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December 2008

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Key findings as at the end of December 2008

Table A - Key estimates as at the end of December 2008

Estimates	December 2008 (R million)	% change between December 2007 and December 2008	October to December 2007 (R million)	October to December 2008 (R million)	% change between October to December 2007 and October to December 2008
Income from food sales	2 773,3	10,4	6 758,1	7 494,3	10,9
Income from bar sales	238,4	-33,5	908,0	724,9	-20,2
Other income	44,5	-14,0	145,2	168,1	15,8
Total income 1/	3 056,2	4,6	7 811,3	8 387,3	7,4

1/ Figures have been rounded off. Therefore, discrepancies may occur between sums of the component items and the totals.

Total income increases

The total income generated by the food and beverages industry in the fourth quarter of 2008 amounted to R8 387,3 million. This was an increase of 7,4% (R576,0 million) compared with the fourth quarter of 2007. The largest percentage increase was for other income (15,8% or R22,9 million), followed by food sales (10,9% or R736,2 million). Total income in December 2008 increased by 4,6% (R135,1 million) compared to December 2007.

The 7,4% increase in total income for the fourth quarter of 2008 compared with the fourth quarter of 2007 was due to increases reported by takeaway and fast-food outlets (19,9%), caterers (15,5%) and restaurants and coffee shops (1,3%).

Figure 1 - Percentage change in total income per enterprise type for the fourth quarter of 2008 compared to the fourth quarter of 2007

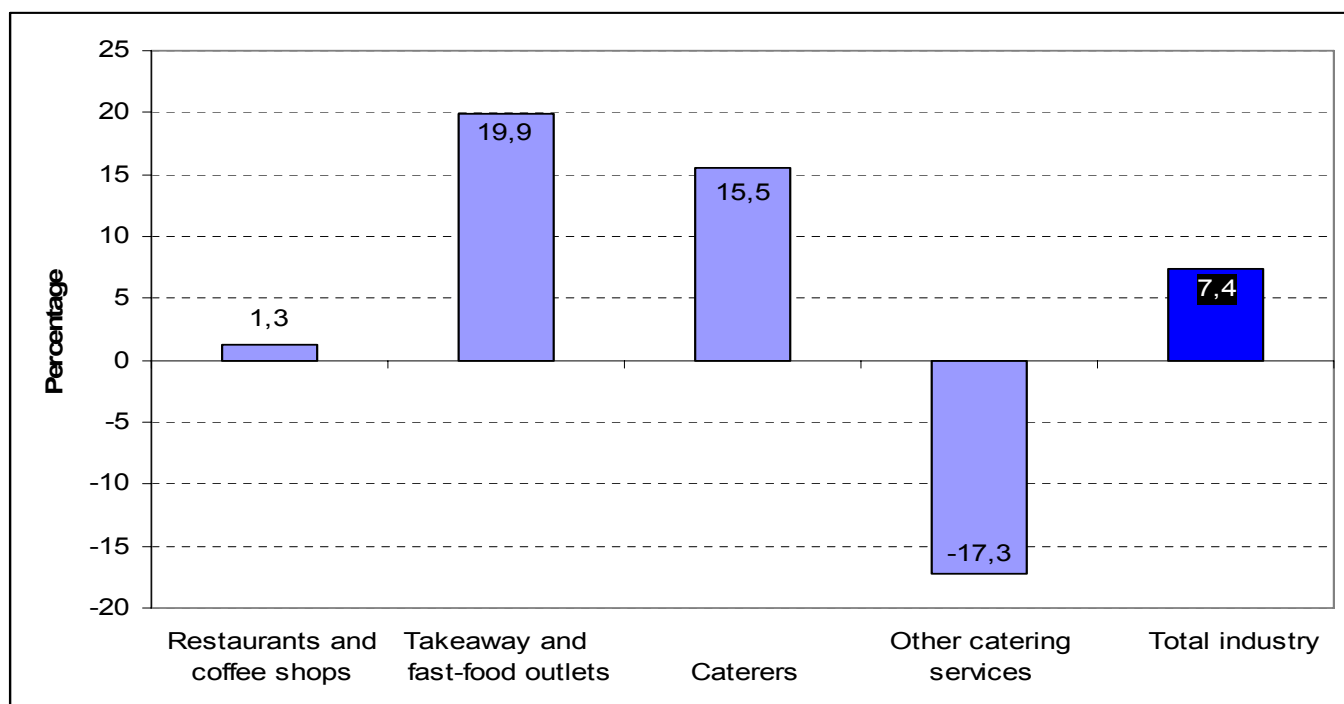


Table B - Contribution by types of enterprise to the percentage change in total income for the fourth quarter of 2008 compared to the fourth quarter of 2007

Enterprise type	October to December 2007 (R million)	Weight 1/	October to December 2008 (R million)	% change between October to December 2007 and October to December 2008	Contribution to the percentage change 2/
Restaurants and coffee shops	4 246,4	54,4	4 303,4	1,3	0,7
Takeaway and fast-food outlets	1 971,0	25,2	2 363,4	19,9	5,0
Caterers	1 227,0	15,7	1 417,0	15,5	2,4
Other catering services	366,8	4,7	303,5	-17,3	-0,8
Total industry 3/	7 811,3	100,0	8 387,3	7,4	7,4

1/ Weight is the percentage contribution of each enterprise type to the total income for the three months up to the current month of the previous year.

2/ The contribution to the percentage change is calculated by multiplying the percentage change of each enterprise type with the corresponding weight and divide by 100.

3/ The figures have been rounded off. Therefore, discrepancies may occur between the sums of the component items and totals.

The main contributor to the increase of 7,4% in total income for the fourth quarter of 2008 compared to the fourth quarter of 2007 was takeaway and fast-food outlets (5,0 percentage points), followed by caterers (2,4 percentage points) and restaurants and coffee shops (0,7 of a percentage point).

Table C - Contribution by the types of enterprise to the percentage change in total income for December 2008 compared to December 2007

Enterprise type	December 2007 (R million)	Weight 1/	December 2008 (R million)	% change between December 2007 and December 2008	Contribution to the percentage change 2/
Restaurants and coffee shops	1 631,7	55,9	1 596,7	-2,1	-1,2
Takeaway and fast-food outlets	755,1	25,8	945,2	25,2	6,5
Caterers	389,1	13,3	404,3	3,9	0,5
Other catering services	145,2	5,0	110,0	-24,2	-1,2
Total industry 3/	2 921,1	100,0	3 056,2	4,6	4,6

1/ Weight is the percentage contribution of each enterprise type to the total income for the current month of the previous year.

2/ The contribution to the percentage change is calculated by multiplying the percentage change of each enterprise type with the corresponding weight and divide by 100.

3/ The figures have been rounded off. Therefore, discrepancies may occur between the sums of the component items and totals.

The main contributor to the increase of 4,6% in total income for December 2008 compared to December 2007 was takeaway and fast-food outlets (6,5 percentage points).

P J Lehohla
Statistician-General

Detailed statistics

Table 1: Food and beverages statistics from December 2007 to December 2008

Enterprise type		Dec 2007	Jan 2008	Feb 2008	Mar 2008	Apr 2008	May 2008	Jun 2008	Jul* 2008	Aug* 2008	Sep* 2008	Oct 2008	Nov 2008	Dec 2008
Restaurants and coffee shops	Income from food sales (R million)	1 422,1	1 142,9	1 126,8	1 251,3	1 190,6	1 146,6	1 166,4	1 166,7	1 199,2	1 296,5	1 015,7	1 359,5	1 440,7
	Income from bar sales (R million)	205,9	166,9	174,1	181,5	168,2	158,2	149,5	157,2	157,7	144,9	108,8	203,8	143,8
	Other income (R million)	3,7	4,6	2,8	4,6	4,6	7,7	7,4	9,1	8,2	9,9	8,8	10,1	12,2
	Total income (R million)	1 631,7	1 314,5	1 303,7	1 437,4	1 363,4	1 312,5	1 323,3	1 333,0	1 365,1	1 451,3	1 133,3	1 573,4	1 596,7
Takeaway and fast-food outlets	Income from food sales (R million)	727,9	547,3	560,5	749,7	592,3	646,8	618,6	616,4	670,6	647,3	654,5	691,5	920,2
	Income from bar sales (R million)	10,3	9,2	10,5	11,0	10,6	10,2	9,8	9,7	10,1	10,4	11,4	11,3	13,8
	Other income (R million)	16,8	15,4	17,8	19,0	21,3	11,1	13,1	13,5	16,8	7,8	20,2	29,3	11,2
	Total income (R million)	755,1	571,9	588,8	779,7	624,2	668,1	641,5	639,6	697,5	665,5	686,1	732,1	945,2
Caterers	Income from food sales (R million)	329,5	293,9	334,8	331,8	379,3	385,2	407,3	431,5	445,7	440,0	470,0	467,5	375,0
	Income from bar sales (R million)	28,5	16,2	16,6	19,5	8,3	14,6	14,3	8,7	8,7	7,5	8,9	11,1	8,2
	Other income (R million)	31,2	25,4	21,6	28,7	27,1	48,0	30,1	19,7	19,7	27,8	22,3	32,9	21,1
	Total income (R million)	389,1	335,5	373,0	380,0	414,7	447,8	451,7	459,9	474,1	475,3	501,2	511,5	404,3
Other catering services	Income from food sales (R million)	31,6	34,9	37,6	40,6	28,9	30,7	32,8	30,3	33,2	29,5	30,1	32,2	37,4
	Income from bar sales (R million) 1/	113,6	59,3	62,4	66,6	61,5	60,3	64,9	66,4	65,8	67,3	69,5	61,7	72,6
	Total income (R million)	145,2	94,2	99,9	107,2	90,4	91,0	97,7	96,7	99,0	96,8	99,6	93,9	110,0
Total	Income from food sales (R million)	2 511,1	2 019,0	2 059,7	2 373,4	2 191,1	2 209,3	2 225,1	2 244,9	2 348,7	2 413,3	2 170,3	2 550,7	2 773,3
	Income from bar sales (R million)	358,2	251,6	263,5	278,6	248,6	243,3	238,5	242,0	242,3	230,1	198,6	287,9	238,4
	Other income (R million)	51,7	45,4	42,3	52,3	53,0	66,8	50,6	42,3	44,7	45,5	51,3	72,3	44,5
	Total income (R million)	2 921,1	2 316,0	2 365,5	2 704,3	2 492,7	2 519,4	2 514,2	2 529,2	2 635,7	2 688,9	2 420,2	2 910,9	3 056,2

1/ Other income for Other catering services is too small to provide any meaningful comparison and has thus been added to Income from bar sales.

* Revised.

Table 2: Percentage change in food and beverages statistics from December 2007 to December 2008 1/

Enterprise type		Dec 2007	Jan 2008	Feb 2008	Mar 2008	Apr 2008	May 2008	Jun 2008	Jul* 2008	Aug* 2008	Sep* 2008	Oct 2008	Nov 2008	Dec 2008
Restaurants and coffee shops	Income from food sales (%)	2,6	13,3	17,5	24,4	19,2	19,7	22,5	19,9	21,5	27,5	-4,9	11,4	1,3
	Income from bar sales (%)	23,2	27,8	39,2	13,9	-1,9	14,2	0,0	11,1	2,0	-1,7	-27,0	19,8	-30,2
	Other income (%)	-5,9	51,9	-16,9	9,7	15,1	95,4	82,5	127,6	132,0	119,1	186,6	216,9	229,0
	Total income (%)	4,7	15,0	19,9	22,9	16,1	19,3	19,7	19,2	19,2	24,2	-7,2	12,9	-2,1
Takeaway and fast-food outlets	Income from food sales (%)	10,8	7,0	18,7	46,2	13,2	26,2	15,5	13,5	23,3	14,2	14,2	16,7	26,4
	Income from bar sales (%)	-23,4	-5,4	16,5	7,7	6,7	7,3	-2,3	-4,1	-8,1	2,8	22,2	17,8	34,1
	Other income (%)	26,4	52,0	55,4	53,6	83,2	-12,1	3,8	-1,7	30,1	-35,2	30,8	84,8	-33,5
	Total income (%)	10,4	7,6	19,6	45,6	14,6	24,9	15,0	12,8	22,8	13,0	14,7	18,5	25,2
Caterers	Income from food sales (%)	-4,1	-5,2	-2,2	-7,3	13,2	5,7	12,8	21,5	14,8	14,2	36,5	20,6	13,8
	Income from bar sales (%)	27,9	-28,3	-26,6	-21,2	-66,7	-44,1	-46,3	-61,1	-63,9	-71,6	-61,7	-58,3	-71,2
	Other income (%)	52,8	33,2	5,7	8,1	31,1	117,3	26,6	2,9	2,4	27,4	-14,8	10,6	-32,3
	Total income (%)	0,7	-4,6	-3,2	-7,1	8,9	8,5	9,8	16,0	9,9	9,7	27,3	15,2	3,9
Other catering services	Income from food sales (%)	17,3	57,4	70,2	63,8	23,8	36,8	39,4	-0,4	10,0	-10,3	0,3	8,0	18,3
	Income from bar sales (%)	57,9	13,8	17,9	18,1	4,0	-2,0	10,2	6,9	-3,5	-7,6	-11,6	-25,9	-36,1
	Total income (%)	46,8	26,8	33,3	32,1	9,6	8,4	18,5	4,5	0,6	-8,4	-8,3	-16,9	-24,2
Total	Income from food sales (%)	4,0	9,0	14,7	24,8	16,6	19,0	18,8	18,0	20,5	20,5	7,6	14,3	10,4
	Income from bar sales (%)	30,4	17,0	25,8	11,1	-6,4	3,2	-2,7	2,5	-6,1	-10,4	-23,7	-0,6	-33,5
	Other income (%)	37,4	40,9	19,6	21,3	46,1	72,8	25,1	14,7	25,2	18,6	14,8	48,2	-14,0
	Total income (%)	7,1	10,3	16,0	23,2	14,3	18,2	16,5	16,3	17,5	17,1	4,3	13,3	4,6

1/ The percentage change is the change in food and beverages statistics of the relevant month compared with the food and beverages statistics of the same month in the previous year expressed as a percentage.

* Revised.

Explanatory notes

Introduction	The results presented in this publication are derived from the monthly survey of the food and beverages industry. This survey is based on a sample drawn from the 2008 Business Sampling Frame (BSF) that contains businesses registered for value-added tax (VAT).										
Purpose of the survey	<p>The food and beverages survey is a monthly survey covering a sample of public and private enterprises involved in the preparation of meals and drinks for immediate consumption in South Africa. The purpose of this survey is to monitor trends in the food and beverages industry.</p> <p>The results of the survey are used to compile estimates of the Tourism Satellite Accounts (TSA), and the Gross Domestic Product (GDP) and its components, which are used to develop and monitor government policy. These statistics are also used in the analysis of comparative business and industry performance. The results of this monthly survey are published quarterly in the statistical release P6420: <i>Food and beverages</i>.</p>										
Scope of the survey	<p>This survey covers the following tax registered private and public enterprises that are mainly engaged in providing food and beverages for immediate consumption:</p> <ul style="list-style-type: none"> • Restaurants and coffee shops, • Takeaway and fast-food outlets, • Caterers, and • Other catering services. 										
Response rate	The average preliminary response rate for the 'Food and beverages' survey for the fourth quarter of 2008 was 94,9%. Improved response rate for the third quarter of 2008 was 89,8%.										
Classification by industry	The 1993 edition of the <i>Standard Industrial Classification of all Economic Activities (SIC)</i> , Fifth Edition, Report No. 09-09-02, was used to classify the statistical units in the survey. The SIC is based on the 1990 <i>International Standard Industrial Classification of all Economic Activities (ISIC)</i> with suitable adaptations for local conditions. Statistics in this publication are presented at 5-digit SIC level. Each enterprise is classified to an industry, which reflects its predominant activity.										
Size groups	<p>The enterprises are divided into four size groups according to turnover. Large enterprises are enterprises with an annual turnover of R13 million and more. The Department of Trade and Industry (DTI) cut-off points defining the size groups, namely large, medium, small and micro enterprises, are given in table E1.</p> <p>Table E1 – Size groups for the food and beverages industry</p> <table border="1"> <thead> <tr> <th>Size group</th> <th>Turnover</th> </tr> </thead> <tbody> <tr> <td>Large</td> <td>> R13 000 001</td> </tr> <tr> <td>Medium</td> <td>R6 000 001 ≤ R13 000 000</td> </tr> <tr> <td>Small</td> <td>R5 100 001 ≤ R6 000 000</td> </tr> <tr> <td>Micro</td> <td>< R5 100 000</td> </tr> </tbody> </table>	Size group	Turnover	Large	> R13 000 001	Medium	R6 000 001 ≤ R13 000 000	Small	R5 100 001 ≤ R6 000 000	Micro	< R5 100 000
Size group	Turnover										
Large	> R13 000 001										
Medium	R6 000 001 ≤ R13 000 000										
Small	R5 100 001 ≤ R6 000 000										
Micro	< R5 100 000										
Statistical unit	The statistical units for the collection of the information are enterprises and establishments.										

Survey methodology and design

The survey was conducted by mail, fax and telephone.

A sample of approximately 900 enterprises was drawn using stratified simple random sampling. The enterprises were first stratified at 5-digit level according to the SIC and then by size of enterprises. Large enterprises are completely enumerated. Turnover was used as the measure of size.

Weighting methodology

For those strata not completely enumerated, the weights to produce estimates are the inverse ratio of the sampling fraction, modified to take account of non-response in the survey. Stratum estimates are calculated and then aggregated with the completely enumerated stratum to form division estimates. These procedures, which are in line with international best practice, are described in more detail on the Stats SA website at:

<http://www.statssa.gov.za/publications/publicationsearch.asp>.

Relative standard error

Data presented in this publication are based on information obtained from a sample and are, therefore, subject to sampling variability; that is, they may differ from the figures that would have been produced if the data had been obtained from all enterprises in the food and beverages industry in South Africa.

One measure of the likely difference is given by the standard error (SE), which indicates the extent to which an estimate might have varied by chance because only a sample of enterprises was used. The relative standard error (RSE) provides an immediate indication of the percentage errors likely to have occurred due to sampling, and thus avoids the need to refer to the size of the estimate.

Table E2 – Estimate of total industry income by type of enterprise within 95% confidence limits – December 2008

Estimate (R million)	Lower limit (R million)	Income (R million)	Upper limit (R million)	Relative Standard Error (RSE) %
Total income	2 606,0	3 056,2	3 506,6	7,5

Non-sampling errors

Inaccuracies may occur because of imperfections in reporting by enterprises and errors made in the collection and processing of the data. Inaccuracies of this kind are referred to as non-sampling errors. Every effort is made to minimise non-sampling errors by careful design of questionnaires, testing them in pilot studies, editing reported data and implementing efficient operating procedures. Non-sampling errors occur in both sample surveys and censuses.

Revised figures

Revised figures are due to respondents reporting revisions or corrections to their figures and late submission of their data to Stats SA. All figures for the current quarter will be regarded as preliminary.

Seasonal adjustment

Seasonally adjusted estimates will not be published until there are sufficient data points for the new survey. As soon as sufficient data points are available, Stats SA will consider publishing seasonally adjusted estimates.

Symbols and abbreviations

- GDP Gross Domestic Product
- SARS South African Revenue Services
- SIC Standard Industrial Classification of all Economic Activities
- Stats SA Statistics South Africa
- VAT Value added tax
- * Revised figures

Rounding of figures

Where figures have been rounded off, discrepancies may occur between sums of the component items and the totals.

Glossary

Caterers	Enterprises involved in the sale and supply of meals and drinks prepared on the premises on a contract basis and brought to other premises chosen by the person ordering it, to be served for immediate consumption to guests or customers.
Enterprise	A legal unit or a combination of legal units that includes and directly controls all functions necessary to carry out its activities.
Income from bar sales	Refers to income from liquor sales.
Income from food sales	Refers to income from the sale of meals and non-alcoholic drinks.
Industry	It is a group of enterprises engaged in the same or similar kinds of economic activity. Industries are defined in the <i>System of National Accounts (SNA)</i> in the same way as in the <i>Standard Industrial Classification of all Economic Activities, Fifth Edition; Report No. 09-09-02 of January 1993 (SIC)</i> .
Other catering services	Includes bars, taverns, other drinking places, ice-cream parlours, etc.
Other income	Includes all income not earned from food sales or bar sales.
Restaurants and coffee shops	Enterprises involved in the sale and provision of meals and drinks, ordered from a menu, prepared on the premises for immediate consumption and with provided seating.
Total income	Includes income from food sales, income from bar sales and other income.
Takeaway and fast-food outlets	Enterprises involved in the sale and provision of meals and drinks, ordered from a menu, prepared on the premises for take-away purposes in a packaged format (not on plates), at a stand or in a location, with or without provided seating.

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