

Remuneration of employees and turnover of institutions according to the levies received by district and metropolitan municipalities, by province

Quarter ended 31 December 2005

**Embargoed until:
27 March 2006
11:00**

KEY FIGURES FOR THE YEAR 2005

	Calendar year		Annual percentage change between year ended 2004 and year ended 2005
	2004	2005	
	R million	R million	
Remuneration of employees based on regional services levies of district and metropolitan municipalities	522 271,9	591 470,2	13,2
Turnover of institutions based on regional establishment levies of district and metropolitan municipalities	3 085 111,8	3 448 892,7	11,8

KEY FINDINGS FOR THE YEAR 2005

Total remuneration increased by 13,2% and total turnover increased by 11,8% during 2005 compared with 2004

According to the survey of remuneration of employees and turnover of institutions based on the levies received by district and metropolitan municipalities, the total remuneration of employees increased by 13,2% during the year 2005, compared with 2004. The total turnover of institutions, based on regional establishment levies for district and metropolitan municipalities, increased by 11,8% during the above-mentioned period.

Percentage distribution of remuneration of employees and turnover of institutions based on levies received by district and metropolitan municipalities according to province

The remuneration of employees in Gauteng was the largest contributor with 47,2% to the total remuneration of employees, based on regional services levies for the year 2005, followed by KwaZulu-Natal (14,4%), Western Cape (11,7%), Eastern Cape (7,1%), North West (5,7%), Mpumalanga (5,4%), Free State (3,7%), Limpopo (3,1%) and Northern Cape (1,7%). In 2004, the remuneration of employees in Gauteng contributed 48,5%, followed by KwaZulu-Natal (15,2%), Western Cape (11,5%), Eastern Cape (6,8%), Mpumalanga (5,5%), North West (4,9%), Free State (3,7%), Limpopo (2,3%) and Northern Cape (1,6%) to the total remuneration of employees, based on the regional services levies (see Figure 1, p. 2).

Furthermore, the turnover in Gauteng was the largest contributor with 49,3% to the total turnover of institutions for the year 2005, based on the regional establishment levies, followed by KwaZulu-Natal (14,7%), Western Cape (12,5%), Mpumalanga (6,7%), Eastern Cape (6,3%), Free State (3,7%), North West (3,6%), Limpopo (1,7%) and Northern Cape (1,4%). In 2004, the turnover in Gauteng contributed 50,4%, followed by KwaZulu-Natal (14,8%), Western Cape (12,2%), Mpumalanga (6,7%), Eastern Cape (6,0%), North West (3,6%), Free State (3,3%), Limpopo (1,6%) and Northern Cape (1,4%) to the total turnover of institutions based on regional establishment levies (see Figure 2, p. 2).

Figure 1 - Percentage distribution of remuneration of employees based on levies received by district and metropolitan municipalities according to province, 2004 and 2005

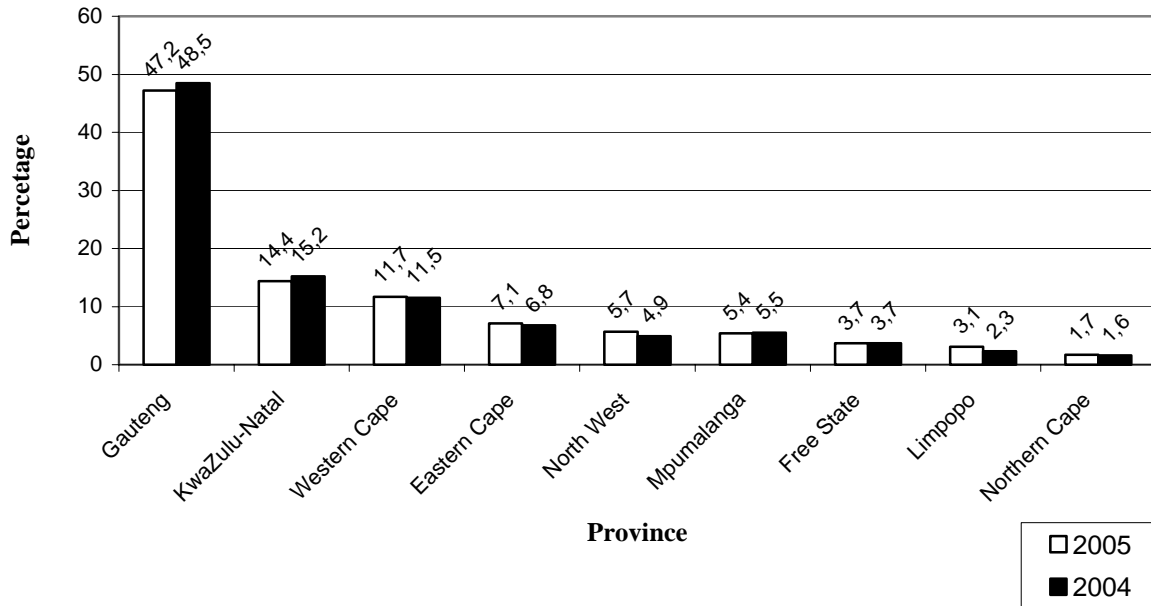
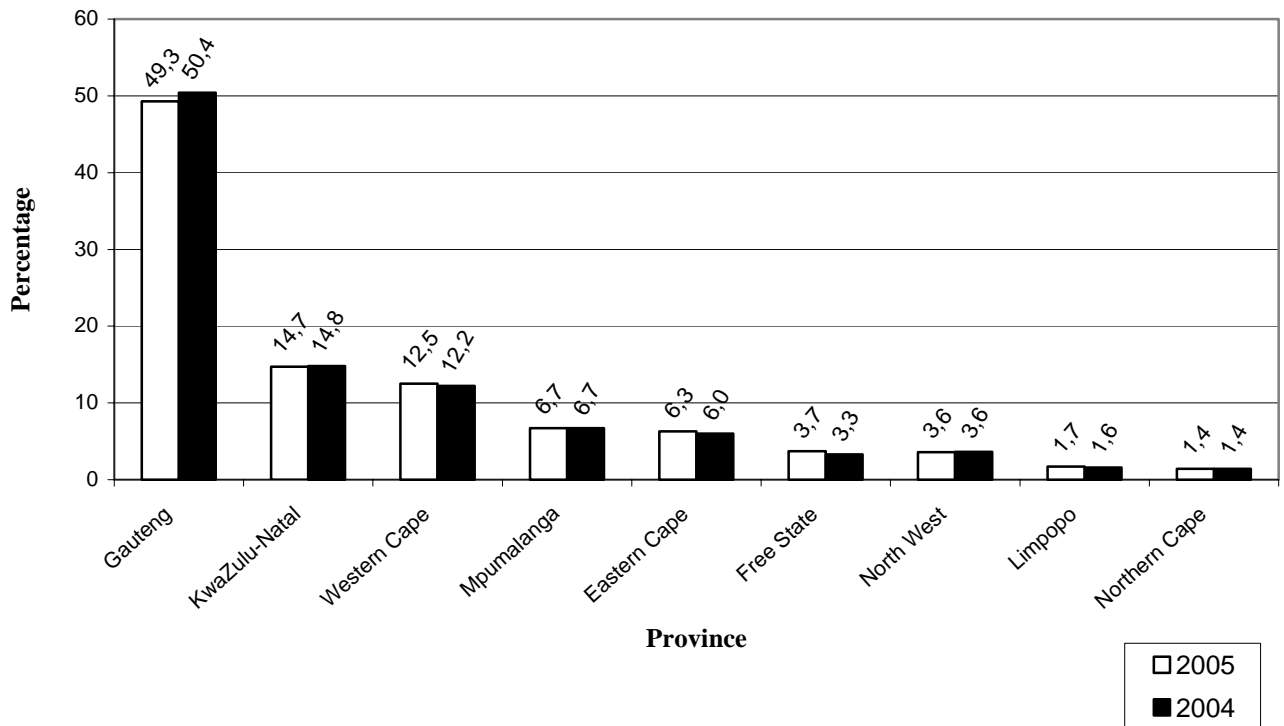


Figure 2 - Percentage distribution of turnover of institutions based on levies received by district and metropolitan municipalities according to province, 2004 and 2005



KEY FIGURES FOR THE QUARTER ENDED DECEMBER 2005

	June 2005	September 2005	December 2005	Percentage change between quarter ended September 2005 and quarter ended December 2005
	R million	R million	R million	
Remuneration of employees based on regional services levies of district and metropolitan municipalities	155 092,7	*147 936,1	151 535,3	2,4
Turnover of institutions based on regional establishment levies of district and metropolitan municipalities	874 794,7	*903 973,0	877 201,0	-3,0

*Revised figure - see note 12, p. 12.

KEY FINDINGS FOR THE QUARTER ENDED DECEMBER 2005

Total remuneration increased by 2,4% and total turnover decreased by 3,0% in the fourth quarter of 2005. The increase and decrease are probably due to the causes listed on page 4. These figures are preliminary.

According to the December 2005 survey of remuneration of employees and turnover of institutions, based on the regional services levies received by district and metropolitan municipalities, the total remuneration of employees increased by 2,4% in the fourth quarter of 2005 compared with the third quarter of 2005.

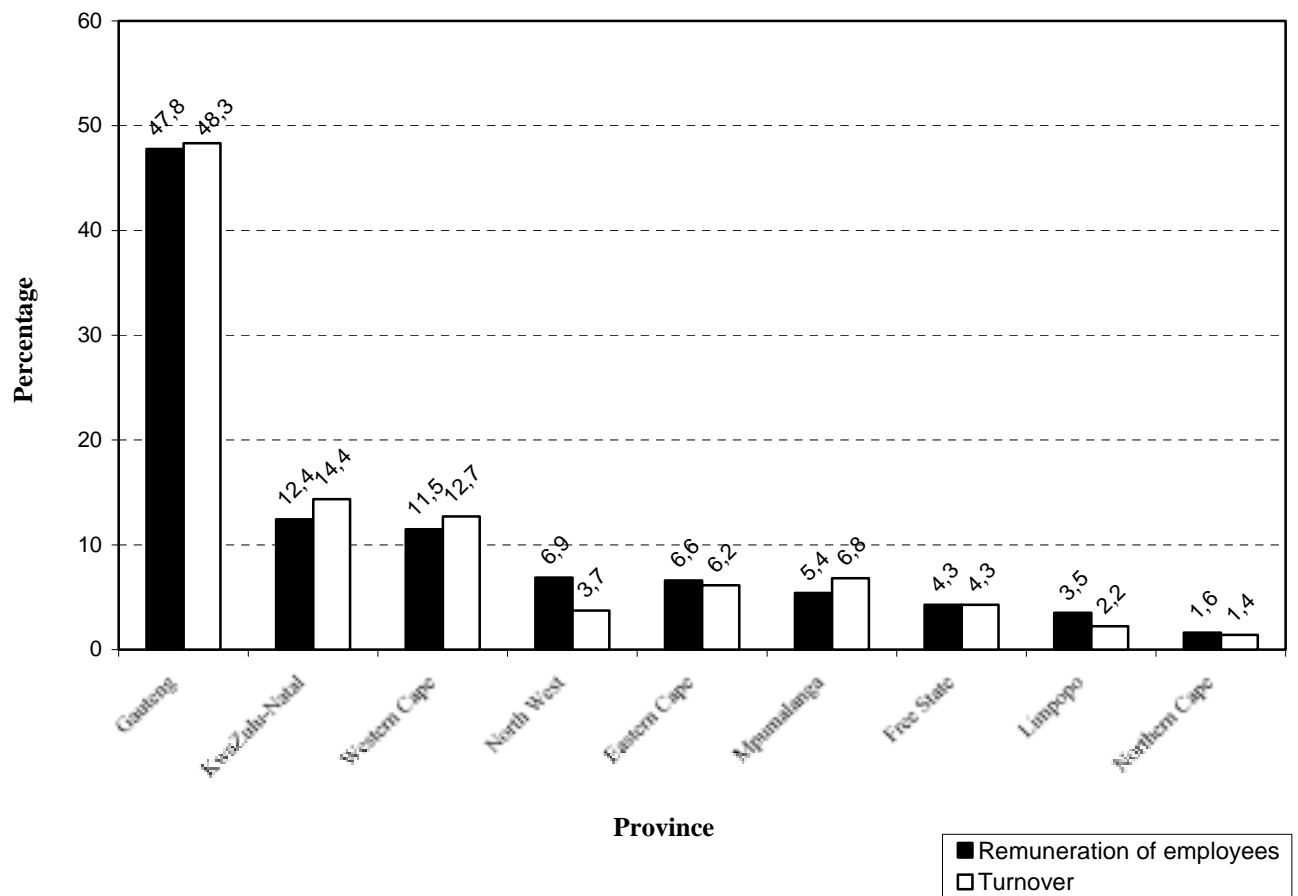
The total turnover of institutions, based on the regional establishment levies received by district and metropolitan municipalities, decreased by 3,0% in the fourth quarter of 2005 compared with the third quarter of 2005.

Provincial breakdowns

The largest provincial contributor to the total remuneration of employees was Gauteng with 47,8%, followed by KwaZulu-Natal (12,4%), Western Cape (11,5%), North West (6,9%), Eastern Cape (6,6%), Mpumalanga (5,4%), Free State (4,3%), Limpopo (3,5%) and Northern Cape (1,6%) (see Figure 3, p. 4).

The largest provincial contributor to the total turnover of institutions was Gauteng with 48,3%, followed by KwaZulu-Natal (14,4%), Western Cape (12,7%), Mpumalanga (6,8%), Eastern Cape (6,2%), Free State (4,3%), North West (3,7%), Limpopo (2,2%) and Northern Cape (1,4%) (see Figure 3, p. 4).

Figure 3 – Percentage distribution of remuneration of employees and turnover of institutions based on levies received by district and metropolitan municipalities according to province for the quarter ended December 2005



Increases and decreases in remuneration of employees and turnover of institutions based on the levies received by district and metropolitan municipalities

The fluctuations in the levies received by district and metropolitan municipalities can be caused by:

- legal action taken to recover outstanding amounts which may result in significant increases from one quarter to another;
- levies paid annually and not on a quarterly basis;
- the turnover of institutions and remuneration of employees;
- public holidays as well as other periods when institutions are closed; and
- revisions to previous quarters made in the event of new or revised information being furnished by the respondents.

PJ Lehohla
Statistician-General

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Notes

Forthcoming issues	Issue	Expected release date
	March 2006	29 June 2006
Purpose of survey	The purpose of this survey is to collect information regarding remuneration of employees and turnover of institutions based on the levies received by district and metropolitan municipalities. The information collected is also used to estimate the Gross Domestic Product by Region (GDPR).	
Publication format	The Statistics Act, 6 of 1999, prohibits the publication of information of individual respondents (in this case the district and metropolitan municipalities). Information in this release is therefore only provided at provincial level.	
Response rate	Response rate for the fourth quarter ended 31 December 2005 was 100%.	

Table 1 - Remuneration of employees based on regional services levies received and percentage change according to province

Province	Calendar year	Calendar year	Quarter ended				Quarter ended				Percentage change between quarter ended September 2005 and quarter ended December 2005	Percentage change between quarter ended December 2004 and quarter ended December 2005
	2004	2005	March 2004	June 2004	September 2004	December 2004	March 2005	June 2005	September 2005	December 2005		
	R million		R million				R million					
Western Cape	59 985,7	68 929,2	14 628,9	15 200,4	14 556,4	15 600,0	16 627,0	16 884,8	18 015,8	17 401,6	-3,4	11,5
Eastern Cape	35 571,8	42 286,8	9 306,2	8 910,3	8 801,9	8 553,5	9 043,9	11 300,2	11 924,5	10 018,2	-16,0	17,1
Northern Cape	8 364,3	10 149,2	2 289,5	2 059,4	2 034,8	1 980,6	2 999,2	2 324,0	2 352,9	2 473,1	5,1	24,9
Free State	19 167,3	21 880,7	5 415,8	5 068,1	5 112,1	3 571,3	5 363,9	5 429,8	4 608,0	6 479,0	40,6	81,4
KwaZulu-Natal	79 202,9	*85 321,3	19 901,9	18 673,8	19 731,3	20 895,9	18 940,9	26 762,0	*20 756,9	18 861,6	-9,1	-9,7
North West	25 824,4	33 737,6	5 827,3	6 793,3	7 481,2	5 722,6	6 626,7	8 163,5	8 544,7	10 402,8	21,7	81,8
Gauteng	253 207,9	*279 313,4	61 240,7	64 661,4	65 900,8	61 405,0	65 765,9	70 635,6	*70 493,3	72 418,7	2,7	17,9
Mpumalanga	28 938,8	31 706,3	7 812,3	6 067,2	7 053,0	8 006,3	7 680,6	8 170,1	7 676,0	8 179,6	6,6	2,2
Limpopo	12 008,7	18 145,7	3 164,7	3 061,2	2 976,4	2 806,3	3 857,9	5 422,7	3 564,1	5 300,9	48,7	88,9
Total remuneration	522 271,9	591 470,2	129 587,3	130 495,1	133 647,9	128 541,5	136 906,0	155 092,7	147 936,1	151 535,3	2,4	17,9

* Revised

Table 2 - Turnover of institutions based on regional establishment levies received and percentage change according to province

Province	Calendar year	Calendar year	Quarter ended				Quarter ended				Percentage change between quarter ended September 2005 and quarter ended December 2005	Percentage change between quarter ended December 2004 and quarter ended December 2005
	2004	2005	March	June	September	December	March	June	September	December		
	R million		R million				R million					
Western Cape	377 744,2	432 329,5	86 365,7	94 903,6	96 137,8	100 337,0	104 869,8	105 408,0	110 454,4	111 597,3	1,0	11,2
Eastern Cape	184 279,7	216 607,4	41 998,0	45 182,4	48 336,3	48 763,1	53 650,4	53 010,7	55 984,7	53 961,7	-3,6	10,7
Northern Cape	42 953,2	49 811,4	11 928,3	9 431,6	10 991,4	10 601,9	13 438,1	12 367,4	11 679,8	12 326,2	5,5	16,3
Free State	101 456,9	127 149,2	27 241,8	25 126,9	28 581,4	20 506,9	32 032,9	28 658,2	28 855,5	37 602,6	30,3	83,4
KwaZulu-Natal	455 988,8	*507 416,7	105 067,3	103 607,7	120 965,0	126 348,8	100 512,9	148 512,4	*132 504,8	125 886,6	-5,0	-0,4
North West	111 873,1	124 796,9	29 785,8	28 302,9	29 247,3	24 537,1	27 094,6	31 549,8	33 453,5	32 699,0	-2,3	33,3
Gauteng	1 554 219,8	*1 701 578,6	370 938,3	396 387,9	406 113,0	380 780,6	396 124,1	425 914,0	*455 719,1	423 821,4	-7,0	11,3
Mpumalanga	205 860,3	230 630,5	50 304,0	46 062,0	49 429,8	60 064,5	53 538,4	56 132,5	61 106,7	59 852,9	-2,1	-0,4
Limpopo	50 736,0	58 572,6	13 312,8	12 759,7	11 985,3	12 678,3	11 663,0	13 241,7	14 214,6	19 453,4	36,9	53,4
Total turnover	3 085 111,8	3 448 892,7	736 942,0	761 764,6	801 787,1	784 618,1	792 924,0	874 794,7	903 973,0	877 201,0	-3,0	11,8

* Revised

Table 3 - Actual regional services levies received according to province

Province	Calendar year	Calendar year	Quarter ended				Quarter ended			
	2004	2005	March	June	September	December	March	June	September	December
	Rand		Rand				Rand			
Western Cape	169 590 789	195 106 768	41 151 149	43 071 801	41 163 883	44 203 956	47 057 490	47 872 259	50 919 379	49 257 640
Eastern Cape	127 846 864	150 829 286	33 589 309	31 928 175	31 677 660	30 651 720	32 027 428	40 214 608	42 650 033	35 937 217
Northern Cape	27 588 189	33 788 381	7 571 326	6 804 951	6 701 927	6 509 985	10 055 624	7 751 816	7 863 725	8 117 216
Free State	61 753 391	70 957 900	17 513 268	16 392 373	16 439 871	11 407 879	17 337 711	17 418 180	14 852 501	21 349 508
KwaZulu-Natal	237 608 765	*255 963 929	59 705 651	56 021 344	59 193 961	62 687 809	56 822 643	80 285 954	*62 270 586	56 584 746
North West	71 249 581	93 068 714	16 075 750	18 739 387	20 646 266	15 788 178	18 274 118	22 539 344	23 574 340	28 680 912
Gauteng	850 255 530	*938 998 891	206 149 324	217 289 744	220 869 193	205 947 269	220 863 777	236 878 188	*237 051 888	244 205 038
Mpumalanga	94 821 355	103 934 726	25 663 591	19 919 819	23 118 301	26 119 644	25 185 297	26 769 595	25 171 622	26 808 212
Limpopo	33 673 931	52 020 474	8 858 235	8 588 519	8 349 611	7 877 566	10 906 412	15 616 262	10 076 572	15 421 228
Total services levy	1 674 388 395	1 894 669 069	416 277 603	418 756 113	428 160 673	411 194 006	438 530 500	495 346 206	474 430 646	486 361 717

* Revised

Table 4 - Actual regional establishment levies received according to province

Province	Calendar year	Calendar year	Quarter ended				Quarter ended			
	2004	2005	March	June	September	December	March	June	September	December
	Rand		Rand				Rand			
	2004	2005	2004	2004	2004	2004	2005	2005	2005	2005
Western Cape	784 092 741	898 359 784	178 008 780	194 508 127	200 001 459	211 574 375	215 965 654	217 471 777	230 940 379	233 981 974
Eastern Cape	263 886 087	309 139 701	60 121 155	64 416 870	68 990 148	70 357 914	76 165 820	75 780 041	79 994 392	77 199 448
Northern Cape	59 781 774	68 937 347	16 840 539	13 167 535	15 079 597	14 694 103	18 709 924	17 203 141	16 350 393	16 673 889
Free State	128 963 923	162 303 550	34 507 881	32 139 064	36 350 655	25 966 323	40 630 723	36 455 596	36 609 665	48 607 566
KwaZulu-Natal	547 186 567	*608 899 996	126 080 796	124 329 261	145 157 969	151 618 541	120 615 423	178 214 885	*159 005 791	151 063 897
North West	133 725 346	154 244 125	36 000 369	33 408 117	35 637 428	28 679 432	32 707 932	38 928 322	40 792 330	41 815 541
Gauteng	2 121 730 627	*2 325 319 943	506 902 043	541 424 102	553 684 965	519 719 517	540 664 334	581 010 523	*621 826 684	581 818 402
Mpumalanga	279 777 354	313 899 174	68 399 334	62 858 244	67 256 617	81 263 159	72 925 261	76 344 013	83 250 507	81 379 393
Limpopo	58 381 682	67 580 867	15 371 325	14 654 260	13 779 148	14 576 949	13 387 718	15 193 963	16 346 344	22 652 842
Total establishment levy	4 377 526 101	4 908 684 487	1 042 232 222	1 080 905 580	1 135 937 986	1 118 450 313	1 131 772 789	1 236 602 261	1 285 116 485	1 255 192 952

* Revised

Explanatory notes

Introduction

1 Since 1993, Statistics South Africa (Stats SA) has conducted a quarterly survey of remuneration of employees and turnover of institutions regarding the levies collected from the public and private sector by district and metropolitan municipalities. The main purpose of this survey is to collect information regarding remuneration of employees and turnover according to the levies received by district and metropolitan municipalities by province. The information collected will also be used in the Gross Domestic Product by Region (GDPR) according to municipality. Some organizations are not subject to levies, for example, religious and charitable organisations and non-profit institutions.

Scope of the survey

2 The relevant information is collected from district and metropolitan municipalities which collect levies received by district municipalities and metropolitan municipalities in terms of section 3 of Regional Services Councils Act, 1985 (Act No. 109 of 1985), section 4 of the KwaZulu-Natal Joint Services Act, 1990 (Act No. 84 of 1990) the relevant sections of the Local Government Transition Act, (Act No. 209 of 1993) and the Local Government Transition Act, Second Amendment Act, 1996 (Act No. 97 of 1996) or any amendments thereto.

Statistical unit

3 The statistical units for the collection of information are the district and metropolitan municipalities.

Classification

4 The 1993 edition of the Standard Industrial Classification of all Economic Activities (SIC), Fifth Edition, Report No. 09-90-02, is 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. This publication presents information classified by district municipality.

Survey methodology and design

5 This survey is collected by mail each quarter from all 53 district municipalities (category C) and metropolitan municipalities (category A) within the nine provinces.

Related publications

6 Users may also wish to refer to the following publications which are available from Stats SA–

- ◆ P0401 - Gross geographic product
- ◆ P0441 - Gross domestic product
- ◆ P9101.1 - Actual and expected capital expenditure of the public sector
- ◆ P9101.2 - Actual and expected capital expenditure on new construction works by the public sector by statistical region
- ◆ P9114 - Financial census of municipalities
- ◆ P9115 - Non-financial census of municipalities

- | | | |
|---------------------------------------|-----------|---|
| Reliable estimates | 7 | Figures for the latest quarter are preliminary. Fluctuations may occur in consecutive quarters as a result of seasonal and economic factors. |
| Collection of levies | 8 | This survey only captures data in respect of levies paid by institutions. The information does not necessarily represent all levies, which should have been collected. |
| | 9 | Levies paid to district and metropolitan municipalities are not necessarily applicable for the reference period. Levies paid may be inclusive of accrued and prepaid amounts. |
| Value added tax | 10 | Value added tax (VAT) has been excluded from all calculations. |
| Rounding off-of figures | 11 | All figures are rounded off independently of one another. Totals may therefore not be equal to the sum of the individual amounts. |
| Revised figures | 12 | The revised figures are due to respondents reporting revisions or corrections to the previous information they furnished. |
| Symbols and abbreviations used | 13 | Stats SA Statistics South Africa
* Revised
0 not available (or not applicable) |
| | 14 | The information can be made available at the lowest level, which is from the district and metropolitan municipalities. |

Glossary

District municipality	District municipality means a municipality that has municipal executive and legislative authority in an area that includes more than one municipality, and which is described in section 155(1) of the Constitution as a category C municipality. (Refer to Local government: Municipal Structures Act, Act No.117 of 1998).
Employees	Employees refer to those persons who received remuneration in the reference quarter.
Metropolitan municipality	Metropolitan municipality means a municipality that has exclusive executive and legislative authority in its area, and which is described in section 155(1) of the Constitution as a category A municipality. (Refer to Local government: Municipal Structures Act, Act No.117 of 1998).
Quarterly percentage change between previous and current quarter	Quarterly percentage change is the change in the remuneration of employees (or turnover of institutions) of the given quarter compared with the remuneration of employees (or turnover of institutions) of the previous quarter expressed as a percentage.
Quarterly percentage change between a specific quarter of the previous year and the same quarter of the current year	Quarterly percentage change between the previous year and the current year for the same quarter refers to the comparison of the three months of the current quarter in the current year with that of the similar period of the previous year. The amounts shown for each quarter are not cumulative.
Reference quarter	Reference quarter for the survey refers to the three months up to the end of each quarter. The reference quarter for this survey was 1 October 2005 to 31 December 2005.
Reference year	The reference year for the survey means one calendar year. The year figure refers to the total amount for the four quarters (i.e. sum of March, June, September and December of the same year).
Regional service levy	Payroll tax paid by registered levy payers on the total remuneration of their employees, in terms of the local Government Act (LGTA) of 1993
Regional establishment levy	Turnover tax paid by businesses on the total turnover, in terms of the local Government Act (LGTA) of 1993
Remuneration of employees	Remuneration of employees includes primarily: salaries; wages; services and other bonuses; allowances (including car allowances); and overtime payments.
Turnover	Turnover refers to total gross sales of institutions.

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