

Motor trade industry, 2006

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MOTOR TRADE INDUSTRY, 2006

1. Introduction

This publication presents estimates in respect of the 2006 motor trade large sample survey (LSS). The 2006 motor trade LSS collected data from a sample of 2 149 enterprises drawn from a sampling frame of 18 167 which were operating between 1 July 2005 and 30 June 2006. The sample was stratified in such a way that all large enterprises (those with turnover equal to or greater than R39 million) were included. The data for the number of employees were provided for the last pay period ended on or before 30 June 2006. Data were collected at the 4-digit SIC level of classification of enterprises (except for SIC 6312 that was collected at 5-digit SIC level).

The previous motor trade LSS was conducted in 2002 (The motor trade industry, 2002).

1.1 Scope and coverage

The motor trade division includes all activities (except manufacturing and renting) related to motor vehicles and motorcycles.

The 2006 motor trade LSS covers enterprises registered in the taxation system that are mainly engaged in:

- i. Wholesale sale of motor vehicles (SIC 6311)
- ii. Retail sale of new motor vehicles (SIC 63121)
- iii. Retail sale of used motor vehicles (SIC 63122)
- iv. Maintenance and repair of motor vehicles (SIC 6320)
- v. Sale of new parts and accessories (SIC 6331)
- vi. Sale of used parts and accessories (SIC 6332)
- vii. Sale, maintenance and repair of motorcycles and related parts and accessories (SIC 6340)
- viii. Retail sale of automotive fuel (SIC 6350)

The following activities are **excluded**:

- i. Renting of motor vehicles with a driver (SIC 7122)
- ii. Renting of trucks with a driver, for freight transport by road (SIC 7123)
- iii. Renting of motor vehicles and motorcycles without drivers (SIC 8511)

1.2 Data items

The following categories of data items were collected: industrial classification, details of employment, trading income, expenditure, profit or loss, inventories, book value of assets and details of sales, services and purchases.

1.3 Reference period

The questionnaires were completed for the financial year of the enterprise which **ended on any date between 1 July 2005 and 30 June 2006**, according to the usual reporting schedule of the enterprise.

Example

- 1 October 2004 – 30 September 2005
- 1 January 2005 – 31 December 2005
- 1 February 2005 – 31 January 2006
- 1 March 2005 – 28 February 2006
- 1 April 2005 – 31 March 2006

1.4 Current prices

The rand values are at current prices.

1.5 Reliability of data

All estimates compiled for this industry are subject to both sampling and non-sampling errors.

The estimates presented in this publication are subject to sampling variability since they are based on information obtained from a sample. That is, they may differ from the figures that would have been produced if the data had been obtained from all enterprises in the motor trade 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. The larger the RSE, the less reliable the estimate.

The following are some of the likely sources of non-sampling errors: sampling frame not up to date, wrong definitions and classification, phrasing of questions, non-response, processing and estimation. 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.

1.6 Confidentiality

According to section 17 of the Statistics Act, 1999 (Act No. 6 of 1999), completed questionnaires remain confidential to Statistics South Africa (Stats SA). Individual business information is never disclosed. Results are presented in aggregated form only.

1.7 Related publications

Stats SA conducts a monthly survey on motor trade industry. The survey is used mainly to monitor trends and provides estimates at less detailed SIC than the motor trade LSS.

2. Background to the large sample surveys

The LSSs serve to document comprehensively the nature and structure of all industries within the economy.

Previously, Stats SA periodically conducted industry censuses i.e. collections covering all entities known to be mainly engaged in particular sectors. The last industry census was conducted for the manufacturing sector in 1996. Since then, Stats SA has replaced industry censuses with periodic LSSs of industry sectors. These surveys are based on larger samples than the subannual and annual surveys. They do not attempt to completely enumerate all entities within the industry scope of the surveys, but are based on stratified random samples which are representative of the survey population.

2.1 Purpose and uses of large sample surveys

The LSS results are used in constructing and refreshing input/output tables, and for benchmarking the Gross Domestic Product (GDP) and its components, as well as production and price indices, and annual and short-term statistical series.

Users of the LSSs include the following:

- i. Price statisticians, particularly in refreshing the commodity basket of producer price indices;
- ii. Policy advisers in government for monitoring the performance of industries and their contribution to the South African economy and evaluating the effectiveness of industry policies;
- iii. Industry associations monitoring trends in their own and competing or complementary industries in order to inform their members of market changes; and
- iv. Individual businesses using the data to analyse their performance relative to their industry.

2.2 Scope and coverage

The LSSs cover enterprises registered in the taxation system (VAT and income tax) that are mainly engaged in the following industries as defined in the Standard Industrial Classification of all Economic Activities (SIC):

- i. Mining and quarrying
- ii. Manufacturing
- iii. Electricity, gas and water supply
- iv. Construction
- v. Wholesale and retail trade, repair of motor vehicles, motorcycles and personal and household goods, and hotels and restaurants
- vi. Transport, storage and communication
- vii. Financial intermediation, insurance, real estate and business services
- viii. Community, social and personal services (except national, provincial and local government activities)

Note: The agriculture, forestry, fishing, hunting and related services industry (SIC 1) is not included as it is covered by a separate programme within Stats SA. Similarly, the public administration and defence activities industry (SIC 91), the financial intermediation (SIC 81) and insurance and pension funding (SIC 82) are covered by other programmes within both Stats SA and elsewhere (e.g. the South African Reserve Bank (SARB)).

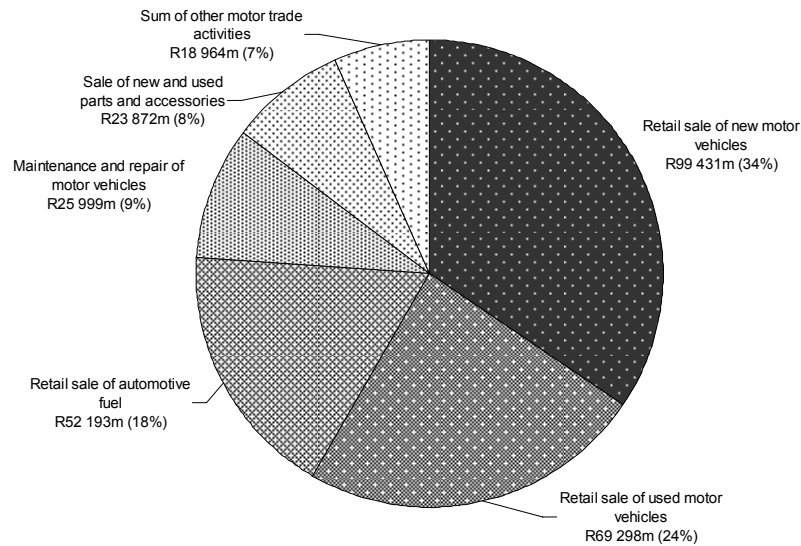
2.3 Reporting unit

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. Each industry is classified to an industry that reflects its predominant activity. The statistical units are derived from and linked to the South African Revenue Service (SARS) administrative data.

3. Summary of findings for the year 2006

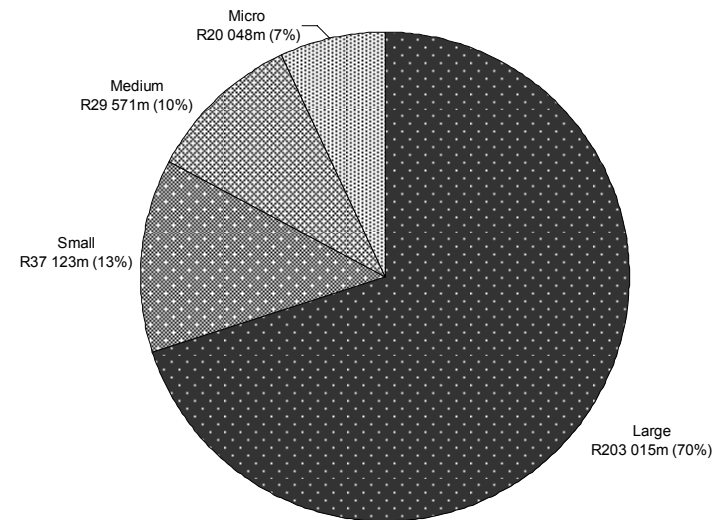
3.1 Income

Figure 1 – Breakdown of income by type of activity in the motor trade industry, 2006



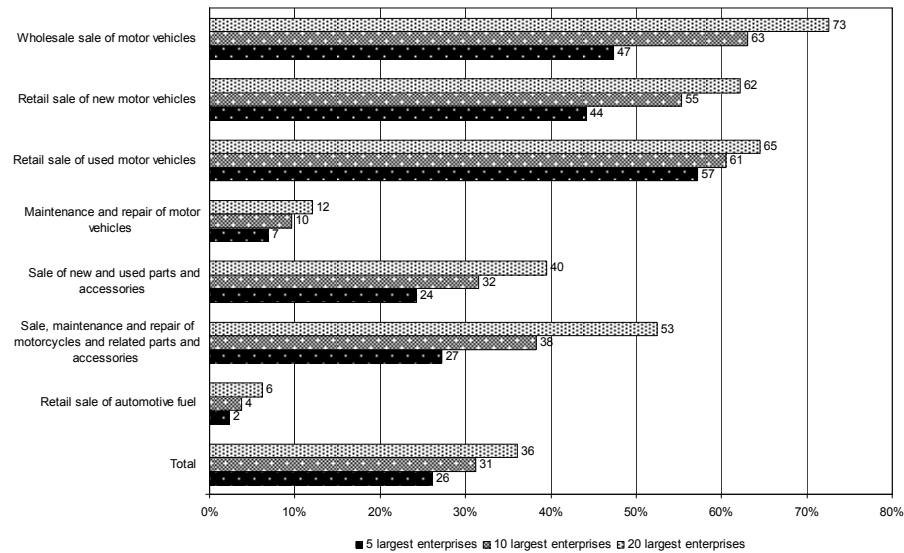
The total income in the motor trade industry in 2006 was R289 757 million. The largest contributor to the total income was 'Retail sale of new motor vehicles' (R99 431 million or 34%), followed by 'Retail sale of used motor vehicles' (R69 298 million or 24%) and 'Retail sale of automotive fuel' (R52 193 million or 18%) (Figure 1 and Table 1, page 9).

Figure 2 – Breakdown of income by enterprise size in the motor trade industry, 2006



Large enterprises (those with a Business Register (BR) turnover equal to or greater than R39 million) generated 70% (R203 015 million) of the total income of the motor trade industry. Large and small enterprises combined contributed 83% to the total income (Figure 2 and Table 4, page 12).

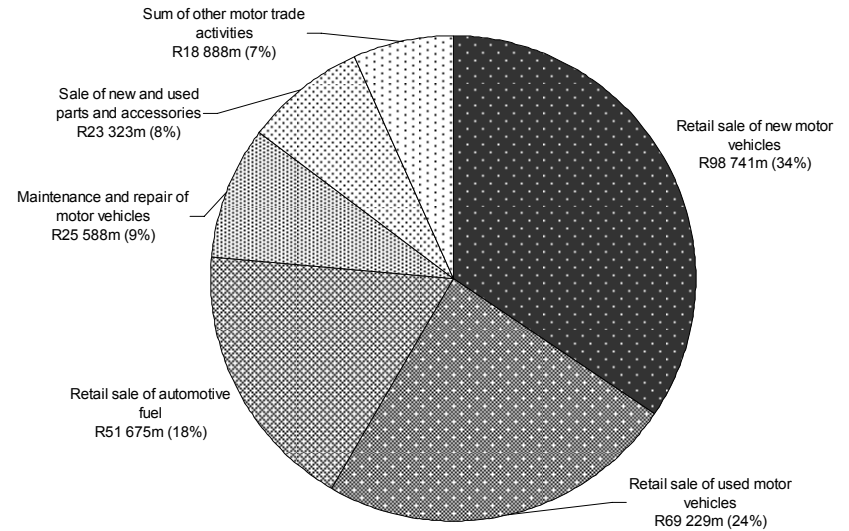
Figure 3 – Breakdown of concentration ratios in the motor trade industry, 2006



The 20 largest enterprises contributed 36% to the total income of the motor trade industry. The contribution of the five largest enterprises ranges from 2% for 'Retail sale of automotive fuel' to 57% for 'Retail sale of used motor vehicles' (Figure 3 and Table 5, page 13).

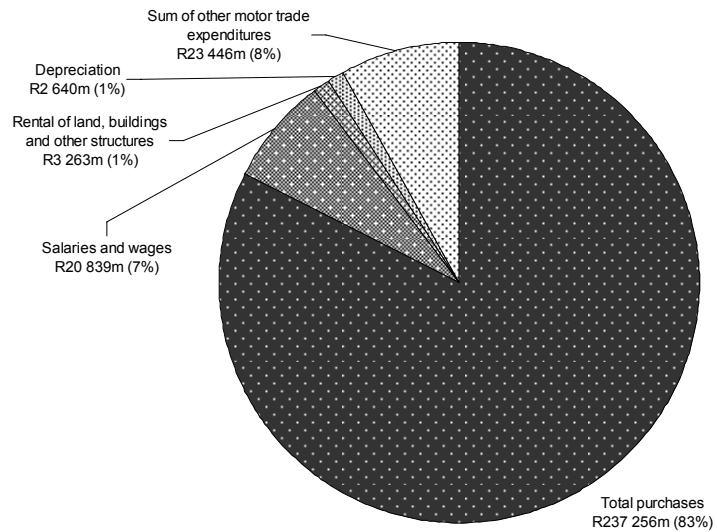
3.2 Expenditure

Figure 4 – Breakdown of expenditure by type of activity in the motor trade industry, 2006



The total expenditure in the motor trade industry in 2006 was R287 444 million. The largest contributor to total expenditure was 'Retail sale of new motor vehicles' (R98 741 million or 34%), followed by 'Retail sale of used motor vehicles' (R69 229 million or 24%) and 'Retail sale of automotive fuel' (R51 675 million or 18%) (Figure 4 and Table 6, page 14–18).

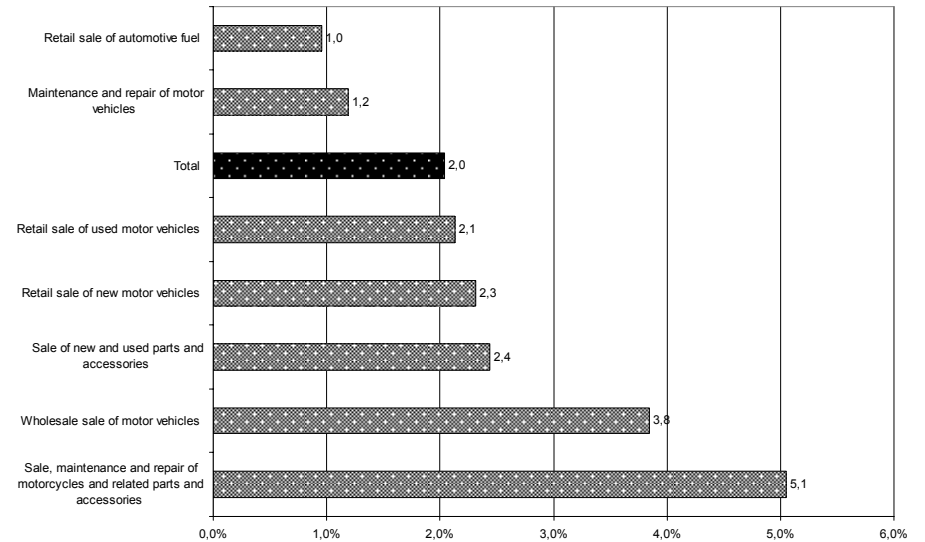
Figure 5 – Composition of expenditure in the motor trade industry, 2006



The expenditure for the motor trade industry in 2006 was composed primarily of 'Purchases' (R237 256 million or 83%), followed by 'Salaries and wages' (R20 839 million or 7%) (Figure 5 and Table 6, page 14–18).

3.3 Profit margin

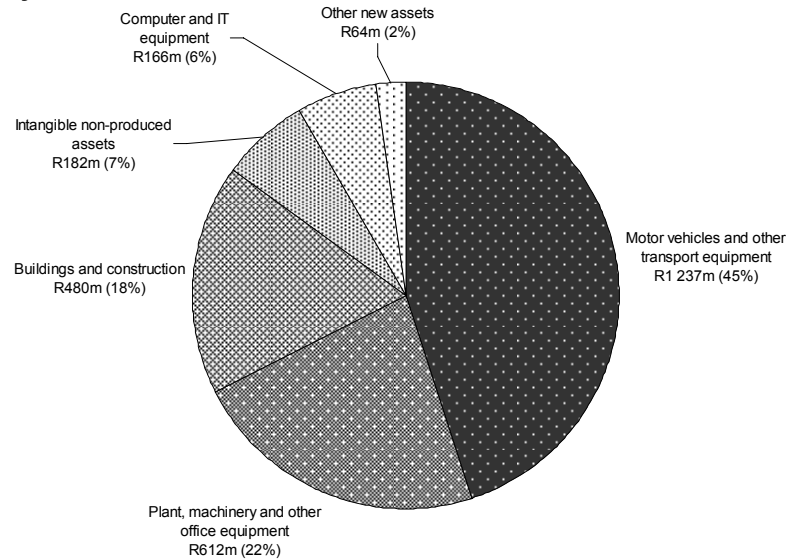
Figure 6 – Profit margin in the motor trade industry, 2006



The profit margin in the motor trade industry was 2,0% in 2006. 'Sale, maintenance and repair of motorcycles and related parts and accessories' had the highest profit margin (5,1%), followed by 'Wholesale sale of motor vehicles' (3,8%) (Figure 6 and Table 2, page 10).

3.4 Capital expenditure on new assets

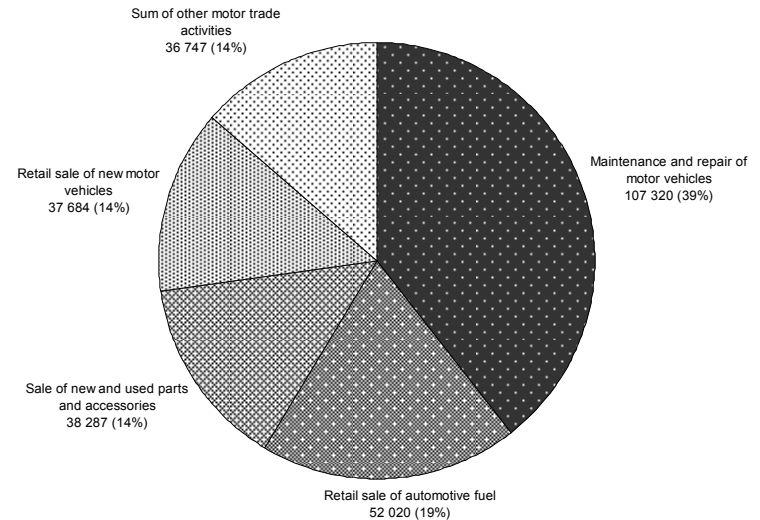
Figure 7 – Capital expenditure on new assets in the motor trade industry, 2006



The greatest single item of capital expenditure on new assets was ‘Motor vehicles and other transport equipment’ (R1 237 million or 45%), followed by ‘Plant, machinery and other office equipment’ (R612 million or 22%) and ‘Buildings and construction’ (R480 million or 18%) (Figure 7 and Table 9, page 22).

3.5 Employment

Figure 8 – Employment in the motor trade industry, 2006



The total number of persons employed in the motor trade industry at the end of June 2006 was 272 058. ‘Maintenance and repair of motor vehicles’ employed the largest number of persons (107 320 or 39%), followed by ‘Retail sale of automotive fuel’ (52 020 or 19%), ‘Sale of new and used parts and accessories’ (38 287 or 14%) and ‘Retail sale of new motor vehicles’ (37 684 or 14%) (Figure 8 and Table 13, page 26).

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4. Tables

Table 1 – Principal statistics in the motor trade industry, 2006

Type of activity (SIC)		Total income	Total expenditure	Net profit/loss before tax	Inventory at the beginning of the year	Inventory at the end of the year	Book value of assets at the beginning of the year	Capital expenditure on new assets	Book value of assets at the end of the year
		R million							
Wholesale sale of motor vehicles	6311	16 943	16 928	796	2 150	2 931	396	233	586
Retail sale of new motor vehicles	63121	99 431	98 741	2 956	7 462	9 729	1 409	763	1 872
Retail sale of used motor vehicles	63122	69 298	69 229	2 071	7 827	9 829	8 046	1 148	7 416
Maintenance and repair of motor vehicles	6320	25 999	25 588	445	1 503	1 536	5 523	229	5 566
Sale of new and used parts and accessories	6331, 6332	23 872	23 323	790	3 317	3 558	1 464	225	1 461
Sale, maintenance and repair of motorcycles and related parts and accessories	6340	2 021	1 960	138	264	342	64	16	77
Retail sale of automotive fuel	6350	52 193	51 675	643	880	1 006	1 609	127	1 781
Total		289 757	287 444	7 839	23 403	28 931	18 511	2 741	18 759

Table 2 – Profit margin in the motor trade industry, 2006

Type of activity (SIC)		Net profit after tax	Turnover	Profit margin
		R million	R million	%
Wholesale sale of motor vehicles	6311	643	16 710	3,8
Retail sale of new motor vehicles	63121	2 277	98 374	2,3
Retail sale of used motor vehicles	63122	1 443	67 830	2,1
Maintenance and repair of motor vehicles	6320	307	25 714	1,2
Sale of new and used parts and accessories	6331, 6332	569	23 315	2,4
Sale, maintenance and repair of motorcycles and related parts and accessories	6340	101	2 000	5,1
Retail sale of automotive fuel	6350	496	51 857	1,0
Total		5 836	285 800	2,0

Table 3 – Income in the motor trade industry, 2006

Type of activity (SIC)		Sales of goods	Services rendered	Rental and leasing of land, buildings and other structures	Leasing and hiring of plant, machinery and equipment	Leasing and hiring of motor vehicles and other transport equipment	Interest received	Profit on assets, investments and liabilities sold or revalued	Other income	Total income
		R million								
Wholesale sale of motor vehicles	6311	16 447	254	6	0	3	92	3	138	16 943
Retail sale of new motor vehicles	63121	96 641	1 714	13	1	5	199	13	845	99 431
Retail sale of used motor vehicles	63122	61 728	5 593	438	64	7	663	3	802	69 298
Maintenance and repair of motor vehicles	6320	6 216	19 489	8	0	1	96	9	180	25 999
Sale of new and used parts and accessories	6331, 6332	21 888	1 414	4	9	0	130	162	265	23 872
Sale, maintenance and repair of motorcycles and related parts and accessories	6340	1 892	107	0	0	1	3	0	18	2 021
Retail sale of automotive fuel	6350	50 893	923	28	4	9	225	7	104	52 193
Total		255 705	29 494	497	78	26	1 408	197	2 352	289 757

Table 4 – Income by enterprise size in the motor trade industry, 2006

Type of activity (SIC)		Large	Medium	Small	Micro	Total income
		R million				
Wholesale sale of motor vehicles	6311	13 712	1 037	1 305	889	16 943
Retail sale of new motor vehicles	63121	97 056	1 187	790	398	99 431
Retail sale of used motor vehicles	63122	59 039	4 808	4 690	761	69 298
Maintenance and repair of motor vehicles	6320	3 951	2 223	7 822	12 003	25 999
Sale of new and used parts and accessories	6331, 6332	14 053	2 967	3 908	2 944	23 872
Sale, maintenance and repair of motorcycles and related parts and accessories	6340	684	438	447	452	2 021
Retail sale of automotive fuel	6350	14 520	16 911	18 161	2 601	52 193
Total		203 015	29 571	37 123	20 048	289 757

Table 5 – Concentration ratios (Relative contribution of largest enterprises) in the motor trade industry, 2006

Type of activity (SIC)		Total income	Income of 5 largest enterprises	Relative contribution of 5 largest enterprises	Income of 10 largest enterprises	Relative contribution of 10 largest enterprises	Income of 20 largest enterprises	Relative contribution of 20 largest enterprises
		R million	R million	%	R million	%	R million	%
Wholesale sale of motor vehicles	6311	16 943	8 037	47,4	10 683	63,1	12 309	72,6
Retail sale of new motor vehicles	63121	99 431	43 881	44,1	55 020	55,3	61 818	62,2
Retail sale of used motor vehicles	63122	69 298	39 662	57,2	41 893	60,5	44 707	64,5
Maintenance and repair of motor vehicles	6320	25 999	1 784	6,9	2 491	9,6	3 134	12,1
Sale of new and used parts and accessories	6331, 6332	23 872	5 766	24,2	7 517	31,5	9 420	39,5
Sale, maintenance and repair of motorcycles and related parts and accessories	6340	2 021	549	27,2	774	38,3	1 062	52,5
Retail sale of automotive fuel	6350	52 193	1 214	2,3	1 960	3,8	3 211	6,2
Total		289 757	75 695¹	26,1	90 330¹	31,2	104 553¹	36,1

¹ These figures reflect the income of the 5 (respectively 10 and 20) largest enterprises, and not the column totals.

Table 6 – Expenditure in the motor trade industry, 2006

Type of activity (SIC)		Total purchases	Salaries and wages	Rental of land, buildings and other structures	Depreciation	Interest paid	Motor vehicle running expenditure	Insurance premiums paid
		R million						
Wholesale sale of motor vehicles	6311	14 737	689	113	59	163	49	34
Retail sale of new motor vehicles	63121	84 630	5 015	996	228	470	516	220
Retail sale of used motor vehicles	63122	57 662	4 311	268	1 254	1 423	251	168
Maintenance and repair of motor vehicles	6320	15 164	5 668	774	641	217	265	354
Sale of new and used parts and accessories	6331, 6332	17 273	2 920	361	235	200	279	140
Sale, maintenance and repair of motorcycles and related parts and accessories	6340	1 652	134	23	13	12	9	12
Retail sale of automotive fuel	6350	46 138	2 102	728	210	106	110	213
Total		237 256	20 839	3 263	2 640	2 591	1 479	1 141

Table 6 – Expenditure in the motor trade industry, 2006 (continued)

Type of activity (SIC)		Accommodation	Advertising	Bank charges	Containers and packaging materials	Entertainment	Excise and customs duty
		R million					
Wholesale sale of motor vehicles	6311	11	142	14	2	11	32
Retail sale of new motor vehicles	63121	9	370	99	3	38	467
Retail sale of used motor vehicles	63122	3	321	50	7	18	6
Maintenance and repair of motor vehicles	6320	7	78	163	1	53	11
Sale of new and used parts and accessories	6331, 6332	4	124	90	25	23	97
Sale, maintenance and repair of motorcycles and related parts and accessories	6340	1	15	8	1	2	10
Retail sale of automotive fuel	6350	5	56	307	13	19	1
Total		40	1 106	731	52	164	624

Table 6 – Expenditure in the motor trade industry, 2006 (continued)

Type of activity (SIC)		Losses from redemption, liquidation or revaluation of liabilities	Losses on assets, investments and liabilities sold or revalued	Operational leasing and hiring of plant, machinery and equipment	Paper, printing and stationery	Postal and courier	Property tax	Railage and transport-out
		R million						
Wholesale sale of motor vehicles	6311	31	4	13	13	8	5	23
Retail sale of new motor vehicles	63121	46	21	81	99	33	44	24
Retail sale of used motor vehicles	63122	145	180	49	38	19	27	108
Maintenance and repair of motor vehicles	6320	2	31	65	55	57	13	10
Sale of new and used parts and accessories	6331, 6332	28	68	99	49	16	11	147
Sale, maintenance and repair of motorcycles and related parts and accessories	6340	1	0	3	3	4	0	0
Retail sale of automotive fuel	6350	1	14	55	36	19	8	3
Total		254	318	365	293	156	108	315

Table 6 – Expenditure in the motor trade industry, 2006 (continued)

Type of activity (SIC)		Regional service council levies	Repair and maintenance	Royalties, franchise fees, trade names and patent rights	Security services	Skills development levy
		R million				
Wholesale sale of motor vehicles	6311	20	137	2	13	3
Retail sale of new motor vehicles	63121	98	153	1	92	22
Retail sale of used motor vehicles	63122	55	73	4	39	9
Maintenance and repair of motor vehicles	6320	58	145	6	46	16
Sale of new and used parts and accessories	6331, 6332	38	83	22	55	12
Sale, maintenance and repair of motorcycles and related parts and accessories	6340	3	5	1	2	0
Retail sale of automotive fuel	6350	90	113	146	131	14
Total		362	709	182	378	76

Table 6 – Expenditure in the motor trade industry, 2006 (concluded)

Type of activity (SIC)		Staff training	Subcontractors paid	Telecommuni- cation	Travelling	Water and electricity	Other expenditure	Total expenditure
		R million						
Wholesale sale of motor vehicles	6311	4	4	39	32	20	501	16 928
Retail sale of new motor vehicles	63121	54	36	200	58	98	4 520	98 741
Retail sale of used motor vehicles	63122	13	2	120	34	73	2 499	69 229
Maintenance and repair of motor vehicles	6320	8	28	307	31	145	1 169	25 588
Sale of new and used parts and accessories	6331, 6332	4	57	162	45	64	592	23 323
Sale, maintenance and repair of motorcycles and related parts and accessories	6340	0	1	10	3	3	29	1 960
Retail sale of automotive fuel	6350	10	6	110	15	221	675	51 675
Total		93	134	948	218	624	9 985	287 444

Table 7 – Book value of assets by type of motor trade in the motor trade industry, 2006

Type of activity (SIC)		Book value of assets at the beginning of the year	Capital expenditure on new assets	Capital expenditure on existing assets	Sale or revaluation of assets	Depreciation or amortisation during the year	Book value of assets at the end of the year
		R million					
Wholesale sale of motor vehicles	6311	396	233	48	-25	66	586
Retail sale of new motor vehicles	63121	1 409	763	83	-131	252	1 872
Retail sale of used motor vehicles	63122	8 046	1 148	181	-680	1 279	7 416
Maintenance and repair of motor vehicles	6320	5 523	229	901	-156	931	5 566
Sale of new and used parts and accessories	6331, 6332	1 464	225	61	-17	272	1 461
Sale, maintenance and repair of motorcycles and related parts and accessories	6340	64	16	13	-3	13	77
Retail sale of automotive fuel	6350	1 609	127	322	-40	237	1 781
Total		18 511	2 741	1 609	-1 052	3 050	18 759

Table 8 – Book value at the end of the year of assets by asset type in the motor trade industry, 2006

Type of activity (SIC)		Land	Residential buildings	Non-residential buildings	Construction	Computer and IT equipment	Motor vehicles and other transport equipment
		R million					
Wholesale sale of motor vehicles	6311	59	5	157	69	38	93
Retail sale of new motor vehicles	63121	55	4	387	7	103	167
Retail sale of used motor vehicles	63122	115	19	1 777	7	33	4 767
Maintenance and repair of motor vehicles	6320	1 100	0	1 301	19	35	1 349
Sale of new and used parts and accessories	6331, 6332	43	77	138	2	88	368
Sale, maintenance and repair of motorcycles and related parts and accessories	6340	7	3	11	0	2	32
Retail sale of automotive fuel	6350	135	2	168	1	118	280
Total		1 514	110	3 939	105	417	7 056

Table 8 – Book value at the end of the year of assets by asset type in the motor trade industry, 2006 (concluded)

Type of activity (SIC)		Plant, machinery and other office equipment	Intangible fixed assets	Intangible non-produced assets	Other	Total
		R million				
Wholesale sale of motor vehicles	6311	76	33	34	22	586
Retail sale of new motor vehicles	63121	716	22	399	12	1 872
Retail sale of used motor vehicles	63122	480	29	181	8	7 416
Maintenance and repair of motor vehicles	6320	1 308	13	225	216	5 566
Sale of new and used parts and accessories	6331, 6332	465	36	242	2	1 461
Sale, maintenance and repair of motorcycles and related parts and accessories	6340	12	4	5	1	77
Retail sale of automotive fuel	6350	241	9	801	26	1 781
Total		3 298	146	1 887	287	18 759

Table 9 – Capital expenditure on new assets in the motor trade industry, 2006

Type of activity (SIC)		Buildings and construction	Computer and IT equipment	Motor vehicles and other transport equipment	Plant, machinery and other office equipment	Intangible non-produced assets	Other	Total
		R million						
Wholesale sale of motor vehicles	6311	89	12	42	44	17	29	233
Retail sale of new motor vehicles	63121	237	35	106	322	43	20	763
Retail sale of used motor vehicles	63122	126	24	815	71	109	3	1 148
Maintenance and repair of motor vehicles	6320	2	6	122	99	0	0	229
Sale of new and used parts and accessories	6331, 6332	25	33	107	52	0	8	225
Sale, maintenance and repair of motorcycles and related parts and accessories	6340	0	0	12	3	1	0	16
Retail sale of automotive fuel	6350	1	56	33	21	12	4	127
Total		480	166	1 237	612	182	64	2 741

Table 10 – Details of assets in the motor trade industry, 2006

Type of activity (SIC)		Non-current assets					Current assets					Total assets
		Fixed assets and intangible assets	Goodwill	Long-term investment	Other	Total	Debtors	Cash and bank	Inventory	Other	Total	
		R million										
Wholesale sale of motor vehicles	6311	551	35	20	105	711	1 661	622	2 931	46	5 260	5 971
Retail sale of new motor vehicles	63121	1 502	370	512	564	2 948	3 235	1 870	9 729	1 087	15 921	18 869
Retail sale of used motor vehicles	63122	7 276	140	488	3 203	11 107	5 142	425	9 829	7 705	23 101	34 208
Maintenance and repair of motor vehicles	6320	5 279	287	605	410	6 581	2 851	369	1 536	410	5 166	11 747
Sale of new and used parts and accessories	6331, 6332	1 237	224	417	331	2 209	2 831	894	3 558	412	7 695	9 904
Sale, maintenance and repair of motorcycles and related parts and accessories	6340	73	4	17	10	104	112	64	342	11	529	633
Retail sale of automotive fuel	6350	972	809	203	304	2 288	579	774	1 006	253	2 612	4 900
Total		16 890	1 869	2 262	4 927	25 948	16 411	5 018	28 931	9 924	60 284	86 232

Table 11 – Details of owners’ equity and liabilities in the motor trade industry, 2006

Type of activity (SIC)		Non-current liabilities			Current liabilities				Owners' equity	Total equity and liabilities
		Long-term loans	Other non-current liabilities	Total non-current liabilities	Creditors	Bank overdraft	Other current liabilities	Total current liabilities		
R million										
Wholesale sale of motor vehicles	6311	657	215	872	3 101	92	760	3 953	1 146	5 971
Retail sale of new motor vehicles	63121	1 715	569	2 284	8 179	802	2 678	11 659	4 926	18 869
Retail sale of used motor vehicles	63122	7 443	3 256	10 699	7 345	6 254	2 761	16 360	7 149	34 208
Maintenance and repair of motor vehicles	6320	4 370	1 097	5 467	2 660	669	1 072	4 401	1 879	11 747
Sale of new and used parts and accessories	6331, 6332	1 746	310	2 056	3 257	743	1 108	5 108	2 740	9 904
Sale, maintenance and repair of motorcycles and related parts and accessories	6340	97	54	151	204	22	38	264	218	633
Retail sale of automotive fuel	6350	1 548	557	2 105	1 021	222	329	1 572	1 223	4 900
Total		17 576	6 058	23 634	25 767	8 804	8 746	43 317	19 281	86 232

Table 12 – Details of dividends and company tax in the motor trade industry, 2006

Type of activity (SIC)		Dividends	Company tax
		R million	
Wholesale sale of motor vehicles	6311	35	153
Retail sale of new motor vehicles	63121	234	679
Retail sale of used motor vehicles	63122	1 575	628
Maintenance and repair of motor vehicles	6320	93	138
Sale of new and used parts and accessories	6331, 6332	39	221
Sale, maintenance and repair of motorcycles and related parts and accessories	6340	8	37
Retail sale of automotive fuel	6350	37	147
Total		2 021	2 003

Table 13 – Employment in the motor trade industry at the end of June 2006

Type of activity (SIC)		Male	Female	Total
		Number		
Wholesale sale of motor vehicles	6311	4 508	1 554	6 062
Retail sale of new motor vehicles	63121	26 999	10 685	37 684
Retail sale of used motor vehicles	63122	21 354	7 599	28 953
Maintenance and repair of motor vehicles	6320	81 590	25 730	107 320
Sale of new and used parts and accessories	6331, 6332	27 742	10 545	38 287
Sale, maintenance and repair of motorcycles and related parts and accessories	6340	1 285	447	1 732
Retail sale of automotive fuel	6350	35 493	16 527	52 020
Total		198 971	73 087	272 058

Table 14 – Details of sales in the motor trade industry, 2006

Type of activity (SIC)		New									
		Cars	Light commercial vehicles (LCVs)			Heavy commercial vehicles (HCVs)		Trailers	Caravans	Motorcycles	Other new vehicles
			Minibuses	Vans	Other	Truck	Buses				
R million											
Wholesale sale of motor vehicles	6311	5 425	117	20	725	2 387	662	0	0	370	48
Retail sale of new motor vehicles	63121	39 788	807	1 707	3 496	2 351	118	0	48	60	293
Retail sale of used motor vehicles	63122	25 925	135	5 190	383	237	7	40	38	341	370
Maintenance and repair of motor vehicles	6320	1 270	0	31	0	0	0	0	0	23	70
Sale of new and used parts and accessories	6331, 6332	43	0	21	0	171	226	37	0	185	0
Sale, maintenance and repair of motorcycles and related parts and accessories	6340	10	0	0	0	0	0	0	0	910	103
Retail sale of automotive fuel	6350	585	165	96	108	1	0	3	2	3	31
Total		73 046	1 224	7 065	4 712	5 147	1 013	80	88	1 892	915

Table 14 – Details of sales in the motor trade industry, 2006 (continued)

Type of activity (SIC)		Used									
		Cars	Light commercial vehicles (LCVs)			Heavy commercial vehicles (HCVs)		Trailers	Caravans	Motorcycles	Other used vehicles
			Minibuses	Vans	Other	Truck	Buses				
R million											
Wholesale sale of motor vehicles	6311	2 545	16	68	70	341	45	0	0	5	2
Retail sale of new motor vehicles	63121	35 886	362	585	886	632	35	2	36	11	27
Retail sale of used motor vehicles	63122	19 284	256	2 652	1 511	77	4	62	39	43	236
Maintenance and repair of motor vehicles	6320	612	0	4	0	0	0	0	0	4	0
Sale of new and used parts and accessories	6331, 6332	359	0	22	13	70	0	1	0	0	12
Sale, maintenance and repair of motorcycles and related parts and accessories	6340	48	0	0	0	0	0	0	0	250	24
Retail sale of automotive fuel	6350	829	38	267	43	0	0	2	2	0	8
Total		59 563	672	3 598	2 523	1 120	84	67	77	313	309

Table 14 – Details of sales in the motor trade industry, 2006 (concluded)

Type of activity (SIC)		New tyres and tubes	Other new parts and accessories	Used tyres and tubes	Other used parts and accessories	Petrol	Diesel	Oil ad lubricants	Gas	Food and beverages	Other conve- nience store sales	Other sales	Total sales
		R million											
Wholesale sale of motor vehicles	6311	170	1 553	8	192	192	66	6	0	13	98	1 303	16 447
Retail sale of new motor vehicles	63121	549	5 022	230	699	1 193	354	104	7	56	43	1 254	96 641
Retail sale of used motor vehicles	63122	73	2 297	205	502	1 424	195	51	0	46	25	80	61 728
Maintenance and repair of motor vehicles	6320	166	2 455	72	609	489	315	43	0	6	24	23	6 216
Sale of new and used parts and accessories	6331, 6332	4 871	12 323	1 901	1 143	129	38	216	4	13	29	61	21 888
Sale, maintenance and repair of motorcycles and related parts and accessories	6340	14	251	27	143	84	10	4	0	0	11	3	1 892
Retail sale of automotive fuel	6350	789	763	97	21	31 868	8 417	974	85	2 326	3 096	274	50 893
Total		6 632	24 664	2 540	3 309	35 379	9 395	1 398	96	2 460	3 326	2 998	255 705

Table 15 – Details of services in the motor trade industry, 2006

Type of activity (SIC)		Ordinary servicing	Mechanical repairs	Electrical repairs	Panel-beating, spraying and painting	Window repair and replacement	Tyre and tube repair and replacement	Wheel balancing and alignment	Towing and roadside assistance	Installation of parts and accessories	Other services	Total services
		R million										
Wholesale sale of motor vehicles	6311	177	56	9	12	0	0	0	0	0	0	254
Retail sale of new motor vehicles	63121	990	441	130	59	3	14	4	1	14	58	1 714
Retail sale of used motor vehicles	63122	2 874	2 272	7	68	0	0	0	0	1	371	5 593
Maintenance and repair of motor vehicles	6320	4 713	3 068	483	9 938	64	9	83	59	975	97	19 489
Sale of new and used parts and accessories	6331, 6332	166	85	7	98	262	626	67	12	65	26	1 414
Sale, maintenance and repair of motorcycles and related parts and accessories	6340	35	68	1	0	0	0	0	0	1	2	107
Retail sale of automotive fuel	6350	165	597	26	6	0	3	2	11	62	51	923
Total		9 120	6 587	663	10 181	329	652	156	83	1 118	605	29 494

Table 16 – Details of purchases in the motor trade industry, 2006

Type of activity (SIC)		New vehicles	Used vehicles	Tyres and tubes	Other vehicle parts and accessories	Petrol	Diesel	Oil and lubricants	Gas	Food and beverages	Other purchases	Total purchases
		R million										
Wholesale sale of motor vehicles	6311	9 046	2 852	136	1 136	184	96	13	1	12	1 261	14 737
Retail sale of new motor vehicles	63121	55 295	20 277	668	5 403	1 313	437	284	3	63	887	84 630
Retail sale of used motor vehicles	63122	31 702	19 929	394	3 078	944	222	48	0	9	1 336	57 662
Maintenance and repair of motor vehicles	6320	1 305	600	314	11 147	478	469	454	84	59	254	15 164
Sale of new and used parts and accessories	6331, 6332	425	1 430	4 865	10 028	154	77	172	1	13	108	17 273
Sale, maintenance and repair of motorcycles and related parts and accessories	6340	819	234	29	398	78	8	1	0	14	71	1 652
Retail sale of automotive fuel	6350	1 256	773	44	809	28 609	8 513	985	303	2 997	1 849	46 138
Total		99 848	46 095	6 450	31 999	31 760	9 822	1 957	392	3 167	5 766	237 256

Explanatory notes

Background	<p>The results presented in this publication have been derived from the 2006 motor trade large sample survey. This is a periodic survey which measures economic activity in the motor trade sector of the South African economy. This survey is based on a sample of private and public enterprises operating in motor trade industries.</p> <p>The sample was drawn from Stats SA's Business Register. The Business Register is based mainly on the income tax (IT) and value added tax (VAT) databases of the South African Revenue Service (SARS). All enterprises are legally bound to register for either VAT or IT or both. Enterprises registered in the taxation system are included on the Business Register, and hence were given a chance of selection in the sample for the survey. The published survey estimates are exclusive of VAT.</p>
Value added tax (VAT)	All figures exclude value added tax (VAT)
Reference period	The information was collected from enterprises for their financial year, which ended on any date between 1 July 2005 and 30 June 2006.
Purpose of the survey	Results of the survey are used within Stats SA for compiling the Gross Domestic Product (GDP) and its components. These statistics are also used by government policy advisers in monitoring the performance and contribution of individual industries to the South African economy and the effectiveness of industry policies, and by private sector users in analyses of comparative business and industry performance.
Scope and coverage	<p>This survey covers the following income tax-registered private and public enterprises that are mainly engaged in:</p> <ol style="list-style-type: none">Wholesale sale of motor vehicles (SIC 6311)Retail sale of new motor vehicles (SIC 63121)Retail sale of used motor vehicles (SIC 63122)Maintenance and repair of motor vehicles (SIC 6320)Sale of new parts and accessories (SIC 6331)Sale of used parts and accessories (SIC 6332)Sale, maintenance and repair of motorcycles and related parts and accessories (SIC 6340)Retail sale of automotive fuel (SIC 6350) <p>The following activities are excluded:</p> <ol style="list-style-type: none">Renting of motor vehicles with a driver (SIC 7122)Renting of trucks with a driver, for freight transport by road (SIC 7123)Renting of motor vehicles and motorcycles without drivers (SIC 8511)

Classification by industry The 1993 edition of the *Standard Industrial Classification of all Economic Activities* (SIC), Fifth Edition, Report No. 09-09-02, 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 group (four-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 The enterprises are divided into four size groups according to the value of turnover recorded for them on the Stats SA Business Register. Large enterprises are those with an annual recorded turnover of R39 million and more. Table 17 presents the size groups defined using the Department of Trade and Industry (DTI) cut-off points.

Table 17 – Size groups for the motor trade industry

Size group	Turnover
Large	Turnover ≥ R39 000 000
Medium	R19 000 000 ≤ Turnover < R39 000 000
Small	R4 000 000 ≤ Turnover < R19 000 000
Micro	Turnover < R4 000 000

Survey methodology and design The survey was conducted by post, fax, telephone, email and personal visits.
A sample of 2 149 enterprises was drawn using stratified simple random sampling. The enterprises were first stratified at four-digit level (except for SIC 6312 that will be at five-digit level) according to the SIC and then by size of enterprises. All large enterprises are completely enumerated. Turnover as recorded on the Business Register was used as the measure of size for stratification.

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 group and subgroup 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 might differ from the figures that would have been produced if the data had been obtained from all enterprises in the motor trade 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 18 – Relative standard errors for income by type of activity in the motor trade industry, 2006

Type of activity (SIC)		Lower limit	Total income	Upper limit	Relative standard error
		R million			%
Wholesale sale of motor vehicles	6311	16 113	16 943	17 773	2,5
Retail sale of new motor vehicles	63121	98 651	99 431	100 211	0,4
Retail sale of used motor vehicles	63122	68 076	69 298	70 520	0,9
Maintenance and repair of motor vehicles	6320	20 241	25 999	31 757	11,3
Sale of new and used parts and accessories	6331, 6332	22 188	23 872	25 556	3,6
Sale, maintenance and repair of motorcycles and related parts and accessories	6340	1 764	2 021	2 278	6,5
Retail sale of automotive fuel	6350	46 157	52 193	58 229	5,9
Total		285 214	289 757	294 300	0,8

Non-sampling errors

Inaccuracies might 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.

Rounding of figures

The figures in the tables have, where necessary, been rounded to the nearest final digit shown. There might therefore be slight discrepancies between the sums of the constituent items of the totals shown.

Abbreviations

BAR	Business Address Register
BR	Business Register
DTI	Department of Trade and Industry
GDP	Gross Domestic Product
ISIC	International Standard Industrial Classification of all Economic Activities
IT	Income tax
RSE	Relative standard error
SARS	South African Revenue Service
SE	Standard error
SIC	Standard Industrial Classification of all Economic Activities
SNA	System of National Accounts
Stats SA	Statistics South Africa
VAT	Value added tax

Glossary

Concentration ratio	The concentration ratio is the ratio of the income of the <i>n</i> largest enterprises to the total income.
Employees	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 2006.
Enterprise	An 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 plus closing value of inventory minus total expenditure minus opening value of inventory
Net profit or loss after tax	Net profit or loss after tax is derived as: Net profit or loss before tax minus company tax
Profit margin	Profit margin is derived as: Net profit or loss after tax divided by turnover multiplied by 100
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.
Stratum	A stratum is constructed by concatenating the SIC classification and size group variables.
Turnover	Turnover includes: <ul style="list-style-type: none"> • The value of total sales (exclusive of value added tax); • Amounts received for services rendered; • Rent and lease payments received for land and buildings; and • Rent, leasing and hiring received for machinery, vehicles and other equipment.