
2004	Mar	267 000	- 21 000	-7,3	- 70 000	-20,8
	Jun	273 000	6 000	2,2	- 23 000	-7,8
	Sep*	281 000	8 000	2,9	-7 000	-2,4
	Dec	283 000	2 000	0,7	-5 000	-1,7

* Revised figures (see Explanatory notes: paragraph 8).

5.2. Gross earnings (R'000)

Year and quarter		Total gross earnings	Change in gross earnings between the current and previous quarters	Percentage change in gross earnings between the current and previous quarters	Change in gross earnings between the current quarter and the corresponding quarter of the previous year	Percentage change in gross earnings between the current quarter and the corresponding quarter of the previous year
2002	Dec	3 671 000	361 000	10,9	-	-
2003	Mar	3 044 000	- 627 000	-17,1	-	-
	Jun	2 999 000	- 45 000	-1,5	-	-
	Sep	3 026 000	27 000	0,9	- 284 000	-8,6
	Dec	3 421 000	395 000	13,1	- 250 000	-6,8
2004	Mar	2 908 000	- 513 000	-15,0	- 136 000	-4,5
	Jun	3 160 000	252 000	8,7	161 000	5,4
	Sep*	3 309 000	149 000	4,7	283 000	9,4
	Dec	3 851 000	542 000	16,4	430 000	12,6

* Revised figures (see Explanatory notes: paragraph 8).

Table 6: Wholesale and retail trade; repair of motor vehicles, motor cycles and personal and household goods; hotels and restaurants industry

6.1. Number of employees

Year and quarter		Total number of employees	Change in number of employees between the current and previous quarters	Percentage change in number of employees between the current and previous quarters	Change in number of employees between the current quarter and the corresponding quarter of the previous year	Percentage change in number of employees between the current quarter and the corresponding quarter of the previous year
2002	Dec	1 312 000	14 000	1,1	-	-
2003	Mar	1 296 000	- 16 000	-1,2	-	-
	Jun	1 264 000	- 32 000	-2,5	-	-
	Sep	1 275 000	11 000	0,9	- 23 000	-1,8
	Dec	1 285 000	10 000	0,8	- 27 000	-2,1
2004	Mar	1 286 000	1 000	0,1	- 10 000	-0,8
	Jun	1 277 000	-9 000	-0,7	13 000	1,0
	Sep*	1 326 000	49 000	3,8	51 000	4,0
	Dec	1 380 000	54 000	4,1	95 000	7,4

* Revised figures (see Explanatory notes: paragraph 8).

6.2. Gross earnings (R'000)

Year and quarter		Total gross earnings	Change in gross earnings between the current and previous quarters	Percentage change in gross earnings between the current and previous quarters	Change in gross earnings between the current quarter and the corresponding quarter of the previous year	Percentage change in gross earnings between the current quarter and the corresponding quarter of the previous year
2002	Dec	17 101 000	1 151 000	7,2	-	-
2003	Mar	16 920 000	- 181 000	-1,1	-	-
	Jun	16 845 000	- 75 000	-0,4	-	-
	Sep	17 093 000	248 000	1,5	1 143 000	7,2
	Dec	19 281 000	2 188 000	12,8	2 180 000	12,7
2004	Mar	18 218 000	-1 063 000	-5,5	1 298 000	7,7
	Jun	18 404 000	186 000	1,0	1 559 000	9,3
	Sep*	20 087 000	1 683 000	9,1	2 994 000	17,5
	Dec	22 765 000	2 678 000	13,3	3 484 000	18,1

* Revised figures (see Explanatory notes: paragraph 8).

Table 7: Transport, storage and communication industry

7.1. Number of employees

Year and quarter		Total number of employees	Change in number of employees between the current and previous quarters	Percentage change in number of employees between the current and previous quarters	Change in number of employees between the current quarter and the corresponding quarter of the previous year	Percentage change in number of employees between the current quarter and the corresponding quarter of the previous year
2002	Dec	208 000	0	0,0	-	-
2003	Mar	201 000	- 7 000	-3,4	-	-
	Jun	206 000	5 000	2,5	-	-
	Sep	205 000	- 1 000	-0,5	- 3 000	-1,4
	Dec	205 000	0	0,0	- 3 000	-1,4
2004	Mar	204 000	- 1 000	-0,5	3 000	1,5
	Jun	206 000	2 000	1,0	0	0,0
	Sep*	208 000	2 000	1,0	3 000	1,5
	Dec	210 000	2 000	1,0	5 000	2,4

* Revised figures (see Explanatory notes: paragraph 8).

7.2. Gross earnings (R'000)

Year and quarter		Total gross earnings	Change in gross earnings between the current and previous quarters	Percentage change in gross earnings between the current and previous quarters	Change in gross earnings between the current quarter and the corresponding quarter of the previous year	Percentage change in gross earnings between the current quarter and the corresponding quarter of the previous year
2002	Dec	5 135 000	492 000	10,6	-	-
2003	Mar	4 876 000	- 259 000	-5,0	-	-
	Jun	5 225 000	349 000	7,2	-	-
	Sep	4 789 000	- 436 000	-8,3	146 000	3,1
	Dec	5 287 000	498 000	10,4	152 000	3,0
2004	Mar	5 087 000	- 200 000	-3,8	211 000	4,3
	Jun	5 388 000	301 000	5,9	163 000	3,1
	Sep*	5 480 000	92 000	1,7	691 000	14,4
	Dec	5 808 000	328 000	6,0	521 000	9,9

* Revised figures (see Explanatory notes: paragraph 8).

Table 8: Financial intermediation, insurance, real estate and business services industry

8.1. Number of employees

Year and quarter	Total number of employees	Change in number of employees between the current and previous quarters	Percentage change in number of employees between the current and previous quarters	Change in number of employees between the current quarter and the corresponding quarter of the previous year	Percentage change in number of employees between the current quarter and the corresponding quarter of the previous year
2002 Dec	1 203 000	- 27 000	-2,2	-	-
2003 Mar	1 209 000	6 000	0,5	-	-
Jun	1 131 000	- 78 000	-6,5	-	-
Sep	1 124 000	- 7 000	-0,6	- 106 000	-8,6
Dec	1 151 000	27 000	2,4	- 52 000	-4,3
2004 Mar	1 163 000	12 000	1,0	- 46 000	-3,8
Jun	1 172 000	9 000	0,8	41 000	3,6
Sep*	1 183 000	11 000	0,9	59 000	5,2
Dec	1 192 000	9 000	0,8	41 000	3,6

* Revised figures (see Explanatory notes: paragraph 8).

8.2. Gross earnings (R'000)

Year and quarter	Total gross earnings	Change in gross earnings between the current and previous quarters	Percentage change in gross earnings between the current and previous quarters	Change in gross earnings between the current quarter and the corresponding quarter of the previous year	Percentage change in gross earnings between the current quarter and the corresponding quarter of the previous year
2002 Dec	29 191 000	1 657 000	6,0	-	-
2003 Mar	27 374 000	-1 817 000	-6,2	-	-
Jun	28 477 000	1 103 000	4,0	-	-
Sep	29 170 000	693 000	2,4	1 636 000	5,9
Dec	29 571 000	401 000	1,4	380 000	1,3
2004 Mar	30 554 000	983 000	3,3	3 180 000	11,6
Jun	31 639 000	1 085 000	3,6	3 162 000	11,1
Sep*	31 479 000	-160 000	-0,5	2 309 000	7,9
Dec	34 424 000	2 945 000	9,4	4 853 000	16,4

* Revised figures (see Explanatory notes: paragraph 8).

Table 9: Community, social and personal services industry

9.1. Number of employees

Year and quarter		Total number of employees	Change in number of employees between the current and previous quarters	Percentage change in number of employees between the current and previous quarters	Change in number of employees between the current quarter and the corresponding quarter of the previous year	Percentage change in number of employees between the current quarter and the corresponding quarter of the previous year
2002	Dec	1 727 000	19 000	1,1	-	-
2003	Mar	1 742 000	15 000	0,9	-	-
	Jun	1 739 000	- 3 000	-0,2	-	-
	Sep	1 760 000	21 000	1,2	52 000	3,0
	Dec	1 762 000	2 000	0,1	35 000	2,0
2004	Mar	1 765 000	3 000	0,2	23 000	1,3
	Jun	1 798 000	33 000	1,9	59 000	3,4
	Sep*	1 818 000	20 000	1,1	58 000	3,3
	Dec	1 836 000	18 000	1,0	74 000	4,2

* Revised figures (see Explanatory notes: paragraph 8).

9.2. Gross earnings (R'000)

Year and quarter		Total gross earnings	Change in gross earnings between the current and previous quarters	Percentage change in gross earnings between the current and previous quarters	Change in gross earnings between the current quarter and the corresponding quarter of the previous year	Percentage change in gross earnings between the current quarter and the corresponding quarter of the previous year
2002	Dec	37 968 000	- 289 000	-0,8	-	-
2003	Mar	39 449 000	1 481 000	3,9	-	-
	Jun	38 266 000	-1 183 000	-3,0	-	-
	Sep	39 627 000	1 361 000	3,6	1 370 000	3,6
	Dec	42 127 000	2 500 000	6,3	4 159 000	11,0
2004	Mar	41 441 000	- 686 000	-1,6	1 992 000	5,0
	Jun	42 325 000	884 000	2,1	4 059 000	10,6
	Sep*	43 707 000	1 382 000	3,3	4 080 000	10,3
	Dec	48 301 000	4 594 000	10,5	6 174 000	14,7

* Revised figures (see Explanatory notes: paragraph 8).

Annual and quarterly changes in the level of employment at December 2004

The *mining and quarrying industry* reflected an annual increase of 23 000 employees (or +5,3%) at December 2004 compared with December 2003.

The quarterly increase of 1000 employees (or +0,2%) at December 2004 compared with September 2004 was reported in this industry.

Data obtained from Department of Minerals and Energy (DME). **See explanatory notes: paragraph 5.**

The *manufacturing industry* reflected an annual increase of 25 000 employees (or +2,0%) at December 2004 compared with December 2003.

The quarterly decrease of 2 000 employees (or -0,2%) at December 2004 compared with the quarter ended September 2004 reflected by this industry may be due to the retrenchment of seasonal employees in the processing of food division.

The *electricity, gas and water supply industry* reflected an annual increase of 2 000 employees (or +4,7%) at December 2004 compared with December 2003.

The industry reflected a quarterly increase of 1 000 employees (or +2,3%) at December 2004 compared with September 2004.

The *construction industry* reflected an annual decrease of 5 000 employees (or -1,7%) at December 2004 compared with December 2003.

The quarterly increase of 2 000 employees (or +0,7%) at December 2004 compared with September 2004, reported by this industry, may be due to the appointment of more employees in the construction of civil engineering and other building installations sub-industries.

The *wholesale and retail trade; repair of motor vehicles, motor cycles and personal and household goods; hotels and restaurants industry* reflected an annual increase of 95 000 employees (or +7,4%) at December 2004 compared with December 2003.

The quarterly increase of 54 000 employees (or +4,1%) at December 2004 compared with September 2004, reported by this industry, may be due to the appointment of temporary employees in the restaurants, hotels and retail trade sub-industries.

The *transport, communication and storage industry* reflected an annual increase of 5 000 employees (or +2,4%) at December 2004 compared with December 2003.

The quarterly increase of 2 000 employees (or +1,0%) at December 2004 compared with September 2004, reported by this industry, may be due to the appointment of temporary employees in storage and warehousing and other freight transport by road sub-industries.

The *financial intermediation, insurance, real estate and business services industry* reflected an annual increase of 41 000 employees (or +3,6%) at December 2004 compared with December 2003.

The quarterly increase of 9 000 employees (or +0,8%) at December 2004 compared with September 2004, reported by this industry, may be due to the appointment of temporary employees in labour broking activities sub-industries.

The *community social and personal services industry* reflected an annual increase of 74 000 employees (or +4,2%) at December 2004 compared with December 2003.

The quarterly increase of 18 000 employees (or +1,0%) at December 2004 compared with September 2004, reported by this industry, may be due to the appointment of temporary employees in the clinic and related health care services, nursing services, general hospital activities and sporting activities sub-industries.

Gross earnings paid to employees for the quarter ended December 2004

Gross earnings paid to employees in the *mining and quarrying industry* reflected an annual increase of R753 million (or +9,2%) at December 2004 compared with December 2003.

A quarterly increase of R309 million (or +3,6%) at December 2004 compared with September 2004 was reported in this industry.

Data obtained from Department of Minerals and Energy (DME). **See explanatory notes: paragraph 5.**

Gross earnings paid to employees in the *manufacturing industry* reflected an annual increase of R3 488 million (or +14,2%) for the quarter ended December 2004 compared with December 2003.

The quarterly increase of R3 592 million (or +14,6%) at December 2004 compared with the quarter ended September 2004 may be due to annual and performance bonuses, salary increases and commissions paid during the fourth quarter of 2004.

Gross earnings paid to employees in the *electricity, gas and water supply industry* reflected an annual increase of R289 million (or +16,3%) for the quarter ended December 2004 compared with December 2003.

The quarterly increase of R369 million (or +21,8%) at December 2004 compared with the quarter ended September 2004 may be due to performance bonuses that were paid to employees in this industry during November 2004.

Gross earnings paid to employees in the *construction industry* reflected an annual increase of R430 million (or +12,6%) for the quarter ended December 2004 compared with December 2003.

The quarterly increase of R542 million (or +16,4%) at December 2004 compared with the quarter ended September 2004 may be due to annual and performance bonuses and overtime payments paid to employees during the fourth quarter of 2004.

Gross earnings paid to employees in the *wholesale and retail trade; repair of motor vehicles, motor cycles and personal and household goods; hotels and restaurants industry* reflected an annual increase of R3 484 million (or +18,1 %) for the quarter ended December 2004 compared with December 2003.

The quarterly increase of R2 678 million (or +13,3%) at December 2004 compared with the quarter ended September 2004 may be due to annual bonuses and overtime payments paid to employees in this industry during the fourth quarter of 2004.

Gross earnings paid to employees in the *transport, storage and communication industry* reflected an annual increase of R521 million (or +9,9%) for the quarter ended December 2004 compared with December 2003.

The quarterly increase of R328 million (or +6,0%) at December 2004 compared with the quarter ended September 2004 may be due to annual bonuses and overtime payments paid to employees during the last quarter of 2004.

Gross earnings paid to employees in the *financial intermediation, insurance, real estate and business services industry* reflected an annual increase of R4 853 million (or +16,4%) for the quarter ended December 2004 compared with December 2003.

The quarterly increase of R2 945 million (or +9,4%) at December 2004 compared with the quarter ended September 2004 may be due to annual bonuses and overtime payments paid to employees during the December 2004 quarter..

Gross earnings paid to employees in the *community, social and personal services industry* reflected an annual increase of R6 174 million (or +14,7%) at December 2004 compared with December 2003.

The quarterly increase of R4 594 million (or +10,5%) at December 2004 compared with the quarter ended September 2004 may be due to salary increases, annual and performance bonuses paid and overtime payments paid to employees in the fourth quarter of 2004.

Comparability of results with other Stats SA employment data sources

Table A: Comparison between the Survey of Employment and Earnings (SEE) and the Labour Force Survey (LFS): September 2004

Industry	Number of employees: SEE September 2004	Number of employees: LFS September 2004	Difference in number of employees between SEE and LFS	Percentage difference between SEE and LFS %
Mining and quarrying	458 000	404 000	54 000	13,4
Manufacturing	1 282 000	1 486 000	-204 000	-13,7
Electricity, gas and water supply	44 000	98 000	-54 000	-55,1
Construction	281 000	492 000	-211 000	-42,9
Wholesale and retail trade; repair of motor vehicles, motor cycles and personal and household goods; hotels and restaurants	1 326 000	1 648 000	-322 000	-19,5
Transport, storage and communication	208 000	441 000	-233 000	-52,8
Financial intermediation insurance, real estate and business services	1 183 000	1 081 000	102 000	9,4
Community, social and personal services	1 818 000	2 015 000	-197 000	-9,8
Total	6 600 000	7 665 000	-1 065 000	-13,9

Possible reasons for the percentage difference in the level of employment between the Survey of Employment and Earnings (SEE) and the Labour Force Survey (LFS)

At the end of January 2000, Stats SA introduced a Labour Force Survey (LFS), which is a household-based survey. This survey collects information, twice per annum, regarding employed and unemployed persons in the formal and the informal business sectors.

The Survey of Employment and Earnings (SEE) is a quarterly survey covering a sample of private enterprises and public institutions in the formal non-agricultural business sector of the South African economy.

Please refer to (Explanatory notes – paragraph 6: reliability of estimates). Care should be taken when comparing the results of the SEE with the results of the LFS for the reasons given below.

a. Sample size

The SEE covers a sample of 10 183 private enterprises and public institutions in the formal non-agricultural business sector of the South African economy. The LFS covers a sample of approximately 30 000 dwelling units across the country.

b. Sample frame

The sample for SEE is designed and drawn from the new re-engineered Business Sampling Frame (BSF) consisting of businesses registered and paying VAT. Businesses registered but not paying VAT are, at this stage, omitted from the BSF.

The LFS is drawn from the master sample updated through the Population Census and includes all businesses whether registered for VAT or not.

c. Survey scope

The SEE covers all VAT-registered enterprises in all industries of the formal non-agricultural business sector, while the LFS covers individuals who are employed, self-employed and who are unemployed but took initiative to find a job.

d. Survey period

While the SEE is a quarterly survey conducted in March, June, September and December of each year, the LFS is only conducted twice a year, in February and September.

e. Collection method

The SEE questionnaires are collected by mail, telephone follow-ups and faxes. The LFS is collected by personal visits to individual households.

f. Classification

In the SEE sample, the classification of the industrial activity of the enterprise may be incorrect on the BSF, while in the LFS the classification of the activity depends on the respondent's perceived definition of the industry he/she works in.

g. Agriculture, hunting, forestry and fishing industry

No comparison is made between the SEE and the LFS for this industry.

h. Mining and quarrying industry

For the SEE, information regarding this industry is received from the Minerals Bureau, Department of Minerals and Energy. For the LFS, information is received from individual respondents who perceive they are working in the industry.

i. Manufacturing industry

The SEE sample is an enterprise-based sample. If the main activity of the enterprise is manufacturing, then the enterprise is classified under the manufacturing industry. If the main activity is e.g. retail trade, then the enterprise is classified as retail trade, even if the enterprise includes manufacturing establishments (branches). The LFS is a household-based survey. Thus, information is gathered from individuals in households, who may have reported the establishment rather than the enterprise.

j. Wholesale and retail trade; repair of motor vehicles, motor cycles and personal and household goods; hotels and restaurants industry

The SEE sample covers private enterprises and public institutions in the formal non-agricultural business sector, whereas the LFS may also include some non-VAT-registered businesses.

k. Transport, storage and communication industry

The non-VAT-registered taxi industry is not included in the SEE, whereas both VAT-registered and non-VAT-registered industries are included in the LFS.

l. Community, social and personal services industry

The SEE concentrates on VAT-registered community, social and personal services in the formal sector. All community, social and personal services provided by non-governmental organisations, charity and welfare organisations from both sectors are included in the LFS.

Additional information

Technical notes

1) Confidence intervals

The estimated population value will be contained within the interval between the lower and upper 95% confidence limits.

The 95% confidence intervals of a population parameter (gross salaries and wages) is obtained as follows:

Lower limit

= lower 95% confidence limit of a population parameter

= estimate – 1,96*Standard Error (estimate)

and

Upper limit

= upper 95% confidence limit of a population parameter

= estimate + 1,96*Standard Error (estimate)

$$1.1) \text{ Standard Error (SE)} = \frac{\text{upper limit} - \text{lower limit}}{2 \times 1,96}$$

$$1.2) \text{ Relative Standard Error (RSE)} = \frac{\text{SE (estimate)}}{\text{estimate}} \times 100$$

Table B: Estimates of number of employees by industry within 95% confidence limits for June 2004, September 2004 and December 2004

Quarter	June 2004				September 2004				December 2004			
	Lower limit	Estimate	Upper limit	RSE	Lower limit	Estimate	Upper limit	RSE	Lower limit	Estimate	Upper limit	RSE
Mining and quarrying	457 295	457 295	457 295	**	458 485	458 485	458 485	**	459 325	459 325	459 325	**
Manufacturing	1 205 332	1 265 359	1 325 385	2,4	1 218 838	1 281 869	1 344 900	2,5	1 216 045	1 280 379	1 344 712	2,6
Electricity, gas and water supply	40 595	43 932	47 271	3,9	41 046	44 321	47 595	3,8	41 253	44 557	47 860	3,8
Construction	235 007	272 692	310 377	7,1	240 619	280 735	320 851	7,3	241 522	282 685	323 849	7,4
Wholesale and retail trade; repair of motor vehicles, motor cycles and personal and household goods; hotels and restaurants	1 158 632	1 276 554	1 394 476	4,7	1 179 795	1 325 686	1 471 578	5,6	1 239 776	1 379 454	1 519 133	5,2
Transport, storage and communication	187 750	206 135	224 519	4,6	188 794	207 543	226 291	4,6	191 243	209 945	228 647	4,5
Financial intermediation, insurance, real estate and business services	1 012 012	1 171 798	1 331 583	7,0	1 021 411	1 183 486	1 345 560	7,0	1 014 294	1 191 703	1 369 111	7,6
Community, social and personal services	1 727 244	1 797 849	1 868 454	2,0	1 741 580	1 817 725	1 893 871	2,1	1 765 659	1 835 745	1 905 830	1,9
Total	6 273 055	6 491 613	6 710 171	1,7	6 359 826	6 599 850	6 839 873	1,9	6 441 269	6 683 793	6 926 315	1,9

**Data obtained from the Minerals Bureau, Department of Minerals and Energy (see explanatory notes: paragraph 5)

Table C: Estimates of gross earnings (R'000) by industry within 95% confidence limits for June 2004, September 2004 and December 2004

Quarter	June 2004				September 2004				December 2004			
Industry	Lower limit	Estimate	Upper limit	RSE	Lower limit	Estimate	Upper limit	RSE	Lower limit	Estimate	Upper limit	RSE
Mining and quarrying	8 377 769	8 377 769	8 377 769	**	8 622 439	8 622 439	8 622 439	**	8 931 147	8 931 147	8 931 147	**
Manufacturing	22 406 076	23 371 733	24 337 391	2,1	23 504 954	24 537 345	25 569 735	2,1	26 924 648	28 129 042	29 333 436	2,2
Electricity, gas and water supply	2 282 217	2 333 225	2 384 232	1,1	1 631 089	1 689 205	1 747 321	1,8	1 993 704	2 058 409	2 123 114	1,6
Construction	2 852 185	3 160 486	3 468 788	5,0	2 990 516	3 308 876	3 627 237	4,9	3 478 443	3 851 471	4 224 500	4,9
Wholesale and retail trade; repair of motor vehicles, motor cycles and personal and household goods; hotels and restaurants	15 532 103	18 404 209	21 276 315	8,0	16 609 123	20 087 319	23 565 516	8,8	19 401 174	22 765 455	26 129 736	7,5
Transport, storage and communication	5 088 370	5 388 376	5 688 382	2,8	5 161 640	5 479 923	5 798 206	3,0	5 494 429	5 808 429	6 122 229	2,8
Financial intermediation, insurance, real estate and business services	29 083 307	31 639 018	34 194 728	4,1	29 297 981	31 478 875	33 659 769	3,5	31 722 147	34 424 298	37 126 448	4,0
Community, social and personal services	41 718 372	42 324 920	42 931 468	0,7	43 070 286	43 707 328	44 344 370	0,7	47 687 796	48 300 641	48 913 485	0,6
Total	131 091 525	134 999 736	138 907 947	1,5	134 641 256	138 911 311	143 181 365	1,6	149 803 775	154 268 891	158 734 007	1,5

****Data obtained from the Minerals Bureau, Department of Minerals and Energy (see explanatory notes: paragraph 5)**

Explanatory notes

- Introduction** This publication contains results of the quarterly Survey of Employment and Earnings of enterprises in the formal non-agricultural business sector of the South African economy. The survey is designed to obtain information regarding:
- the number of persons employed in the business as at the end of the reference quarter; gross earnings paid during the reference quarter (excluding severance, termination and redundancy payments).
- Scope of the survey**
1. This survey covers employment statistics of the following industries according to the Standard Industrial Classification of all Economic Activities (SIC), Fifth edition, January 1993:
 - mining and quarrying industry;
 - manufacturing industry;
 - electricity, gas and water supply industry;
 - construction industry;
 - wholesale and retail trade; repair of motor vehicles, motor cycles and personal and household goods; hotels and restaurants industry;
 - transport, storage and communication industry;
 - financial intermediation, insurance, real estate and business services industry; and
 - community, social and personal services industry.
- Classification**
2. The Standard Industrial Classification of all Economic Activities (SIC), Fifth edition, January 1993, was used to classify the statistical units in the survey. The SIC is based on the 1990 International Standard Industrial Classification of all Economic Activities (ISIC), with suitable adaptations for local conditions. Statistics in this publication are only presented at the SIC major division (one digit) level. **Due to the sample size currently being used for this survey, it is not possible to provide accurate information at a more detailed level. However, Stats SA will endeavour to make available estimates of these sub-groups if requested. The user is advised to use such estimates with caution. Each enterprise is classified to the industry which reflects the predominant activity of the enterprise.**
- Statistical unit**
3. The statistical unit for the collection of information is an enterprise. An enterprise is a legal unit or a combination of legal units that includes and directly controls all functions necessary to carry out its production activities.
 4. This survey is collected by mail each quarter from a sample of 10 183 private businesses and public institutions. Information regarding government departments and provincial governments is obtained electronically from PERSAL.
 5. Stats SA receives information regarding the mining and quarrying industry from the Minerals Bureau, Department of Minerals and Energy. The information for the latest quarter is preliminary and will be revised by the Minerals Bureau as soon as they receive more information from the different mines.
- Reliability of estimates**
6. Inaccuracies may occur because of imperfections in reporting by enterprises, and errors made with the collection and processing of the data. Inaccuracies of this kind are referred to as non-sampling errors. Every effort is made to reduce non-sampling errors to a minimum by designing the questionnaire carefully, undertaking pilot studies, editing the data and efficient operating procedures. Fluctuations may occur in consecutive quarters as a result of seasonal and economic factors. **The user's attention is drawn to the fact that the current survey is limited to formal non-agricultural businesses registered for VAT, where the turnover is R300 000 or more per annum.**

- Standard errors** 7. The estimates in this publication are based on a sample drawn from units in the surveyed population. As a result of the entire population not being surveyed, the published estimates are subject to sampling error. The most common way of quantifying such sampling error is to calculate the standard error for the published estimate or statistic.
- Revised figures** 8. The revised figures are due to respondents reporting revision in their figures. Figures for the quarter published in this release are preliminary and may be revised in subsequent publications.
- Related publications** 9. Users may also wish to refer to the following publications which are available from Stats SA:
- Bulletin of Statistics.*
Labour Force Survey.
SA Statistics.
- Pre-release policy** 10. Stats SA’s pre-release policy may be inspected at its website, www.statssa.gov.za.

Abbreviations and symbols

BSF	Business Sampling Frame
GDP	Gross Domestic Product
LFS	Labour Force Survey
RSE	Relative Standard Error
SE	Standard Error
SEE	Survey of Employment and Earnings
SIC	Standard Industrial Classification of all Economic Activities
SNA	System of National Accounts
Stats SA	Statistics South Africa
VAT	Value Added Tax
*	Revised figures

Glossary

Casual employees	Casual employees are employees who fall neither within the 'permanent employee' category nor within that of a 'temporary employees'. Such employees are typically daily or hourly. Employers can dispense with their services at a very short notice, usually not exceeding a period of one week. Casual employees are not entitled to benefits such as paid leave and medical aid contributions paid by employers.
Enterprises	Enterprises are legal units, or a combination of legal units that includes and directly controls all functions necessary to carry out its production activities.
Formal sector	The formal sector includes all businesses that are registered in any way.
Full-time employees	Full-time employees are those permanent, temporary and casual employees who normally work the agreed number of hours in their particular occupation or, if the agreed number of hours does not apply, who normally work 40 hours or more per week. This includes the self-employed at work or with an enterprise but temporarily not at work.
Gross earnings	Gross earnings are payments for ordinary-time, standard or agreed hours during the reference period for all permanent, temporary, casual, managerial and executive employees before taxation and other deductions for the three months. This includes salaries and wages, performance and others bonuses, allowances, commissions, etc., but excludes, e.g., severance, termination and redundancy payments as well as payments to sub-contractors, etc. Gross earnings are the total sum of the earnings for the three months of the reference quarter (e.g. gross earnings of quarter ended September is the sum of total earnings of July, August and September).
Industries	Industries consist of groups of enterprises engaged in the same or similar kind of activity. The definition of industries is based on the System of National Accounts (SNA) and is in line with that in the Standard Industrial Classification of all Economic Activities, Fifth Edition, and Report No. 09-09-02 of January 1993 (SIC).
Informal sector	The informal sector consists of those businesses that are not registered in any way. They are generally small in nature, and are seldom run from business premises. Instead, they are generally run from homes, street pavements and other informal arrangements.
Number of employees	The number of employees is the number of people employed by the business, who received payment (in salaries, wages, commission, piece rates or payments in kind) for any part of the reference quarter (excluding independent contractors). This includes the self-employed at work or with an enterprise but temporarily not at work. Number of employees refers to the number of people employed at the end of the reference quarter (e.g. number of employees as at the quarter ended December refers to the number of employees as at the end of the month of December).
Ordinary-time hours	Ordinary-time hours are those hours actually worked during normal periods of work. These hours include hours of paid leave taken during the reference period (e.g. sick leave, annual leave) and hours of normal shift work. Ordinary-time hours paid for exclude overtime hours worked, hours relating to payment in advance and hours relating to back pay.
Overtime hours paid for	Overtime hours paid for are those hours worked in excess of ordinary-time hours, standard or agreed hours of work that were paid for in the reference period.
Overtime payment	Overtime payment refers to payment for hours worked and paid for in excess

of ordinary-time hours, standard or agreed hours worked for the reference period. Penalty payments that relate to overtime are also included.

Part-time employees

Part-time employees are those permanent, temporary or casual employees who are not full-time employees as defined above or who normally work less than 40 hours per week. This includes the self-employed at work or with an enterprise but temporarily not at work.

Performance and other bonuses

Performance and other bonuses cover seasonal, end-of-year and one-time bonuses and additional payments supplementary to normal payments.

Performance and other bonuses include profit sharing bonuses, merit bonuses, incentive bonuses, total amounts of payments that were paid during the reference period but relate to other pay periods, e.g. annual leave, thirteenth cheques, severance, termination, redundancy and leave gratuity payments. Performance and other bonuses exclude reimbursements for expenses incurred whilst conducting employer's business.

Permanent employees

Permanent employees are employees appointed on an open-ended contract with no stipulated termination date, and who are entitled to benefits such as paid leave and medical aid contributions paid by employers. This includes the self-employed at work.

Quarterly percentage change

A quarterly percentage change is the change in the employment or the gross earnings of the given quarter compared with the employment or the gross earnings of the previous quarter expressed as a percentage.

Reference quarter

Reference quarter for this survey refers to the three months up to the end of March, June, September or December.

Severance, termination and redundancy payments

Severance, termination and redundancy payments includes payments of leave made to employees who finished work during the reference quarter as well as payments intended to compensate for loss of employment.

Temporary employees

Temporary employees are employees appointed on a short-term contract basis for periods normally not exceeding one year. Such contract would typically stipulate a termination date, but could be renewed by mutual agreement between the employer and the employee. This includes the self-employed with an enterprise but temporarily not at work.

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