



**Statistics
South Africa**

**Statistical release
P7101**

Dipalopalo tsa Aforika Borwa • Statistieke Suid-Afrika • Tistatistiki ta Afrika-Dzonga • Ukuqokelelwa kwamanani eNingizimu Afrika

The transport industry, 2002

**Embargoed until:
1 December 2004
08:00**

| Contents | Page |
|--|-------------|
| Summary of findings | 2 |
| Tables | |
| Table 1 Income and expenditure in the transport industry: 2002 | 3 |
| Table 2 Income in the transport industry by enterprise size: 2002 | 4 |
| Table 3 Capital expenditure on new assets in the transport industry: 2002 | 4 |
| Table 4 Number of employees in the transport industry enterprise size: 2002 | 4 |
| Table 5 Number of vehicles, aircraft or ships used in the transport industry: 2002 | 5 |
| Table 6 Volume and income from goods transported in the transport industry: 2002 | 5 |
| Explanatory notes | 6 |
| Glossary | 9 |
| General information | 10 |

Coverage limitation

- The value-added tax (VAT) based business register was used to draw the sample. Only enterprises with turnover for a period of twelve months equal to or more than R300 000 are legally bound to register for VAT.
- Thus, **the coverage of the taxi and bus industries is limited** since they are not registered for VAT either because of annual turnover less than R300 000 or not being compelled to register.

Summary of findings

Income, expenditure and net profit

The total income for the transport industry in 2002 was R121 193 million. The largest contributor was land transport (R50 323 million or 41,5%), followed by supporting and auxiliary activities (R40 628 million or 33,5%), air transport (R25 648 million or 21,2%) and water transport (R4 594 million or 3,8%).

Most of the income in the transport industry was derived from the transportation of goods (R46 339 million or 38,2%).

The contribution of the largest enterprises to total income was R79 619 million or 65,7%.

Total expenditure in the transport industry was R110 206 million. The largest contributor was land transport (R47 414 million or 43,0%), followed by supporting and auxiliary activities (R39 083 million or 35,5%), air transport (R20 153 million or 18,3%) and water transport (R3 556 million or 3,2%).

Net profit before tax was R9 235 million. The largest contributor was air transport (R2 967 million or 32,1%), followed by land transport (R2 855 million or 30,9%), supporting and auxiliary activities (R2 371 million or 25,7%) and water transport (R1 042 million or 11,3%).

Employment and salaries and wages

The number of people employed in the transport industry in 2002 was 226 939. Land transport employed the largest number of employees (136 673 or 60,2%), followed by supporting and auxiliary activities (66 921 or 29,5%), air transport (20 700 or 9,1%) and water transport (2 645 or 1,2%).

Gross salaries and wages paid to employees in 2002 amounted to R21 294 million. Most of the earnings were paid to people in land transport (R11 751 million or 55,2%), followed by supporting and auxiliary activities (R5 523 million or 25,9%), air transport (R3 800 or 17,8%) and water transport (R 220 million or 1,0%).

Capital expenditure on fixed assets and intangible assets

The book value of fixed and intangible assets at the beginning of the financial year and at the end of the financial year were R64 670 million and R73 440 million, respectively.

Capital expenditure on new assets amounted to R7 903 million. The major contributor was air transport (R4 397 million or 55,6%), followed by land transport (R2 128 million or 26,9%), supporting and auxiliary activities (R1 343 million or 17,0%) and water transport (R 35 million or 0,4%).

The largest capital expenditure on new assets was on transport equipment (R6 001 million or 75,9%).

Volume of goods transported

The total volume of goods transported was 767,3 million metric tons. The bulk of the commodities transported were 'coke, petroleum, chemicals, rubber and plastic products' (354,3 million metric tons or 46,2%) and mining and quarrying products (129,1 million metric tons or 16,8%)

PP
P J Lehohla
Statistician-General

Table 1 - Income and expenditure in the transport industry: 2002

| Item | Land transport R million | Water transport R million | Air transport R million | Supporting and auxiliary activities R million | Total R million |
|--|---|--|--|--|----------------------------------|
| Income items | | | | | |
| Income from services rendered | 43 955 | 3 430 | 21 434 | 35 482 | 104 301 |
| Sales of goods | 913 | | 1 267 | 3 511 | 5 691 |
| Interest received | 2 035 | 20 | 183 | 378 | 2 616 |
| Income from rental of land, Buildings and other structures | 100 | | 26 | 43 | 169 |
| Other income | 3 320 | 1 144 | 2 738 | 1 214 | 8 416 |
| Total income | 50 323 | 4 594 | 25 648 | 40 628 | 121 193 |
| Inventories | | | | | |
| Opening stock | 1 021 | 7 | 3 045 | 208 | 4 281 |
| Closing stock | 967 | 11 | 517 | 1 034 | 2 529 |
| Expenditure items | | | | | |
| Purchases and transfers-in | 10 470 | 2 217 | 5 850 | 17 896 | 36 433 |
| Petroleum fuel products | 2 641 | 862 | 3 723 | 2 513 | 9 739 |
| Other goods | 7 829 | 1 355 | 3 723 | 15 383 | 26 694 |
| Gross salaries and wages | 11 751 | 220 | 3 800 | 5 523 | 21 294 |
| Interest paid | 3 357 | 33 | 698 | 993 | 5 081 |
| Depreciation | 3 203 | 97 | 1 163 | 1 224 | 5 687 |
| Rental of buildings, land and other structures | 2 037 | 25 | 1 663 | 1 316 | 5 041 |
| Railage and transport-out | 1 686 | 74 | 365 | 1 259 | 3 384 |
| Motor vehicle repairs, maintenance and running expenditure | 1 791 | 11 | 299 | 778 | 2 879 |
| Other expenditure | 13 119 | 879 | 6 315 | 10 094 | 30 407 |
| Total expenditure | 47 414 | 3 556 | 20 153 | 39 083 | 110 206 |
| Net profit before providing for Company tax and dividends | 2 855 | 1 042 | 2 967 | 2 371 | 9 235 |
| Book value of fixed assets at the Beginning of year | 38 363 | 732 | 13 224 | 12 351 | 64 670 |
| Capital expenditure on new transport equipment | 2 128 | 35 | 4 397 | 1 343 | 7 903 |
| Book value of fixed assets at the end of the year | 45 931 | 689 | 15 500 | 11 320 | 73 440 |

Table 2 - Income in the transport industry by enterprise size: 2002

| Enterprise size | Land transport | Water transport | Air transport | Supporting and auxiliary activities | Total |
|------------------------|-----------------------|------------------------|----------------------|--|----------------|
| Large | 36 194 | 4 202 | 23 322 | 15 901 | 79 619 |
| Medium | 3 798 | 195 | 715 | 4 400 | 9 108 |
| Small | 5 952 | 83 | 515 | 4 668 | 11 218 |
| Micro | 4 379 | 114 | 1 096 | 15 659 | 21 248 |
| Total | 50 323 | 4 594 | 25 648 | 40 628 | 121 193 |

Table 3 - Capital expenditure on new assets in the transport industry: 2002

| Type of asset | Capital expenditure (R million) | | | | |
|----------------------------------|--|------------------------|----------------------|--|--------------|
| | Land transport | Water transport | Air transport | Supporting and auxiliary activities | Total |
| Transport equipment | 1 706 | 24 | 3 582 | 689 | 6 001 |
| Non-residential buildings | 11 | | 522 | 43 | 576 |
| Computers and other IT equipment | 37 | 5 | 12 | 65 | 119 |
| Other assets | 374 | 6 | 281 | 546 | 1 207 |
| Total | 2 128 | 35 | 4 397 | 1 343 | 7 903 |

Table 4 - Number of employees in the transport industry by enterprise size: 2002

| Enterprise size | Land transport | Water transport | Air transport | Supporting and auxiliary activities | Total |
|------------------------|-----------------------|------------------------|----------------------|--|----------------|
| Large | 86 069 | 1 380 | 17 045 | 23 248 | 127 742 |
| Medium | 10 638 | 369 | 635 | 6 413 | 18 055 |
| Small | 16 934 | 272 | 1 033 | 15 481 | 33 720 |
| Micro | 23 032 | 624 | 1 987 | 21 779 | 47 422 |
| Total | 136 673 | 2 645 | 20 700 | 66 921 | 226 939 |

Table 5 - Number of vehicles, aircraft or ships used in the transport industry: 2002

| Enterprise size | Freight vehicles | Passenger vehicles | Aircrafts | Ships |
|------------------------|-------------------------|---------------------------|------------------|--------------|
| Large | 6 264 | 12 778 | 166 | 308 |
| Medium | 6 262 | 107 | 87 | 4 |
| Small | 10 356 | 678 | 190 | 12 |
| Micro | 36 793 | 1 911 | 676 | 7 617 |
| Total | 59 675 | 15 474 | 1 119 | 7 941 |

Table 6 - Volume and income from goods transported in the transport industry: 2002

| Type of commodity | Volume (1000 metric tons) | Income (R million) | | | | | Total |
|---|----------------------------------|---------------------------|-----------------------|------------------------|----------------------|---------------|--------------|
| | | Rail transport | Road transport | Water transport | Air transport | | |
| Livestock, fresh produce and crops | 8 892 | 48 | 1 473 | 213 | 111 | 1 845 | |
| Mining and quarrying products | 129 139 | 3 478 | 1 573 | 233 | 51 | 5 335 | |
| Food, beverages and tobacco products | 25 724 | 55 | 1 950 | 78 | 42 | 2 125 | |
| Textiles, clothing and leather products | 68 102 | 4 | 459 | 206 | 60 | 729 | |
| Coke, petroleum, chemicals, rubber and plastic products | 354 332 | 1 522 | 2 677 | 1 104 | 4 | 5 307 | |
| Non-metallic products | 23 801 | 689 | 891 | 19 | 2 | 1 601 | |
| Basic metal products | 25 773 | 970 | 922 | 461 | | 2 353 | |
| Electrical machinery and apparatus, electronic, communication and transport equipment | 6 215 | 180 | 1 158 | 397 | 153 | 1 888 | |
| Furniture | 3 735 | 7 | 1 293 | 66 | 33 | 1 399 | |
| Parcels/containers | 13 055 | 33 | 1 780 | 4 506 | 1 610 | 7 929 | |
| Other goods | 108 484 | 1 178 | 6 324 | 7 773 | 553 | 15 828 | |
| Total | 767 252 | 8 164 | 20 500 | 15 056 | 2 619 | 46 339 | |

Explanatory notes

Background

The statistical results presented in this publication have been derived from the 2002 large sample survey of transport. This is a periodic survey which measures economic activity in the transport sector of the South African economy. This survey is based on a sample of private and public enterprises operating in the transport industry. The survey is designed to give information regarding transport activities in South Africa.

Statistics South Africa (Stats SA) has developed a new business register, based on the value-added tax (VAT) database obtained from the South African Revenue Service (SARS), which replaced the previous business register. All enterprises are legally bound to register for VAT when their turnover for a period of twelve months equals or exceeds R300 000. Enterprises that conform to these criteria are included on the new business register, and hence were given a chance of selection in the sample for this survey.

Results obtained from this survey are based on a sample drawn from the new business register which significantly enhanced coverage of South African businesses.

The last census on the transport industry, namely 'Census of Transport and Allied Services', was conducted in 1992.

Reference period

The information was collected from enterprises for their financial years which ended on any date between 1 July 2001 and 30 June 2002.

Purpose of the survey

Results of the survey are used within Stats SA for compiling South Africa's National Accounts, e.g. the Gross Domestic Product (GDP) and gross fixed capital formation. These statistics are also used by the private sector in analyses of comparative business and industry performance.

Scope and coverage

This survey covers private and public transport enterprises (excluding transport activities undertaken by enterprises in other industries such as retail and wholesale trade) conducting activities in –

- (i) Land transport
 - Railway transport,
 - Other land transport,
 - Other non-scheduled passenger land transport,
 - Freight transport by road, and
 - Transport via pipelines.
- (ii) Water transport
 - Sea and coastal water transport, and
 - Inland water transport.
- (iii) Air transport
- (iv) Supporting and auxiliary activities
 - Cargo handling,
 - Storage and warehousing,
 - Other supporting transport activities,
 - Travel agency and related activities, and
 - Activities of other transport agencies.

Classification by industry

The 1993 edition of the *Standard Industrial Classification of all Economic Activities (SIC)*, Fifth Edition, Report No. 09-90-02, 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 presented at SIC division (2-digit) level. Each enterprise is classified to an industry which reflects its predominant activity.

Statistical unit

The statistical unit for the collection of the 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.

Size groups

All enterprises were divided into four size groups according to the value of their respective VAT turnover. Large enterprises are those which had a VAT turnover of R55 million and above. Table A presents the distribution of the number and turnover of enterprises according to size group.

Table A – Summary of enterprises according to size group

| Size of Enterprise | Number of enterprises | Percentage enterprises | Percentage VAT turnover |
|--------------------|-----------------------|------------------------|-------------------------|
| Large | 260 | 3,9 | 71,3 |
| Medium | 276 | 4,1 | 10,7 |
| Small | 722 | 10,8 | 9,7 |
| Micro | 5451 | 81,2 | 8,3 |
| Total | 6 709 | 100,0 | 100,0 |

The cut-off points defining the size groups, namely large, medium, small and micro enterprise are given in tables B, C, D and E.

Table B – Size groups for land transport

| Size Group | VAT turnover |
|------------|--|
| Large | > R 55 000 000 |
| Medium | R 20 672 779 < VAT turnover < R 54 999 999 |
| Small | R 6 073 071 < VAT turnover < R 20 672 780 |
| Micro | R 300 000 < VAT turnover < R 6 073 072 |

Table C – Size groups for water transport

| Size Group | VAT turnover |
|------------|--|
| Large | > R 55 000 000 |
| Medium | R 21 605 056 < VAT turnover < R 54 999 999 |
| Small | R 10 023 254 < VAT turnover < R 21 605 056 |
| Micro | R 300 000 < VAT turnover < R 10 023 255 |

Table D - Size groups for air transport

| Size Group | VAT turnover |
|------------|--|
| Large | > R 55 000 000 |
| Medium | R 26 025 126 < VAT Turnover < R 54 999 999 |
| Small | R 9 526 272 < VAT Turnover < R 26 025 127 |
| Micro | R 300 000 < VAT Turnover < R 9 526 271 |

Table E – Size groups for supporting and auxiliary activities

| Size Group | VAT turnover |
|------------|--|
| Large | > R 55 000 000 |
| Medium | R 23 635 251 < VAT turnover < R 54 999 999 |
| Small | R 8 251 898 < VAT turnover < R 23 635 252 |
| Micro | R 300 000 < VAT turnover < R 8 251 897 |

Survey methodology and design

The survey was conducted by mail, fax and telephone.

A sample of approximately 2 500 enterprises was drawn from a population of approximately 6 700 enterprises using stratified simple random sampling techniques. The enterprises were first stratified at 2-digit level according to the SIC and then by size group. All large (size group 1) enterprises are completely enumerated.

Weighting methodology

For those size groups 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. Size group estimates are calculated and then aggregated with the completely enumerated size group 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 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 transport 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 F – Relative standard errors of income in the transport industry by division: 2002

| Division | Total income (R million) | RSE |
|---|-------------------------------------|------------|
| Land transport | 50 323 | 2,3 |
| Water transport | 4 594 | 0,6 |
| Air transport | 25 648 | 1,6 |
| Supporting and auxiliary transport activities | 40 628 | 20,9 |
| Total | 121 193 | 7,1 |

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.

Comparability with previously published information

The information in this statistical release and previous transport censuses is not strictly comparable. The previous censuses were conducted using the old business register, while the large sample survey was conducted from a sample drawn from the new VAT business register, implemented in 2001. The new VAT register has better coverage of the enterprises.

Glossary

| | |
|--------------------------------------|--|
| Employees | Employees are those people employed by the business or organisation who received payment (in salaries, wages, commission, piece rates or payments in kind) for the last pay period ended on or before 30 June 2002. |
| Freight transport | Freight transport refers to enterprises involved in the conveyance of goods for remuneration. |
| Enterprise | The enterprise is a legal entity or a combination of legal units that includes and directly controls all functions necessary to carry out its production activities. |
| Industry | An industry is made up 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. 09-90-02 of January 1993 (SIC)</i> . |
| Net profit or loss before tax | Net profit or loss before tax is derived as: Total income <i>plus</i> closing stocks <i>minus</i> total expenditure <i>minus</i> opening stocks |
| Statistical unit | A statistical unit is a unit about which statistics are tabulated, compiled or published. The statistical units are derived from and linked to the South African Revenue Service (SARS) administrative data. |
| Stocks | Stocks include raw materials or materials for processing, packaging materials, fuel and consumables and maintenance stores, e.g. spares, work in progress (partially completed) and finished goods (own manufacturers). |

General 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.

Stats SA has copyright on this publication. Users may apply the information as they wish, provided that they acknowledge Stats SA as the source of the basic data wherever they process, apply, utilise, publish or distribute the data; and also that they specify that the relevant application and analysis (where applicable) result from their own processing of the data.

Stats SA products

A complete set of Stats SA publications is available at the Stats SA Library and the following libraries:

National Library of South Africa, Pretoria Division
National Library of South Africa, Cape Town Division
Natal Society Library, Pietermaritzburg
Library of Parliament, Cape Town
Bloemfontein Public Library
Johannesburg Public Library
Eastern Cape Library Services, King William's Town
Central Regional Library, Polokwane
Central Reference Library, Nelspruit
Central Reference Collection, Kimberley
Central Reference Library, Mmabatho

Stats SA also provides a subscription service.

Electronic services

A large range of data are available via on-line services, diskette and computer printouts. For more details about our electronic data services, contact (012) 310 8600/8390/8351/4892/8496/8095.

You can visit us on the Internet at: www.statssa.gov.za

Enquiries

Telephone number: (012) 310 8600/ 8390/ 8351/ 4892/ 8496/ 8095 (user information services)
(012) 310 8191 (technical enquiries)
(012) 310 8161 (orders)
(012) 310 8490 (library)

Fax number: (012) 310 2121 (technical enquiries)

email address: ItaniM@statssa.gov.za (technical enquiries)
info@statssa.gov.za (user information services)
distribution@statssa.gov.za (orders)

Postal address: Private Bag X44, Pretoria, 0001

Produced by Stats SA