

# Accommodation industry, 2012

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## Accommodation industry, 2012

### 1. Introduction

This publication presents estimates in respect of the 2012 tourist accommodation large sample survey (LSS). The 2012 accommodation LSS collected data from a sample of approximately 2 000 enterprises. The reporting period was the financial year ended on any date between 1 July 2011 and 30 June 2012. The data for the number of employees were provided for the last pay period ended on or before 30 June 2012. All large, medium and small enterprises were completely enumerated (enterprises with turnover equal to or greater than R10,2 million).

The last accommodation LSS was conducted for 2009 (Report No. 64-11-02 (2009)).

#### 1.1 Scope and coverage

The 2012 accommodation industry LSS covers enterprises registered for value added tax (VAT) 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 tourist 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, carrying value of assets, details of services rendered, information and communication technology usage, details of purchases and client base.

#### 1.3 Reference period

The questionnaires were completed for the financial year of an enterprise which **ended on any date between 1 July 2011 and 30 June 2012**, according to the usual reporting schedule of the enterprise.

#### *Examples*

- 1 October 2010 – 30 September 2011
- 1 January 2011 – 31 December 2011
- 1 February 2011 – 31 January 2012
- 1 March 2011 – 29 February 2012
- 1 April 2011 – 31 March 2012

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#### **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 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 may have varied by chance because only a sample of enterprises was used. The relative standard error (RSE) provides an immediate indication of the percentage error 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**

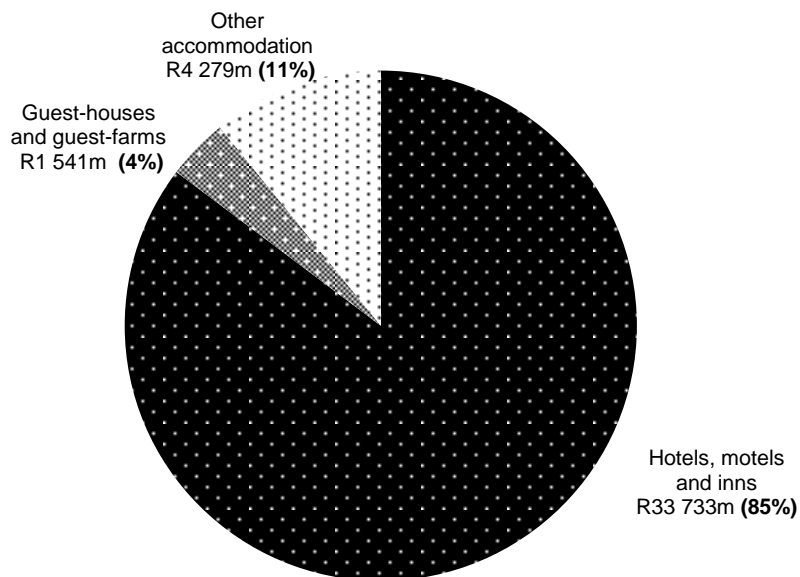
According to section 17 of the Statistics Act, 1999 (Act No. 6 of 1999), completed questionnaires remain confidential to Statistics South Africa (Stats SA). Individual business information is never disclosed. Results are presented in aggregated form only.

#### **1.7 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 enterprise is classified to an industry that reflects its predominant activity.

## 2. Summary of findings for the year 2012

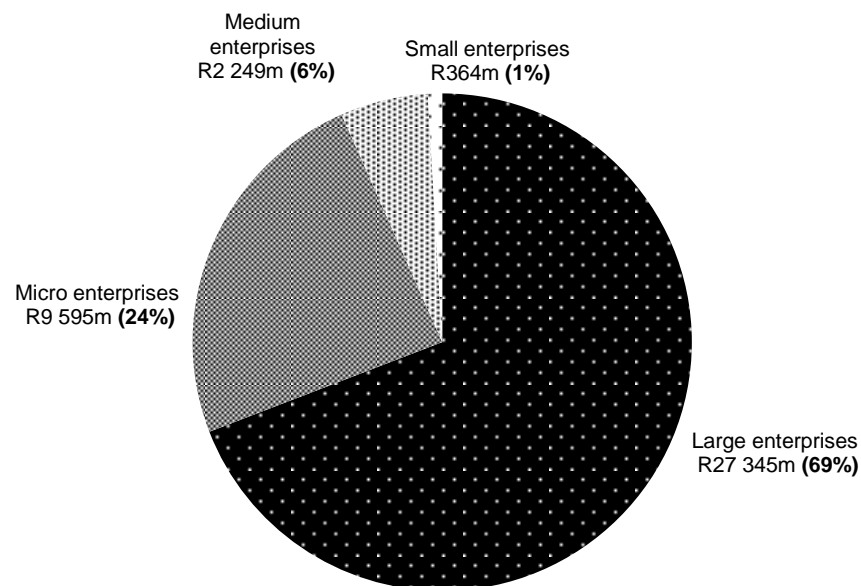
**Figure 1 – Income in the accommodation industry, 2012**



The total income for the accommodation industry in 2012 was R39 553 million. The largest contributor to the total income was 'hotels, motels and inns' (R33 733 million or 85%) (Figure 1 and Table 6, page 10).

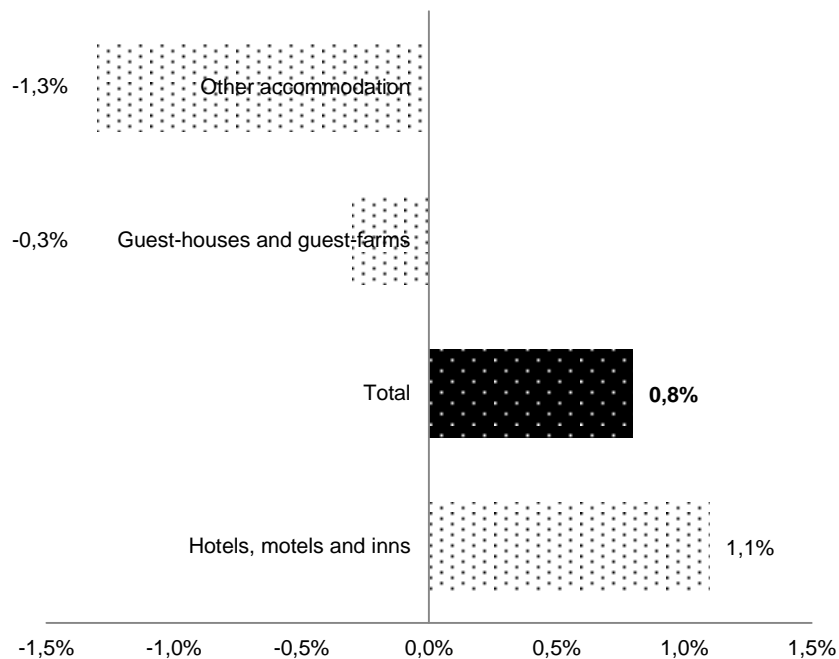
The total income represents an increase of 6,3% per annum over the income reported in the corresponding survey of 2009 (R32 970 million).

**Figure 2 – Income by enterprise size in accommodation industry, 2012**



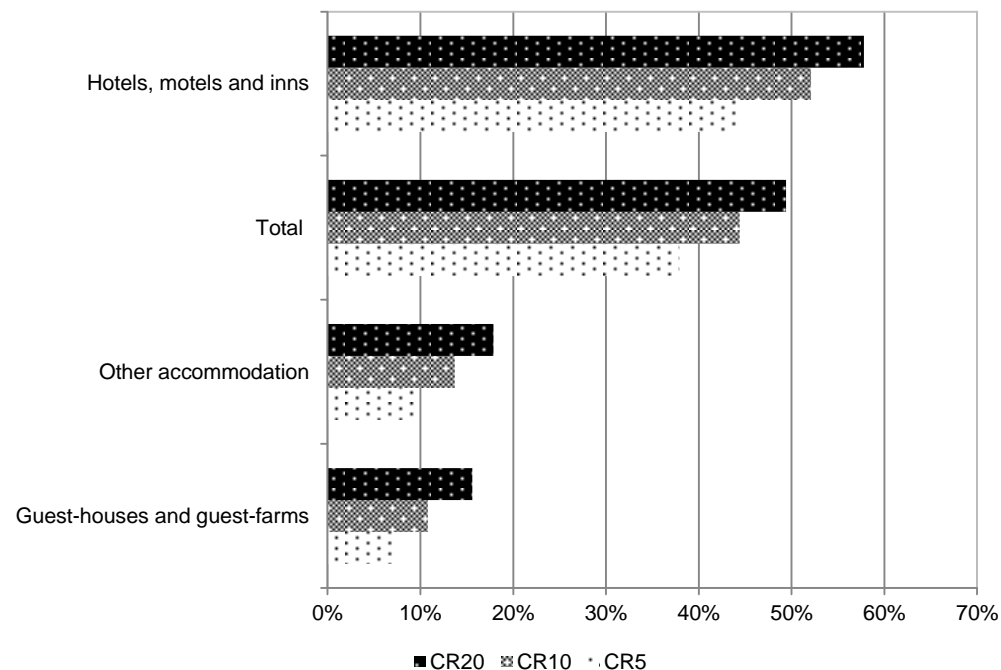
Large enterprises (turnover equal to or greater than R26 million) generated 69% or R27 345 million of the total income of the accommodation industry in 2012, followed by micro enterprises (turnover less than R10,2 million) with 24% or R9 595 million. (Figure 2 and Table 7, page 11).

**Figure 3 – Profit margin in the accommodation industry, 2012**



The profit margin for the accommodation industry was 0,8% in 2012. 'Hotels, motels and inns' had the highest profit margin at 1,1%. 'Other accommodation' had the lowest profit margin of -1,3 % (Figure 3 and Table 4, page 9).

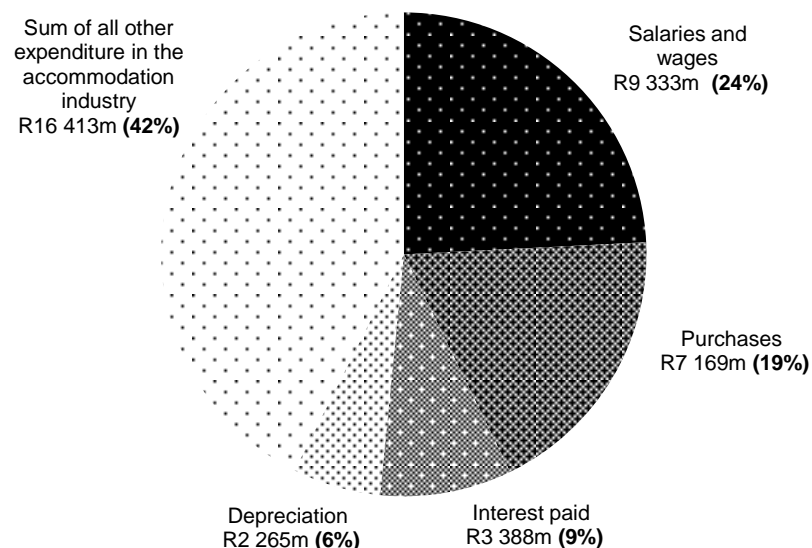
**Figure 4 – Concentration ratios (CR) in the accommodation industry, 2012**



The 20 largest enterprises contributed 49,3% of the total income of the accommodation industry in 2012. 'Hotels, motels and inns' had the highest concentration ratios in all three categories: CR5 (44,5%), CR10 (52,1%) and CR20 (57,8%). 'Guest-houses and guest-farms' had the lowest concentration ratios in all three categories: CR5 (7,1%), CR10 (10,8%) and CR20 (15,6%) (Figure 4 and Table 8, page 11).



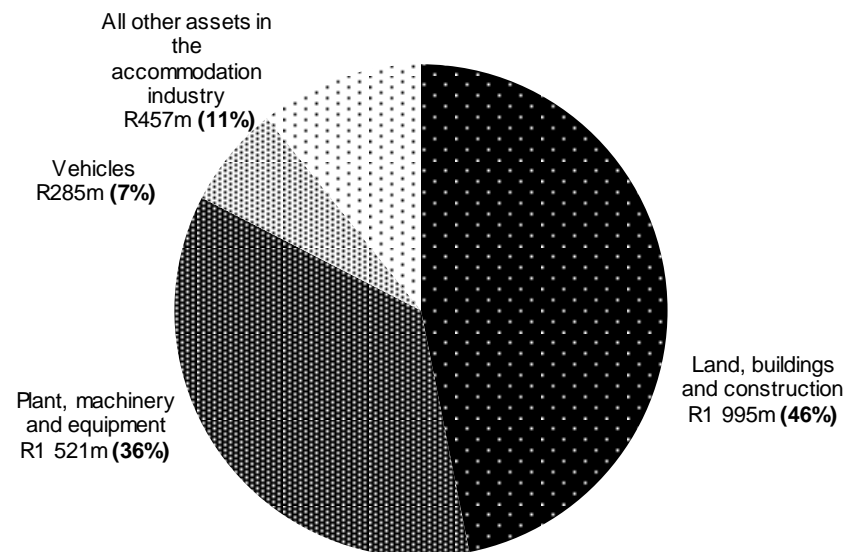
**Figure 5 – Composition of expenditure in the accommodation industry, 2012**



Expenditure in the accommodation industry in 2012 amounted to R38 568 million. The largest expenditure was on ‘salaries and wages’ (R9 333 million or 24%), followed by ‘purchases’ (R7 169 million or 19%), ‘interest paid’ (R3 388 million or 9%) and ‘depreciation’ (R2 265 million or 6%) (Figure 5 and Table 10, page 13).

The total expenditure represents an increase of 10,6% per annum on the expenditure reported in the corresponding survey of 2009 (R28 533 million). Comparing 2009 and 2012, large increases were reported for ‘salaries and wages’ (+R3 169 million), ‘interest paid’ (+R1 384 million), ‘purchases’ (+R1 093 million) and ‘water and electricity’ (+R802 million) (Table 9, page 12).

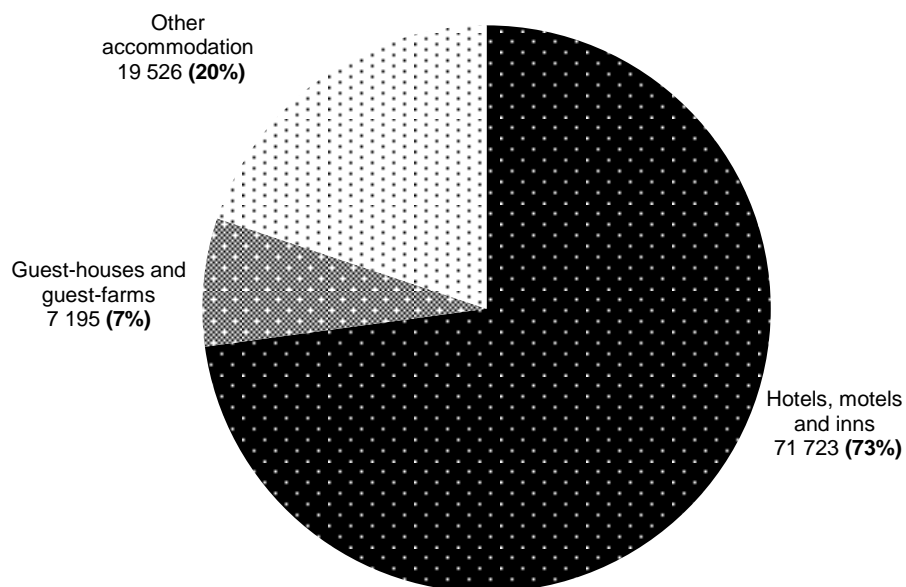
**Figure 6 – Capital expenditure on new assets in the accommodation industry, 2012**



The total capital expenditure on new assets in the accommodation industry in 2012 was R4 258 million. The largest capital expenditure was on ‘land, buildings and construction’ (R1 995 million or 46%), followed by ‘plant, machinery and equipment’ (R1 521 million or 36%) and ‘vehicles’ (R285 million or 7%) (Figure 6 and Table 15, page 15).

Capital expenditure on new property, plant, machinery and equipment decreased by 11,5% per annum compared with the corresponding survey of 2009 (R6 148 million).

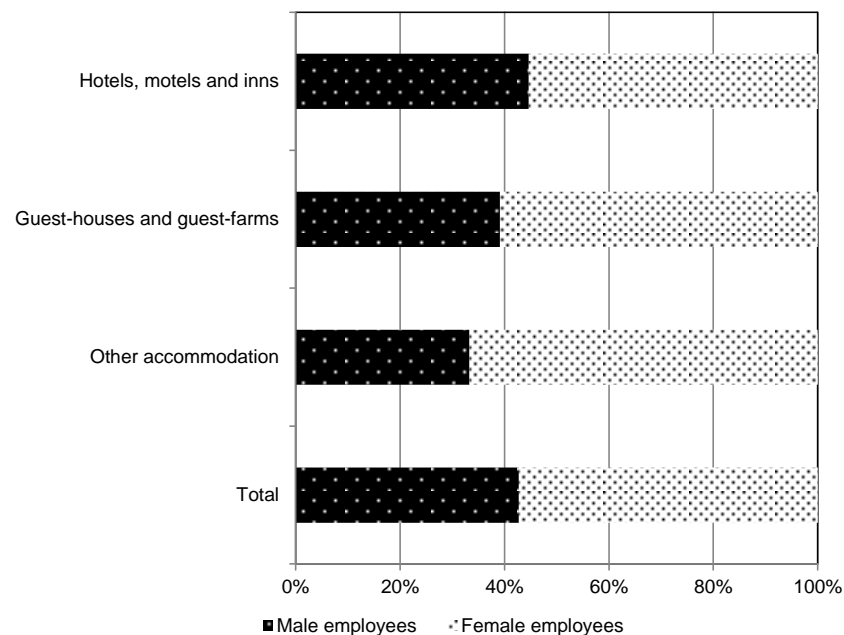
**Figure 7 – Employment in the accommodation industry, 2012**



The total number of persons employed in the accommodation industry for the last pay period ended on or before 30 June 2012 was 98 444. 'Hotels, motels and inns' employed the largest number of persons (71 723 or 73%) (Figure 7 and Table 17, page 16).

Employment in the accommodation industry increased by 4,4% per annum compared with the number of employees reported in the corresponding survey of 2009 (86 451).

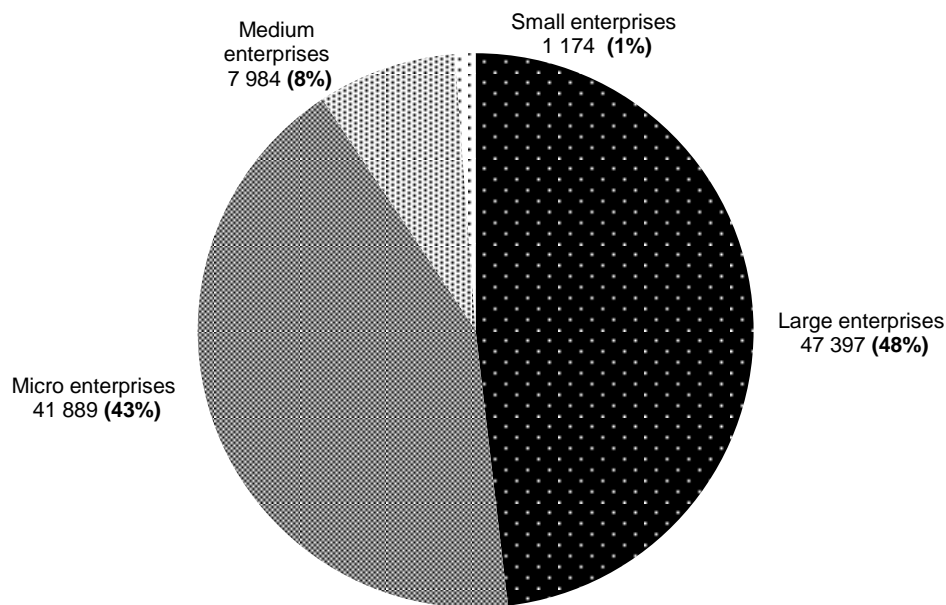
**Figure 8 – Gender ratios in the accommodation industry, 2012**



The proportion of female employees out of the total persons employed was 57%. The industry with the highest proportion of females employed was 'other accommodation' (67%) (Figure 8 and Table 17, page 16).

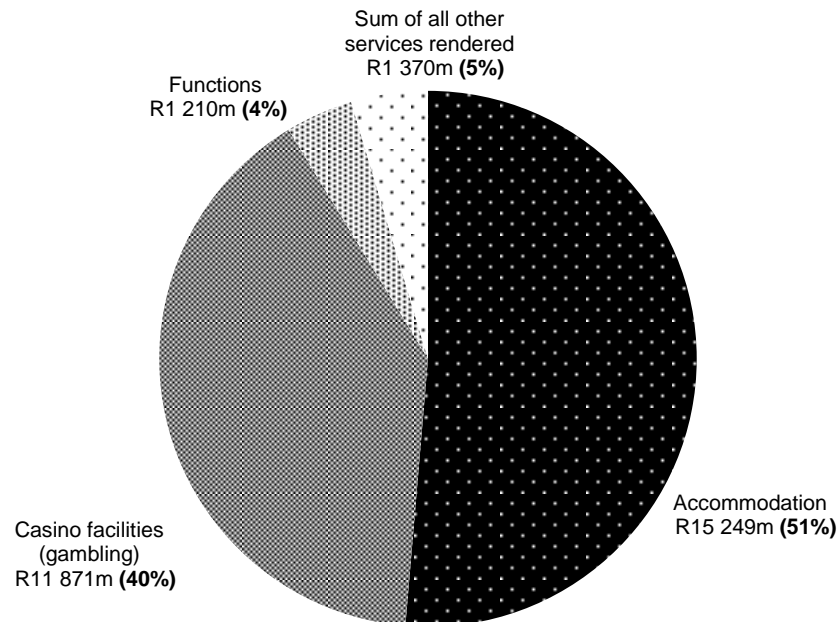
The proportion of females employed in the accommodation industry in 2009 was 59%.

**Figure 9 – Employment by enterprise size in the accommodation industry, 2012**



Employment by enterprise size indicates that largest enterprises had the highest number of employees (47 397 or 48%), followed by micro enterprises (41 889 or 43%) (Figure 9 and Table 18, page 17).

**Figure 10 – Breakdown of income from services rendered in the accommodation industry, 2012**



The total income from services rendered in the accommodation industry in 2012 was R29 770 million. The largest category of services rendered was 'accommodation' (R15 249 million or 51%), followed by 'casino facilities (gambling)' (R11 871 million or 40%) (Figure 10 and Table 22, page 19).

**PJ Lehohla**  
**Statistician-General**

3. Tables

Table 1 – Principal statistics in the trade industry<sup>1</sup>, 2009 and 2012

Item	Turnover	Total Income	Total expenditure	Total value of opening inventory	Total value of closing inventory	Net profit before tax	Carrying value of assets at the beginning of the financial year	Carrying value of assets at the end of the financial year	Capital expenditure on new assets	Number of employees
	R million									Number
<b>2009</b>	1 838 049	1 880 410	1 813 810	166 635	182 004	81 969	159 373	176 090	37 283	1 592 083
<b>2012</b>	2 293 034	2 352 879	2 296 197	207 238	239 545	88 989	203 362	213 840	44 086	1 735 350
<b>Annualised % change</b>	7,7	7,8	8,2	7,5	9,6	2,8	8,5	6,7	5,7	2,9

<sup>1</sup>The trade industry comprises wholesale trade, retail trade, motor trade, maintenance and repairs, hotels and restaurants.

Table 2 – Principal statistics in the accommodation industry, 2009 and 2012

Item	Turnover	Total income	Total expenditure	Total value of opening inventory	Total value of closing inventory	Net profit before tax	Carrying value of assets at the beginning of the financial year	Carrying value of assets at the end of the financial year	Capital expenditure on new assets	Number of employees
	R million									Number
<b>2009</b>	31 520	32 970	28 533	569	629	4 496	32 078	35 962	6 148	86 451
<b>2012</b>	38 091	39 553	38 568	853	960	1 092	41 447	43 554	4 258	98 444
<b>Annualised % change</b>	6,5	6,3	10,6	14,4	15,1	-37,6	8,9	6,6	-11,5	4,4

**Table 3 – Principal statistics in the accommodation industry, 2012**

Type of accommodation	Total income	Total expenditure	Total value of opening inventories	Total value of closing inventories	Net profit or loss before tax	Carrying value of fixed assets at the beginning of the financial year	Capital expenditure on new assets	Carrying value of fixed assets at the end of the financial year
	R million							
Hotels, motels and inns	33 733	32 766	705	805	1 067	33 875	3 699	35 698
Guest-houses and guest-farms	1 541	1 514	27	27	27	2 300	150	2 373
Other accommodation	4 279	4 288	121	128	-2	5 272	409	5 483
<b>Total</b>	<b>39 553</b>	<b>38 568</b>	<b>853</b>	<b>960</b>	<b>1 092</b>	<b>41 447</b>	<b>4 258</b>	<b>43 554</b>

**Table 4 – Profit margin in the accommodation industry, 2009 and 2012**

Type of accommodation	Net profit/loss after tax		Turnover			Profit margin <sup>2</sup>	
	2009	2012	2009	2012	Annualised % change	2009	2012
	R million		R million			%	
Hotels, motels and inns	2 787	369	27 219	32 488	6,1	10,2	1,1
Guest-houses and guest-farms	126	-4	1 275	1 474	5,0	9,9	-0,3
Other accommodation	-23	-52	3 026	4 129	10,9	-0,8	-1,3
<b>Total</b>	<b>2 890</b>	<b>313</b>	<b>31 520</b>	<b>38 091</b>	<b>6,5</b>	<b>9,2</b>	<b>0,8</b>

<sup>2</sup>Net profit after tax divided by turnover multiplied by 100.

**Table 5 – Income in the accommodation industry, 2009 and 2012**

Income item	2009	2012	2009	2012	Annualised % change
	R million		% contribution to total		
Sales	5 228	7 905	15,9	20,0	14,8
Services	26 057	29 700	79,0	75,1	4,5
Other income	1 685	1 948	5,1	4,9	5,0
<b>Total income</b>	<b>32 970</b>	<b>39 553</b>	<b>100,0</b>	<b>100,0</b>	<b>6,3</b>

**Table 6 – Income in the accommodation industry, 2012**

Type of accommodation	Sales	Services	Other income	Total
	R million			
Hotels, motels and inns	6 499	25 547	1 687	<b>33 733</b>
Guest-houses and guest-farms	352	1 108	81	<b>1 541</b>
Other accommodation	1054	3 045	180	<b>4 279</b>
<b>Total</b>	<b>7 905</b>	<b>29 700</b>	<b>1 948</b>	<b>39 553</b>

**Table 7 – Income by enterprise size in the accommodation industry, 2012**

Type of accommodation	Large enterprises	Medium enterprises	Small enterprises	Micro enterprises	Total of all enterprises
	R million				
Hotels, motels and inns	26 733	1 974	289	4 737	<b>33 733</b>
Guest-houses and guest-farms	48	33	24	1 436	<b>1 541</b>
Other accommodation	564	242	51	3 422	<b>4 279</b>
<b>Total</b>	<b>27 345</b>	<b>2 249</b>	<b>364</b>	<b>9 595</b>	<b>39 553</b>

**Table 8 – Concentration ratios (relative contribution of large enterprises) in the accommodation industry, 2012**

Type of accommodation	Total Income	Income of the 5 largest enterprises	Relative contribution of the 5 largest enterprises	Income of the 10 largest enterprises	Relative contribution of the 10 largest enterprises	Income of the 20 largest enterprises	Relative contribution of the 20 largest enterprises
	R million		%	R million	%	R million	%
Hotels, motels and inns	33 733	15 006	44,5	17 564	52,1	19 498	57,8
Guest-houses and guest-farms	1 541	109	7,1	166	10,8	241	15,6
Other accommodation	4 279	408	9,5	588	13,7	766	17,9
<b>Total</b>	<b>39 553</b>	<b>15 006<sup>3</sup></b>	<b>37,9<sup>4</sup></b>	<b>17 564<sup>3</sup></b>	<b>44,4<sup>4</sup></b>	<b>19 498<sup>3</sup></b>	<b>49,3<sup>4</sup></b>

<sup>3</sup> These figures reflect the income of the 5, 10 and 20 largest enterprises respectively, and not the column totals.

<sup>4</sup> Relative contribution = income of the largest enterprises divided by total income of type of service multiply by 100.

**Table 9 – Expenditure in the accommodation industry, 2009 and 2012**

Expenditure item	2009	2012	2009	2012	Annualised % change
	R million		% contribution to total		
Salaries and wages	6 164	9 333	21,6	24,2	14,8
Purchases	6 076	7 169	21,3	18,6	5,7
Interest paid	2 004	3 388	7,0	8,8	19,1
Depreciation	1 748	2 265	6,1	5,9	9,0
Rental of land	1 632	2 102	5,7	5,5	8,8
Water and electricity	586	1 388	2,1	3,6	33,3
Advertising	1 304	1 335	4,6	3,5	0,8
Repairs and maintenance	900	1 104	3,2	2,9	7,0
Other	8 119	10 484	28,5	27,2	8,9
<b>Total expenditure</b>	<b>28 533</b>	<b>38 568</b>	<b>100,0</b>	<b>100,0</b>	<b>10,6</b>



**Table 10 – Expenditure in the accommodation industry, 2012**

Type of accommodation	Salaries and wages	Purchases	Interest paid	Depreciation	Rental of land	Water and electricity	Advertising	Repairs and maintenance	Other	Total expenditure
	R million									
Hotels, motels and inns	7 802	5 892	3 166	1 950	1 766	1 043	1 193	773	9 181	<b>32 766</b>
Guest-houses and guest-farms	393	362	54	87	91	91	35	80	321	<b>1 514</b>
Other accommodation	1 138	915	168	228	245	254	107	251	982	<b>4 288</b>
<b>Total</b>	<b>9 333</b>	<b>7 169</b>	<b>3 388</b>	<b>2 265</b>	<b>2 102</b>	<b>1 388</b>	<b>1 335</b>	<b>1 104</b>	<b>10 484</b>	<b>38 568</b>

**Table 11 – Carrying value of assets at the end of the financial year in the accommodation industry, 2012**

Type of accommodation	Land, buildings and construction	Computers and IT equipment	Motor vehicles	Plant, machinery and equipment	Intangible assets	Other assets	Total carrying value of fixed assets
	R million						
Hotels, motels and inns	23 498	228	610	5 385	5 180	797	<b>35 698</b>
Guest-houses and guest-farms	1 992	5	91	235	21	29	<b>2 373</b>
Other accommodation	4 412	27	169	636	181	58	<b>5 483</b>
<b>Total</b>	<b>29 902</b>	<b>260</b>	<b>870</b>	<b>6 256</b>	<b>5 382</b>	<b>884</b>	<b>43 554</b>

**Table 12 – Details of assets in the accommodation industry, 2012**

Type of accommodation	Current assets					Non-current assets					Total assets
	Bank	Debtors	Inventory	Other assets	Total	Fixed assets	Goodwill	Long-term investment	Other non-current assets	Total	
	R million										
Hotels, motels and inns	4 955	2 743	805	4 534	<b>13 037</b>	33 692	2 006	1 496	2 119	<b>39 313</b>	<b>52 349</b>
Guest-houses and guest-farms	95	59	27	41	<b>222</b>	2 353	21	145	77	<b>2 596</b>	<b>2 818</b>
Other accommodation	523	207	128	190	<b>1 048</b>	5 377	106	205	551	<b>6 239</b>	<b>7 288</b>
<b>Total</b>	<b>5 573</b>	<b>3 009</b>	<b>960</b>	<b>4 765</b>	<b>14 307</b>	<b>41 422</b>	<b>2 133</b>	<b>1 846</b>	<b>2 747</b>	<b>48 148</b>	<b>62 455</b>

**Table 13 – Details of liabilities and owners' equity in the accommodation industry, 2012**

Type of accommodation	Current liabilities				Non-current liabilities			Total liabilities	Owners' equity	Liabilities and owners' equity
	Creditors	Overdraft	Other	Total	Long-term loans	Other	Total			
	R million									
Hotels, motels and inns	4 923	195	12 383	<b>17 501</b>	22 043	6 847	<b>28 890</b>	<b>46 391</b>	<b>5 958</b>	<b>52 349</b>
Guest-houses and guest-farms	116	56	229	<b>401</b>	1 228	650	<b>1 878</b>	<b>2 279</b>	<b>539</b>	<b>2 818</b>
Other accommodation	371	47	568	<b>986</b>	2 910	1 777	<b>4 687</b>	<b>5 673</b>	<b>1 615</b>	<b>7 288</b>
<b>Total</b>	<b>5 410</b>	<b>298</b>	<b>13 180</b>	<b>18 888</b>	<b>26 181</b>	<b>9 274</b>	<b>35 455</b>	<b>54 343</b>	<b>8 112</b>	<b>62 455</b>

**Table 14 – Capital expenditure on new assets in the accommodation industry, 2009 and 2012**

Asset	2009	2012	Annualised % change
	R million		
Land, buildings and construction	2 791	1 995	-10,6
Plant, machinery and equipment	1 793	1 521	-5,3
Other capital expenditure	1 564	742	-22,0
<b>Total capital expenditure on new assets</b>	<b>6 148</b>	<b>4 258</b>	<b>-11,5</b>

**Table 15 – Capital expenditure on new assets in the accommodation industry, 2012**

Type of accommodation	Land, buildings and construction	Computers and computer software	Vehicles	Plant, machinery and equipment	Intangible assets	Other	Total
	R million						
Hotels, motels and inns	1 649	69	204	1 410	76	291	<b>3 699</b>
Guest-houses and guest-farms	107	2	18	20	0	3	<b>150</b>
Other accommodation	239	8	63	91	0	8	<b>409</b>
<b>Total</b>	<b>1 995</b>	<b>79</b>	<b>285</b>	<b>1 521</b>	<b>76</b>	<b>302</b>	<b>4 258</b>

**Table 16 – Employment in the accommodation industry for the last pay period ended on or before 30 of June, 2009 and 2012**

Type of accommodation	Female employees			Male employees			Total employees		
	2009	2012	Annualised % change	2009	2012	Annualised % change	2009	2012	Annualised % change
Hotels, motels and inns	34 372	39 709	4,9	26 569	32 014	6,4	<b>60 941</b>	<b>71 723</b>	<b>5,6</b>
Guest-houses and guest-farms	4 695	4 803	0,8	2 560	2 392	-2,2	<b>7 255</b>	<b>7 195</b>	<b>-0,3</b>
Other accommodation	11 993	11 893	-0,3	6 262	7 633	6,8	<b>18 255</b>	<b>19 526</b>	<b>2,3</b>
<b>Total</b>	<b>51 060</b>	<b>56 405</b>	<b>3,4</b>	<b>35 391</b>	<b>42 039</b>	<b>5,9</b>	<b>86 451</b>	<b>98 444</b>	<b>4,4</b>

**Table 17 – Details of employment in the accommodation industry for the last pay period ended on or before 30 of June 2012**

Type of accommodation	Permanent employees			Temporary employees			Casual employees			Total employees
	Female	Male	Total	Female	Male	Total	Female	Male	Total	
	Number of employees									
Hotels, motels and inns	36 369	29 418	<b>65 787</b>	1 675	1 259	<b>2 934</b>	1 666	1 336	<b>3 002</b>	<b>71 723</b>
Guest-houses and guest-farms	4 423	2 181	<b>6 604</b>	222	97	<b>319</b>	158	114	<b>272</b>	<b>7 195</b>
Other accommodation	10 827	6 830	<b>17 657</b>	519	400	<b>919</b>	546	404	<b>950</b>	<b>19 526</b>
<b>Total</b>	<b>51 619</b>	<b>38 429</b>	<b>90 048</b>	<b>2 416</b>	<b>1 756</b>	<b>4 172</b>	<b>2 370</b>	<b>1 854</b>	<b>4 224</b>	<b>98 444</b>

**Table 18 – Employment by enterprise size in the accommodation industry for the last pay period ended on or before 30 of June 2012**

Type of accommodation	Large enterprises	Medium enterprises	Small enterprises	Micro enterprises	Total
	Number of employees				
Hotels, motels and inns	46 296	6 995	937	17 495	71 723
Guest-houses and guest-farms	43	117	68	6 967	7 195
Other accommodation	1 058	872	169	17 427	19 526
<b>Total</b>	<b>47 397</b>	<b>7 984</b>	<b>1 174</b>	<b>41 889</b>	<b>98 444</b>

**Table 19 – Details of income from sales of goods by commodity type in the accommodation industry, 2009 and 2012**

Commodity type	2009	2012	2009	2012	Annualised % change
	R million		% contribution to total		
Food prepared for consumption	3 499	4 943	66,9	62,5	12,2
Alcoholic beverages	931	1 618	17,8	20,5	20,2
Non-alcoholic beverages	364	711	7,0	9,0	25,0
Other sales of goods	434	633	8,3	8,0	13,4
<b>Total sales of goods</b>	<b>5 228</b>	<b>7 905</b>	<b>100</b>	<b>100</b>	<b>14,8</b>

**Table 20 – Details of income from sales of goods by commodity and service type in the accommodation industry, 2012**

Type of accommodation	Food prepared for consumption	Alcoholic beverages	Non-alcoholic beverages	Other sales of goods	Total sales of goods
	R million				
Hotels, motels and inns	4 044	1 357	554	544	6 499
Guest-houses and guest-farms	236	63	41	12	352
Other accommodation	663	198	116	77	1 054
<b>Total</b>	<b>4 943</b>	<b>1 618</b>	<b>711</b>	<b>633</b>	<b>7 905</b>

**Table 21 – Details of income from services rendered in the accommodation industry, 2009 and 2012**

Service type	2009	2012	2009	2012	Annualised % change
	R million		% contribution to total		
Accommodation	14 014	15 249	53,8	51,3	2,9
Functions	1 317	1 210	5,1	4,1	-2,8
Casino facilities	9 106	11 871	34,9	40,0	9,2
Other services rendered	1 621	1 370	6,2	4,6	-5,5
<b>Total income from services rendered</b>	<b>26 058</b>	<b>29 700</b>	<b>100</b>	<b>100</b>	<b>4,5</b>

**Table 22 – Details of income from services rendered in the accommodation industry, 2012**

Type of accommodation	Accommodation	Functions	Laundry services	Casino facilities (gambling)	Health and spa facilities	Sports facilities	Tours	Other services rendered	Total income from services rendered
	R million								
Hotels, motels and inns	11 737	1 012	85	11 658	137	72	64	782	<b>25 547</b>
Guest-houses and guest-farms	963	63	5	2	11	2	8	54	<b>1 108</b>
Other accommodation	2 549	135	19	211	22	2	33	74	<b>3 045</b>
<b>Total</b>	<b>15 249</b>	<b>1 210</b>	<b>109</b>	<b>11 871</b>	<b>170</b>	<b>76</b>	<b>105</b>	<b>910</b>	<b>29 700</b>

**Table 23 – Details of purchases by commodity group in the accommodation industry, 2009 and 2012**

Commodity type	2009	2012	2009	2012	Annualised % change
	R million		% contribution to total		
Soft furnishings	362	301	6,0	4,2	-6,0
Food	2 885	3 577	47,5	49,9	7,4
Alcoholic beverages	903	1 082	14,9	15,1	6,2
Non-alcoholic beverages	486	640	8,0	8,9	9,6
Other purchases and transfers-in	1 440	1 569	23,7	21,9	2,9
<b>Total purchases and transfers-in</b>	<b>6 076</b>	<b>7 169</b>	<b>100,0</b>	<b>100,0</b>	<b>5,7</b>

**Table 24 – Details of purchases by commodity group in the accommodation industry, 2012**

Type of accommodation	Soft furnishings	Food	Alcoholic beverages	Non-alcoholic beverages	Gas	Toiletries	Cleaning material	Other purchases and transfers-in	Total purchases and transfers-in
	R million								
Hotels, motels and inns	186	2 965	947	551	139	337	215	552	<b>5 892</b>
Guest-houses and guest-farms	41	162	32	21	10	13	16	67	<b>362</b>
Other accommodation	74	450	103	68	26	38	46	110	<b>915</b>
<b>Total</b>	<b>301</b>	<b>3 577</b>	<b>1 082</b>	<b>640</b>	<b>175</b>	<b>388</b>	<b>277</b>	<b>729</b>	<b>7 169</b>

**Table 25 – Stay units in the accommodation industry, 2009 and 2012**

Commodity type	2009	2012	Annualised % change
	Number ('000)		
Stay units available	115	123	2,3
Nights sold	24 292	24 590	0,4
Number of beds	234	240	0,8
Bed nights sold	42 228	43 779	1,2



**Table 26 – Stay units and beds in the accommodation industry, 2012**

Type of accommodation	Stay units available	Stay unit nights sold	Beds available	Bed nights sold
	Number ('000)			
Hotels, motels and inns	78	15 359	152	25 860
Guest-houses and guest-farms	12	2 525	19	3 824
Other accommodation	33	6 706	69	14 095
<b>Total</b>	<b>123</b>	<b>24 590</b>	<b>240</b>	<b>43 779</b>

**Table 27 – Income from services rendered and sales of goods by client base in the accommodation industry, 2009 and 2012**

Client	2009	2012	2009	2012	Annualised % change
	R million		% contribution to total		
Individuals and households	20 308	26 820	64,9	71,3	9,7
Businesses (including parastatals)	7 951	7 329	25,4	19,5	-2,7
Government	3 027	3 456	9,7	9,2	4,5
<b>Total</b>	<b>31 286</b>	<b>37 605</b>	<b>100</b>	<b>100</b>	<b>6,3</b>

**Table 28 – Income from services rendered and sales of goods by client base in the in accommodation industry, 2012**

Type of accommodation	Individuals	Businesses (including parastatals)	Government (national, provincial and local)	Total
	R million			
Hotels, motels and inns	23 000	6 006	3 040	<b>32 046</b>
Guest-houses and guest-farms	917	435	108	<b>1 460</b>
Other accommodation	2 903	888	308	<b>4 099</b>
<b>Total</b>	<b>26 820</b>	<b>7 329</b>	<b>3 456</b>	<b>37 605</b>

**Table 29 – Facilities and other guest amenities available in the accommodation industry, 2012**

Type of accommodation	Meeting and convention facilities	Health and spa facilities	Sports facilities (e.g. gym)	Tours	Casino facilities (gambling)	Restaurants	Other facilities
	% of enterprises						
Hotels, motels and inns	58,9	16,9	12,5	16,0	6,1	46,5	4,9
Guest-houses and guest-farms	38,4	11,6	9,5	11,8	2,4	27,8	6,1
Other accommodation	31,4	8,5	7,0	8,8	1,8	23,1	8,8
<b>Total</b>	<b>42,8</b>	<b>12,2</b>	<b>9,5</b>	<b>12,0</b>	<b>3,5</b>	<b>32,6</b>	<b>6,8</b>

**Table 30 – Information and communication technology usage in the accommodation industry as at the end of June 2012**

Type of accommodation	Use computer	Use internet	Use internet banking	Have web page	Receive orders over internet	Place orders over internet	IT outsourced
	% of enterprises						
Hotels, motels and inns	99,9	99,9	97,5	80,4	78,7	55,2	59,3
Guest-houses and guest-farms	100,0	100,0	92,2	77,3	78,1	53,6	48,8
Other accommodation	100,0	100,0	94,9	77,1	75,8	42,1	52,2
<b>Total</b>	<b>100,0</b>	<b>100,0</b>	<b>95,3</b>	<b>78,4</b>	<b>77,3</b>	<b>49,3</b>	<b>54,1</b>

## Explanatory notes

- Background** The results presented in this publication have been derived from the 2012 tourist accommodation industry 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.
- The sample was drawn from Stats SA's business register, based on the units registered for value added tax (VAT).
- Value added tax (VAT)** All figures exclude value added tax (VAT).
- 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.
- 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 5-digit SIC level (group). 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 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 R26 million and more. Table 31 presents the size groups defined using the Department of Trade and Industry (DTI) cut-off points multiplied by two.

**Table 31 – Size groups for the accommodation industry**

Size group	Turnover
Large	≥ R26 000 000
Medium	R12 000 000 ≤ VAT turnover < R26 000 000
Small	R10 200 000 ≤ VAT turnover < R12 000 000
Micro	< R10 200 000

**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 using stratified simple random sampling. The enterprises were first stratified at 5-digit level according to the SIC and then by size of enterprise. All large, medium and small enterprises were completely enumerated. Business register turnover was used as the measure of size for stratification. The collection rate was 81,5%.

**Collection rate**

Collection rate = ((collected + finalised investigations) / sample size) x 100.

**Weighting methodology**

For micro enterprises, that is those who were 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 were calculated and then aggregated with the completely enumerated stratum to form group 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](http://www.statssa.gov.za/publications/publicationsearch.asp).

**Revisions to 2009 results**

Revisions were made to 2009 due to new information obtained after publication.

**Relative standard error**

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

**Table 32 – Income in the accommodation industry within 95% confidence limit: 2012**

Type of accommodation	Lower limit	Total income	Upper limit	Relative standard error (RSE)
	R million			%
Hotels, motels and inns	32 411	33 733	35 055	2,0
Guest-houses and guest-farms	1 387	1 541	1 695	5,1
Other accommodation	3 835	4 279	4 723	5,3
<b>Total</b>	<b>38 158</b>	<b>39 553</b>	<b>40 948</b>	<b>1,8</b>

**Non-sampling errors**

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

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

**Symbols and abbreviations**

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

<b>Beds nights sold</b>	The total number of beds sold on each night during the survey period.
<b>Casual employees</b>	Employees who fall neither within the 'permanent employees' category nor the 'temporary employees category. Such employees are typically working daily or hourly.
<b>Concentration ratio</b>	The ratio of the income of the <i>n</i> largest enterprises to the total income.
<b>Current assets</b>	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"><li>• trade and other receivables;</li><li>• cash and bank;</li><li>• inventories; and</li><li>• other current assets.</li></ul>
<b>Current liabilities</b>	Debts or obligations that are due within one year. They include: <ul style="list-style-type: none"><li>• trade and other payables;</li><li>• bank overdraft; and</li><li>• other current liabilities.</li></ul>
<b>Employees</b>	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 2012.
<b>Enterprise</b>	A legal entity or a combination of legal units that includes and directly controls all functions necessary to carry out its activities.
<b>Equity</b>	The residual interest in the entity's assets after deducting its liabilities.
<b>Rental, leasing and hiring income</b>	Rental, leasing and hiring income includes: <ul style="list-style-type: none"><li>• leasing and hiring of motor vehicles and other transport equipment;</li><li>• leasing and hiring of plant, machinery, equipment and vehicles;</li><li>• rental of land, buildings and other structures; and</li><li>• other rental, leasing and hiring income.</li></ul>



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<b>Industry</b>	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</i> (SNA) in the same way as in the <i>Standard Industrial Classification of all Economic Activities</i> (SIC), Fifth Edition, Report No. 09-90-02 of January 1993.
<b>Net profit or loss after tax</b>	Net profit or loss after tax is derived as:  Net profit or loss before tax <b>minus</b> company tax
<b>Net profit or loss before tax</b>	Net profit or loss before tax is derived as:  Total income <b>plus</b> closing inventories <b>minus</b> total expenditure <b>minus</b> opening inventories
<b>Non-current assets</b>	Assets which are not easily convertible to cash or not expected to become cash within the next year. They include: <ul style="list-style-type: none"><li>• property, plant and equipment and intangible assets;</li><li>• long-term investments; and</li><li>• other non-current assets.</li></ul>
<b>Non-current liabilities</b>	Liabilities not due to be paid within one year during the normal course of business. They include: <ul style="list-style-type: none"><li>• long-term loans; and</li><li>• other non-current liabilities.</li></ul>
<b>Other accommodation</b>	Other accommodation includes: <ul style="list-style-type: none"><li>• conference centres, which are not part of a hotel, with accommodation units, e.g. rooms;</li><li>• holiday resorts where facilities and equipment are provided for guests to cater for themselves; and</li><li>• caravan parks and camping sites; and</li><li>• other tourist accommodation.</li></ul>

**Other expenditure** Other expenditure includes:

- accommodation;
- administration and management fees;
- amortisation;
- bank charges;
- bursaries;
- computer expenditure;
- containers and packaging materials;
- customs duty paid;
- donations;
- entertainment;
- excise duty paid;
- losses on financial and other assets;
- losses on liabilities;
- losses on foreign exchange;
- motor vehicle running;
- mineral rights leases;
- paper, printing and stationery;
- postal and courier services;
- property tax;
- provisions;
- railage and transport-out;
- research and development;
- royalties;
- security services (including IT security services);
- severance, termination and redundancy payments;
- skills development levy;
- staff training (payment to outside organisations);
- subcontracting expenses;
- subscriptions;
- telecommunication services;
- travelling; and
- other expenditure.

**Other income** Other income includes:

- dividends received;
- government subsidies and incentives;
- capital transfers received from the government;
- profit for redemption, liquidation or revaluation of liabilities;
- profit on foreign exchange;
- mineral rights leases;
- provisions;
- royalties;
- custom duty;
- excise duty; and
- other income.

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