

Accommodation industry, 2009

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Accommodation industry, 2009

1. Introduction

This publication presents estimates in respect of the 2009 accommodation large sample survey (LSS). The 2009 accommodation LSS collected data from a sample of approximately 2 000 enterprises drawn from a sampling frame of 6 314 which were operating between 1 July 2008 and 30 June 2009. The sample included **all** large, medium and small enterprises (see Table 21, page 27 for measure of size). The data for the number of employees were provided for the last pay period ended on or before 30 June 2009. Data were collected at the 5-digit SIC level of classification of enterprises.

The previous accommodation LSS was conducted in 2007 (*Accommodation industry, 2007, Report No. 64-10-01(2007)*).

1.1 Scope and coverage

The 2009 accommodation LSS covers enterprises registered in the taxation system that are mainly engaged in the following activities classified according to the January 1993 edition of the *Standard Industrial Classification of all Economic Activities (SIC), Fifth edition, Report No. 09-09-02*:

- Hotels, motels and inns (SIC 64101)
- Caravan parks and camping sites (SIC 64102)
- Guest houses and guest farms (SIC 64103)
- Other accommodation (SIC 64109).

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, details of services rendered 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 2008 and 30 June 2009**, according to the usual reporting schedule of the enterprise.

Example

- 1 October 2007 – 30 September 2008
- 1 January 2008 – 31 December 2008
- 1 February 2008 – 31 January 2009
- 1 March 2008 – 28 February 2009
- 1 April 2008 – 31 March 2009

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 might differ from the figures that would have been produced if the data had been obtained from all enterprises in the accommodation 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 the 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.

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 sub-annual 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 supply and use 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, sale and repair of motor vehicles, motor cycles and personal and household goods, and hotels and restaurants;
- vi. Transport, storage and communication;
- vii. Financial intermediation, insurance, real estate and business services; and
- viii. Community, social and food and beverages (except national, provincial and local government activities).

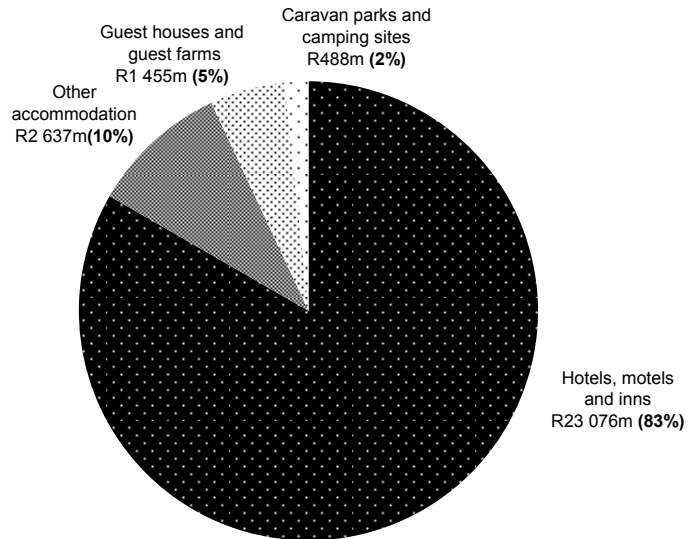
Note: The agriculture, forestry, fishing, hunting and related services industry (SIC 1) is not included as it is covered by a separate programme within Stats SA. Similarly, the public administration and defence activities industry (SIC 91), the financial intermediation industry (SIC 81) and insurance and pension funding industry (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 activities. Each industry is classified to an industry that reflects its predominant activity.

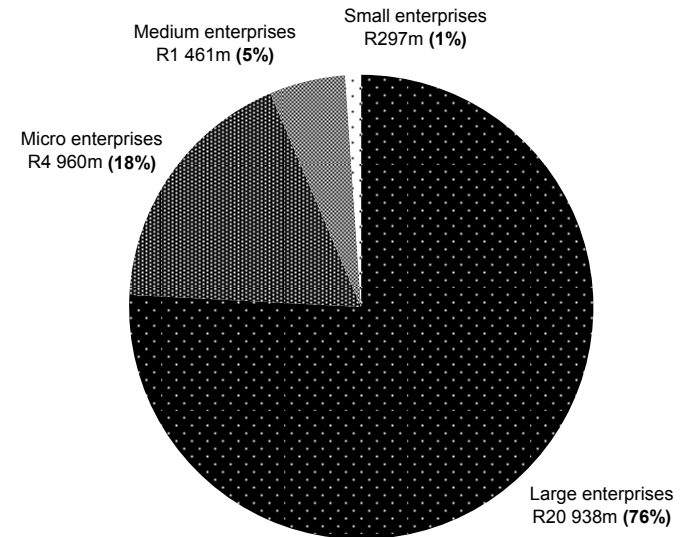
3. Summary of findings for the year 2009

Figure 1 – Income in the accommodation industry, 2009



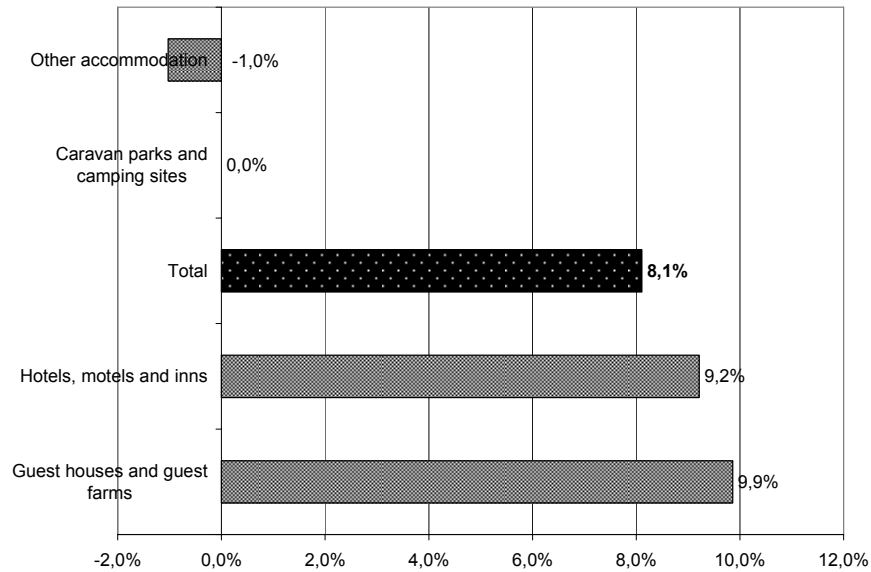
The total income for the accommodation industry in 2009 was R27 656 million. The largest contributor to the total income was 'hotels, motels and inns' (R23 076 million or 83%), followed by 'other accommodation' (R2 637 million or 10%), 'guest house and guest farms' (R1 455 million or 5 %) and 'caravan parks and camping sites' (R488 million or 2%) (Figure 1 and Table 3, page 8).

Figure 2 – Income by enterprise size in the accommodation industry, 2009



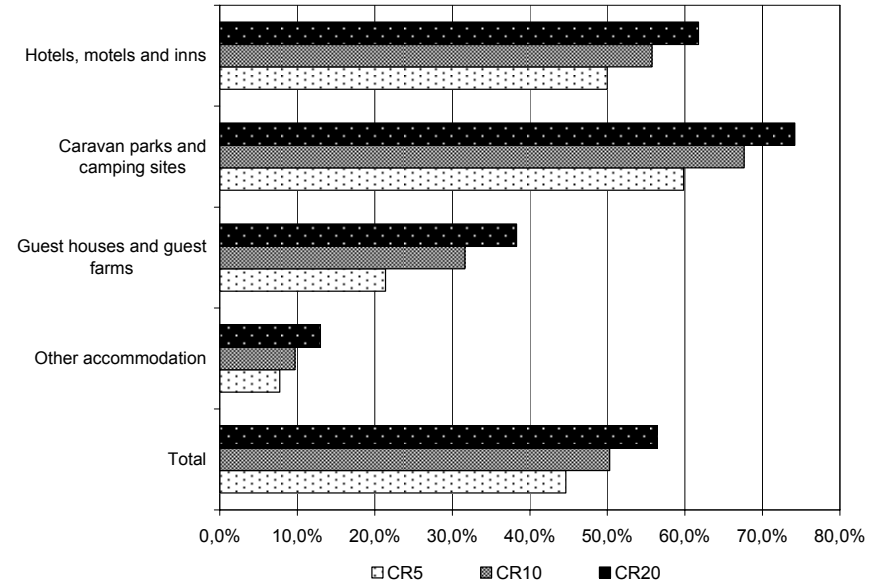
Large enterprises (those with turnover equal to or greater than R13 million) generated 76% or R20 938 million of the total income of the accommodation industry (Figure 2 and Table 4, page 9).

Figure 3 – Profit margin in the accommodation industry, 2009



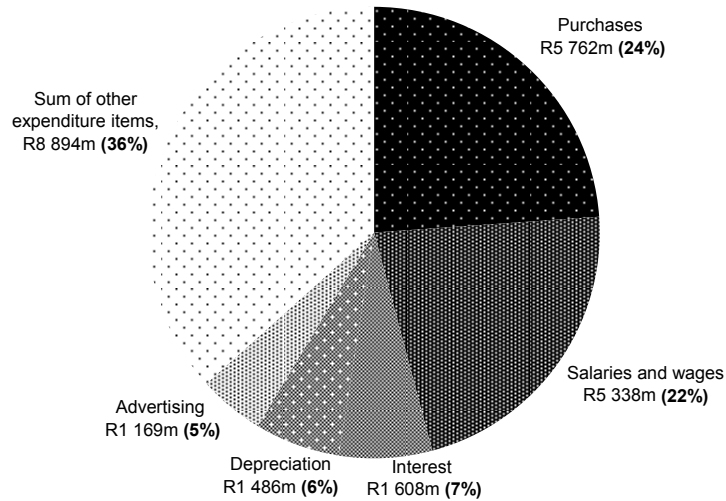
The profit margin for the accommodation industry was 8,1% in 2009. ‘Guest house and guest farms’ had the highest profit margin at 9,9%, followed by ‘hotels, motels, and inns’ at 9,2%. ‘Other accommodation’ had a profit margin of -1,0% (Figure 3 and Table 2, page 7).

Figure 4 – Concentration ratios (CR) in the accommodation industry, 2009



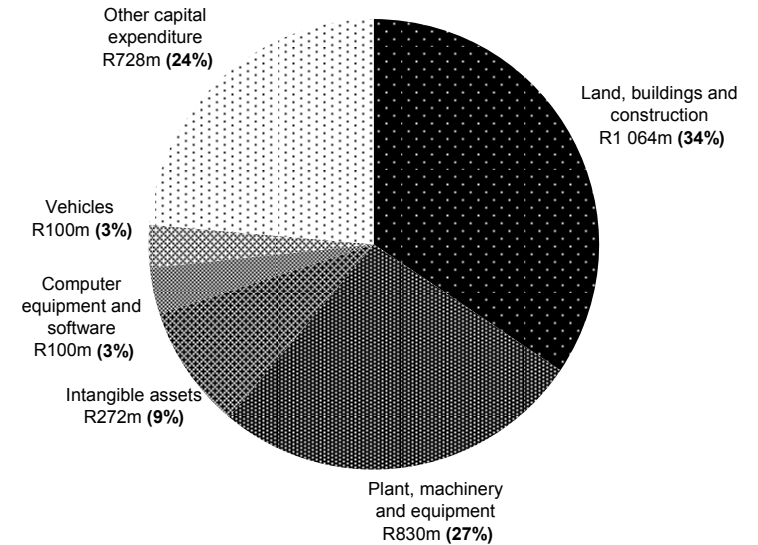
The 20 largest enterprises contributed 56,4% of the total income of the accommodation industry in 2009. ‘Caravan parks and camping sites’ had the highest concentration ratios in all three categories: CR20 (74,2%), CR10 (67,6%) and CR5 (59,8%). ‘Other accommodation’ had the lowest concentration ratios in all three categories: CR5 (7,7%), CR10 (9,7%) and CR20 (13,0%) (Figure 4 and Table 5, page 10).

Figure 5 – Composition of expenditure in the accommodation industry, 2009



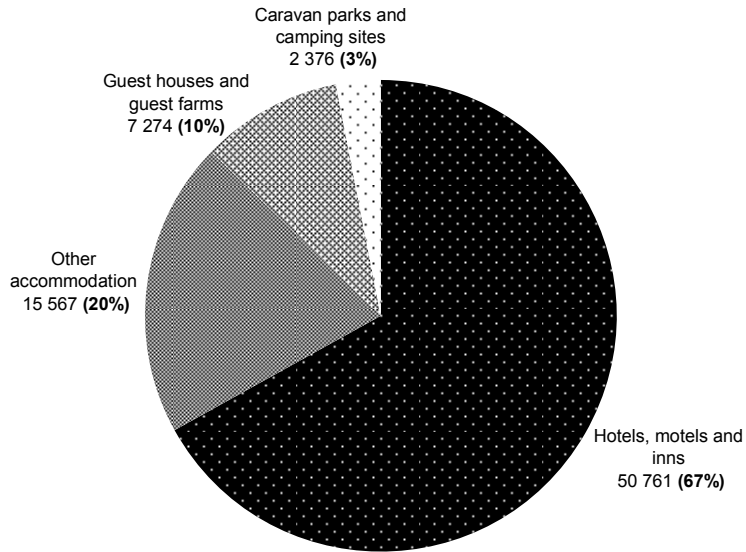
Expenditure in the accommodation industry in 2009 amounted to R24 257 million. The largest contributor to total expenditure was 'purchases' (R5 762 million or 24%), followed by 'salaries and wages' (R5 338 million or 22%), 'interest' (R1 608 million or 7%), 'depreciation' (R1 486 million or 6%) and 'advertising' (R1 169 million or 5%) (Figure 5 and Table 6, page 11).

Figure 6 – Capital expenditure on new assets in the accommodation industry, 2009



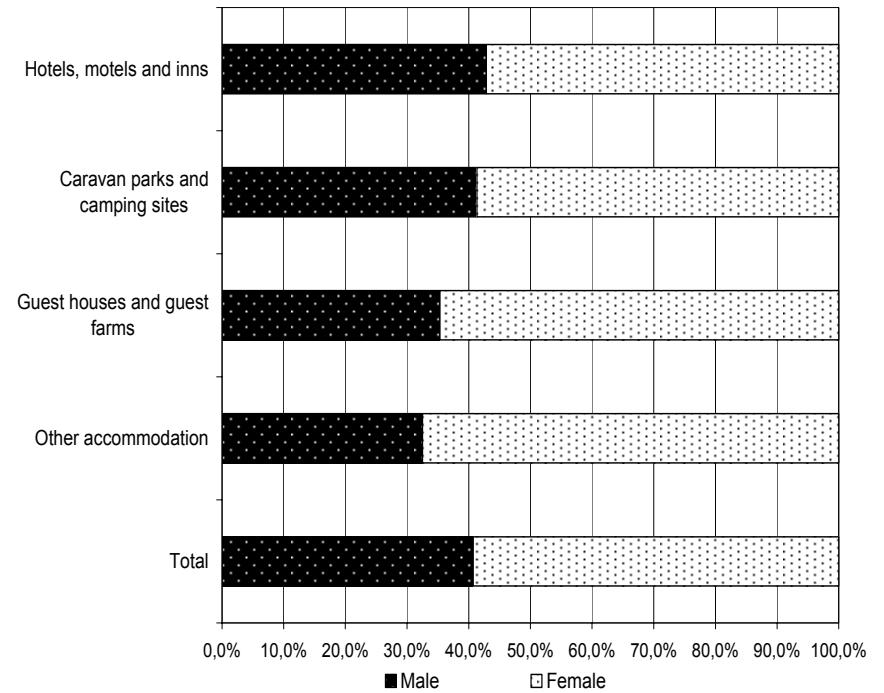
The total capital expenditure on new assets in the accommodation industry in 2009 was R3 093 million. The largest category of capital expenditure was 'land, buildings and construction' (R1 064 million or 34%), followed by 'plant, machinery and equipment' (R830 million or 27%) and 'intangible assets' (R272 million or 9%) (Figure 6 and Table 10, page 15).

Figure 7 – Employment in the accommodation industry, 2009



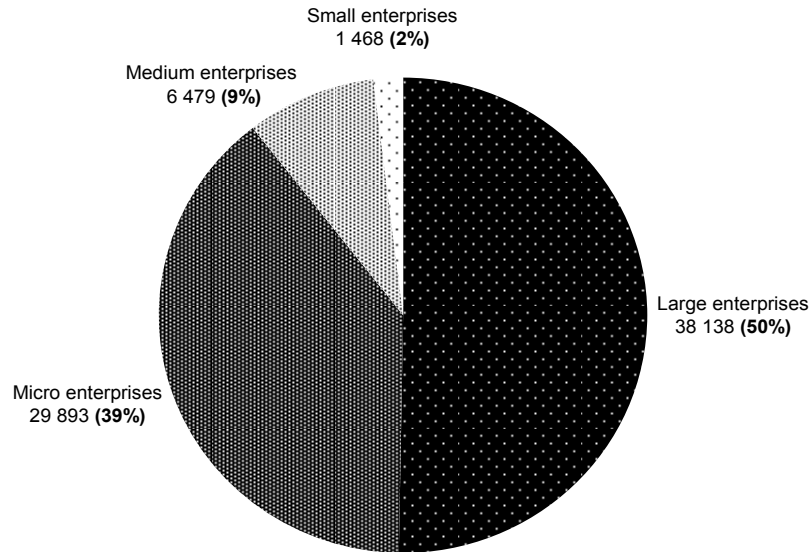
The total number of persons employed in the accommodation industry at the end of June 2009 was 75 978. 'Hotels, motels and inns' employed the largest number of persons (50 761 or 67%), followed by 'other accommodation' (15 567 or 20%), 'guest houses and guest farms' (7 274 or 10%) and 'caravan parks and camping sites' (2 376 or 3%) (Figure 7 and Table 11, page 16).

Figure 8 – Gender ratios in the accommodation industry, 2009



The proportion of females out of the total persons employed was 59%. The industry with the highest proportion of females employed was 'other accommodation' (67%) (Figure 8 and Table 11, page 16).

Figure 9 – Employment by enterprise size in the accommodation industry, 2009



Employment by enterprise size indicates that the large enterprises (those with a turnover equal to or greater than R13 million) had the highest number of employees (38 138 or 50%), followed by micro enterprises (29 893 or 39%), medium enterprises (6 479 or 9%) and small enterprises (1 468 or 2%) (Figure 9 and Table 12, page 17).

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4. Tables

Table 1 – Principal statistics in the accommodation industry, 2009

Item	Hotels, motels and inns	Caravan parks and camping sites	Guest houses and guest farms	Other accommodation	Total
	R million				
Total income	23 076	488	1 455	2 637	27 656
Total expenditure	19 795	481	1 328	2 653	24 257
Total value of opening inventories	367	17	14	15	413
Total value of closing inventories	424	16	21	30	491
Net profit or loss before tax	3 338	7	133	-1	3 477
Carrying value of assets at the beginning of the financial year	22 891	405	1 324	3 966	28 586
Carrying value of assets at the end of the financial year	25 954	420	1 544	4 162	32 080
Capital expenditure on new assets	2 673	12	193	215	3 093

Table 2 – Profit margin in the accommodation industry, 2009

Item	Hotels, motels and inns	Caravan parks and camping sites	Guest houses and guest farms	Other accommodation	Total
	R million				
Net profit after tax	2 049	0	126	-26	2 149
Turnover	22 240	463	1 278	2 525	26 506
Profit margin (%)	9,2	0,0	9,9	-1,0	8,1

Table 3 – Income in the accommodation industry, 2009

Item	Hotels, motels and inns	Caravan parks and camping sites	Guest houses and guest farms	Other accommodation	Total
	R million				
Sales	3 723	101	206	295	4 325
Services	18 399	355	1 065	2 196	22 015
Lease income	118	7	7	34	166
Interest	283	2	8	31	324
Profit on financial and other assets	46	1	8	19	74
Dividends	98	0	140	6	244
Other income	409	22	21	56	509
Total income	23 076	488	1 455	2 637	27 656

Table 4 – Income by enterprise size in the accommodation industry, 2009

Enterprise size	Hotels, motels and inns	Caravan parks and camping sites	Guest houses and guest farms	Other accommodation	Total
	R million				
Large enterprises	19 930	260	493	255	20 938
Medium enterprises	1 140	55	107	159	1 461
Small enterprises	224	19	33	21	297
Micro enterprises	1 782	154	822	2 202	4 960
Total of all enterprises	23 076	488	1 455	2 637	27 656

Table 5 – Relative contribution of the largest enterprises in the accommodation industry, 2009

Item		Hotels, motels and inns	Caravan parks and camping sites	Guest houses and guest farms	Other accommodation	Total
Total income	R million	23 076	488	1 455	2 637	27 656
Income of the 5 largest enterprises		11 535	292	311	204	12 342
Relative contribution of the 5 largest enterprises	%	50,0	59,8	21,4	7,7	44,6
Income of the 10 largest enterprises	R million	12 865	330	460	256	13 911
Relative contribution of the 10 largest enterprises	%	55,8	67,6	31,6	9,7	50,3
Income of the 20 largest enterprises	R million	14 251	362	557	342	15 606
Relative contribution of the 20 largest enterprises	%	61,8	74,2	38,3	13,0	56,4

Table 6 – Expenditure in the accommodation industry, 2009

Item	Hotels, motels and inns	Caravan parks and camping sites	Guest houses and guest farms	Other accommodation	Total
	R million				
Purchases	4 690	85	323	664	5 762
Salaries and wages	4 224	141	332	641	5 338
Advertising	1 054	16	36	63	1 169
Depreciation	1 246	22	67	151	1 486
Entertainment	136	8	5	12	161
Insurance premiums	121	7	24	52	204
Interest	1 378	10	56	164	1 608
Losses on assets, investments and liabilities sold or revaluation	345	3	10	6	364
Motor vehicle running expenditure	86	5	56	50	197
Operational leasing and hiring of plant, machinery equipment	225	9	12	23	269
Paper, printing and stationery	69	7	7	12	95
Property tax	336	3	22	16	377
Rental of land	1 153	12	66	176	1 407
Repair and maintenance	513	38	73	184	808
Royalties	118	0	1	0	119
Subcontractors	756	12	7	20	795
Water and electricity	335	23	39	99	496
Other	3 010	80	192	320	3 602
Total expenditure	19 795	481	1 328	2 653	24 257

Table 7 – Carrying value of assets at the end of the financial year in the accommodation industry, 2009

Item	Hotels, motels and inns	Caravan parks and camping sites	Guest houses and guest farms	Other accommodation	Total
	R million				
Land, buildings and construction	16 401	348	1 271	3 421	21 441
Computer equipment and other IT equipment	251	5	5	12	273
Motor vehicles	187	30	74	189	480
Plant, machinery and other equipment	3 548	24	107	399	4 078
Intangible assets	5 031	1	76	65	5 173
Other assets	536	12	11	76	635
Total carrying value	25 954	420	1 544	4 162	32 080

Table 8 – Details of assets in the accommodation industry, 2009

Item	Hotels, motels and inns	Caravan parks and camping sites	Guest houses and guest farms	Other accommodation	Total
	R million				
Bank	2 305	32	98	202	2 637
Debtors	1 703	17	70	156	1 946
Inventory	424	16	21	30	491
Other current assets	901	8	44	106	1 060
Total current assets	5 334	73	233	494	6 134
Fixed non-current assets					
Fixed non-current assets	24 291	419	1 530	4 107	30 347
Goodwill	1 663	1	14	55	1 733
Long-term investment	2 164	27	167	290	2 648
Other non-current assets	1 518	15	211	215	1 959
Total non-current assets	29 636	462	1 922	4 667	36 687
Total assets					
Total assets	34 970	535	2 155	5 161	42 821

Table 9 – Details of liabilities and owners’ equity in the accommodation industry, 2009

Item	Hotels, motels and inns	Caravan parks and camping sites	Guest houses and guest farms	Other accommodation	Total
	Current liabilities (R million)				
Creditors	2 690	31	136	192	3 049
Overdraft	522	4	21	56	603
Other current liabilities	5 552	76	164	204	5 996
Total current liabilities	8 764	111	321	452	9 648
Non-current liabilities (R million)					
Long-term loan	16 202	157	1 018	2 309	19 686
Other non-current liabilities	4 437	33	303	1 130	5 903
Total non-current liabilities	20 639	190	1 321	3 439	25 589
Owners’ equity	5 567	234	513	1 270	7 584
Equity and liabilities	34 970	535	2 155	5 161	42 821

Table 10 – Capital expenditure on new assets in the accommodation industry, 2009

Item	Hotels, motels and inns	Caravan parks and camping sites	Guest houses and guest farms	Other accommodation	Total
	R million				
Land, buildings and construction	885	0	74	105	1 064
Computer equipment and software	93	1	2	4	100
Vehicles	40	0	24	36	100
Plant, machinery and equipment	722	3	38	67	830
Intangible assets	214	0	55	3	272
Other capital expenditure	719	8	0	0	727
Total capital expenditure on new assets	2 673	12	193	215	3 093

Table 11 – Employment in the accommodation industry as at the end of June 2009

Item		Hotels, motels and inns	Caravan parks and camping sites	Guest houses and guest farms	Other accommodation	Total
		Number of employees				
Permanent	Male	20 143	853	2 286	4 474	27 756
	Female	25 835	1 182	4 311	9 252	40 580
	Total	45 978	2 035	6 597	13 726	68 336
Temporary	Male	1 339	84	66	306	1 795
	Female	1 495	119	184	377	2 175
	Total	2 834	203	250	683	3 970
Casual	Male	865	45	220	280	1 410
	Female	1 084	93	207	878	2 262
	Total	1 949	138	427	1 158	3 672
Total	Male	22 347	982	2 572	5 060	30 961
	Female	28 414	1 394	4 702	10 507	45 017
	Total	50 761	2 376	7 274	15 567	75 978

Table 12 – Employment by enterprise size in the accommodation industry as at the end of June 2009

Enterprise size	Hotels, motels and inns	Caravan parks and camping sites	Guest houses and guest farms	Other accommodation	Total
	Number of employees				
Large enterprise	34 939	831	1 467	901	38 138
Medium enterprise	5 028	263	580	608	6 479
Small enterprise	1 151	62	190	65	1 468
Micro enterprise	9 643	1 220	5 037	13 993	29 893
Total enterprise	50 761	2 376	7 274	15 567	75 978

Table 13 – Details of sales of goods in the accommodation industry, 2009

Commodity type	Hotels, motels and inns	Caravan parks and camping sites	Guest houses and guest farms	Other accommodation	Total
	R million				
Food prepared for consumption off the premises	74	0	8	40	122
Food prepared for consumption on the premises	2 442	43	105	136	2 726
Alcoholic beverages	722	4	23	43	792
Non-alcoholic beverages	257	5	9	21	292
Other sales of goods	228	49	61	55	393
Total sales of goods	3 723	101	206	295	4 325

Table 14 – Details of services rendered in the accommodation industry, 2009

Commodity type	Hotels, motels and inns	Caravan parks and camping sites	Guest houses and guest farms	Other accommodation	Total
	R million				
Accommodation	10 169	286	925	2 009	13 389
Functions	1 035	28	94	117	1 274
Laundry services	77	1	2	16	96
Casino facilities (gambling)	5 832	0	0	0	5 832
Health and spa facilities	45	0	11	1	57
Sports facilities	55	0	0	2	57
Tours	120	0	6	16	142
Other services rendered	1 066	40	27	35	1 168
Total income from services rendered	18 399	355	1 065	2 196	22 015

Table 15 – Details of purchases of goods in the accommodation industry, 2009

Type of purchase	Hotels, motels and inns	Caravan parks and camping sites	Guest houses and guest farms	Other accommodation	Total
	R million				
Soft furnishings	247	6	26	75	354
Food	2 248	24	161	295	2 728
Alcoholic beverages	750	2	35	50	837
Non-alcoholic beverages	411	4	11	37	463
Gas	120	4	5	18	147
Toiletries	247	4	7	23	281
Cleaning material	168	6	17	37	228
Other purchases and transfers-in	499	35	61	129	724
Total purchases and transfers-in	4 690	85	323	664	5 762

Table 16 – Stay units and beds sold in the accommodation industry, 2009

Commodity type	Hotels, motels and inns	Caravan parks and camping sites	Guest houses and guest farms	Other accommodation	Total
	Number ('000)				
Total number of stay units available	61	8	9	31	109
Total number of stay unit nights sold	14 721	1 112	1 669	5 371	22 873
Total number of beds available	115	31	14	63	223
Total number of bed nights sold	22 494	4 421	2 790	10 617	40 322

Table 17 – Facilities and other guest amenities available in the accommodation industry, 2009

Item	Hotels, motels and inns	Caravan parks and camping sites	Guest houses and guest farms	Other accommodation	Total
	Percentage (%)				
Meeting and convention facilities	67	15	33	33	44
Health and spa facilities	23	0	6	11	13
Sports facilities (e.g. gym)	21	7	7	9	12
Tours	23	0	12	16	17
Casino facilities (gambling)	7	0	4	1	4
Restaurants	63	19	22	24	36
Other facilities	14	7	8	13	12

Table 18 – Facilities and other guest amenities available by size group in the accommodation industry, 2009

Enterprise size	Meeting and convention facilities	Health and spa facilities	Sports facilities (e.g. gym)	Tours	Casino facilities (gambling)	Restaurants	Other facilities
	Percentage (%)						
Large enterprise	70	29	28	29	5	66	19
Medium enterprise	67	24	16	22	7	66	14
Small enterprise	65	32	24	29	12	68	18
Micro enterprise	29	5	6	11	2	19	9
Total of all enterprises	44	13	12	17	4	36	12

Table 19 – Information and communication technology usage by enterprise size in the accommodation industry, 2009

Enterprise size	Use computer	Use internet	Use internet banking	Have web page	Receive orders over internet	Place orders over internet	IT outsourced
	Percentage (%)						
Large enterprises	100	100	95	97	84	36	56
Medium enterprises	99	98	93	88	76	35	48
Small enterprises	100	100	91	88	74	24	65
Micro enterprises	99	98	90	85	78	33	40
Total of all enterprises	99	99	92	88	79	34	46

Table 20 – Information and communication technology usage by type of service in the accommodation industry, 2009

Type of service	Use computer	Use internet	Use internet banking	Have web page	Receive orders over internet	Place orders over internet	IT outsourced
	Percentage (%)						
Hotels, motels and inns	99	99	92	90	80	35	51
Caravan parks and camping sites	100	100	85	85	78	41	44
Guest houses and guest farms	99	99	91	89	77	31	43
Other accommodation	99	99	92	84	79	34	43
Total	99	99	92	88	79	34	46

Explanatory notes

Background	<p>The results presented in this publication have been derived from the 2009 accommodation large sample survey. This is a periodic survey, which measures economic activity in the accommodation industry of the South African economy. This survey is based on a sample of private and public enterprises operating in the accommodation industry.</p> <p>The sample was drawn from Stats SA's business register. Stats SA continuously updates its business register, based on units registered for value added tax (VAT) and income tax (IT) at the South African Revenue Service (SARS).</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 2008 and 30 June 2009.
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	<p>This survey covers the following income tax-registered private and public enterprises that are mainly engaged in the accommodation industry:</p> <ul style="list-style-type: none"> ○ Hotels, motels and inns (SIC 64101) ○ Caravan parks and camping sites (SIC 64102). ○ Guest houses and guest farms (SIC 64103). ○ Other accommodation (SIC 64109).
Classification by industry	The 1993 edition of the <i>Standard Industrial Classification of all Economic Activities</i> (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 <i>International Standard Industrial Classification of all Economic Activities</i> (ISIC) with suitable adaptations for local conditions. Each enterprise is classified to an industry, which reflects its predominant activity. Statistics in this publication are presented at SIC group (five-digit) level.
Statistical unit	The statistical unit for the collection of the information is known as an enterprise. An enterprise is a legal unit (or combination of legal units) that includes and directly controls all functions necessary to carry out its activities.

Size groups

The enterprises are divided into four size groups according to the value of their Business Register turnover. Large enterprises are enterprises with an annual turnover of R13 million and more. Table 21 presents the size groups defined using the Department of Trade and Industry (DTI) cut-off points.

Table 21 – Size groups for the accommodation industry

Size group	Turnover
Large	Turnover ≥ R13 000 000
Medium	R6 000 000 ≤ Turnover < R13 000 000
Small	R5 100 000 ≤ Turnover < R6 000 000
Micro	Turnover < 5 100 000

Survey methodology and design

The survey was conducted by post, email, fax, telephone and personal visits.

A sample of approximately 2 000 enterprises was drawn from a frame of 6 314 using stratified simple random sampling. The enterprises were first stratified at five-digit level according to the SIC and then by size of enterprises. All large enterprises are completely enumerated. Business Register turnover 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 industry 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 accommodation 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 as 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 22 – Income in the accommodation industry 2009 within 95% confidence limits, 2009

Type of service	Lower limit	Total income	Upper limit	Relative standard error (RSE)
	R million			%
Hotels, motels and inns	22 578	23 076	23 574	1,1
Caravan parks and camping sites	435	488	541	5,5
Guest houses and guest farms	1 344	1 455	1 566	3,9
Other accommodation	2 348	2 637	2 926	5,6
Total	27 006	27 656	28 306	1,2

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-off of figures

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

Abbreviations

BR	Business register
CR	Concentration ratio
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
0	Nil or less than half the final digit shown

Glossary

Beds nights sold	The total number of beds sold on each night during the survey period.
Casual employees	Employees who fall neither within the 'permanent employees' category nor the 'temporary employees category. Such employees are typically working daily or hourly.
Concentration ratio	The ratio of the income of the n largest enterprises to the total income.
Current assets	Assets that are not expected to be turned into cash within one year during the normal course of business. They include: <ul style="list-style-type: none">• trade and other receivables;• cash and bank;• inventories; and• other current assets.
Current liabilities	Debts or obligations that are due within one year. They include: <ul style="list-style-type: none">• trade and other payables;• bank overdraft; and• other current liabilities.
Employees	Persons employed by a business or organisation and who received payment (in salaries, wages, commission, piece rates or payments in kind) for the last pay period ended on or before 30 June 2009.
Enterprise	A legal entity or a combination of legal units that includes and directly controls all functions necessary to carry out its activities.
Equity	The residual interest in the entity's assets after deducting its liabilities.
Income from rental, leasing and hiring	Includes: Income from rental and leasing of land, buildings and other structures and income from leasing and hiring of motor vehicles, other transport equipment, plant, machinery and equipment.
Industry	An industry consists of 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. 09-90-02 of January 1993 (SIC)</i> .

Net profit or loss after tax	<p>Net profit or loss after tax is derived as:</p> <p>Net profit or loss before tax <i>minus</i> company tax</p>
Net profit or loss before tax	<p>Net profit or loss before tax is derived as:</p> <p>Total income <i>plus</i> closing inventories <i>minus</i> total expenditure <i>minus</i> opening inventories</p>
Non-current assets	<p>Assets which are not easily convertible to cash or not expected to become cash within the next year. They include:</p> <ul style="list-style-type: none"> • property, plant and equipment and intangible assets; • long-term investments; and • other non-current assets.
Non-current liabilities	<p>Liabilities not due to be paid within one year during the normal course of business. They include:</p> <ul style="list-style-type: none"> • long-term loans; and • other non-current liabilities.
Other catering services	<p>Include bars, taverns, other drinking places, ice-cream parlours, etc.</p>
Other expenditure	<p>Includes:</p> <p>Bursaries for own employees (staff bursaries); containers and packaging materials; excise and customs duty; losses on foreign exchange as a result of variations in foreign exchange rates or transactions; losses on financial and other liabilities: redemption, liquidation or revaluation; prices and payouts with respect to lottery operation and gambling; property taxes paid; research and development; severance, termination and redundancy payments; and skills development levy.</p>
Other income	<p>Includes:</p> <p>Net profit on foreign loans as a result of variations in foreign exchange rates, royalties, franchise fees, copyright, trade names and patent rights received; profit on financial and other liabilities: redemption, liquidation and revaluation and other liabilities.</p>

Permanent employees	Employees appointed on an open-ended contract with no stipulated termination date or fixed-term contract for periods of more than one year.
Profit margin	Profit margin is derived as: Net profit or loss after tax <i>divided by</i> turnover <i>multiplied by</i> 100
Statistical unit	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.
Stay unit	The unit of accommodation available to be charged out to guests, for example, a powered site in a caravan park or a room in a hotel.
Stay unit nights sold	The total number of stay units occupied on each night during the survey period.
Stratum	A stratum is constructed by concatenating the SIC classification and size group variables.
Subcontractors	Include labour brokers.
Temporary employees	Employees appointed on a short-term contract basis with a stipulated termination date for periods not exceeding one year.
Turnover	<p>Turnover includes:</p> <ul style="list-style-type: none"> • the value of sales; • amounts received for work done; • amounts received for services rendered; • rent and or lease payments received for land and buildings; and • rent, leasing and hiring received for machinery, vehicles and other equipment. <p>Turnover excludes:</p> <ul style="list-style-type: none"> • value added tax (VAT); • net profit or loss on sales or revaluation of fixed assets (including profit or loss on foreign exchange); • export freight charges; • interest received; and • excise duty.
Zero values	All values less than R500 000 .

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