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Statistical release

P4001

Electricity, gas and water supply industry, 2013

(Preliminary)

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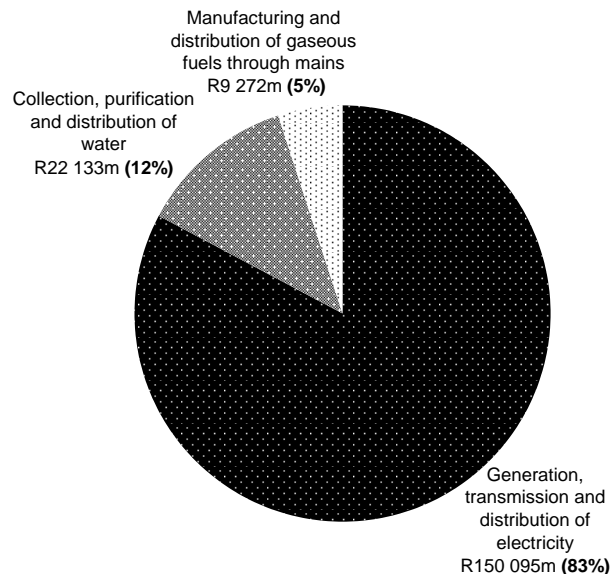
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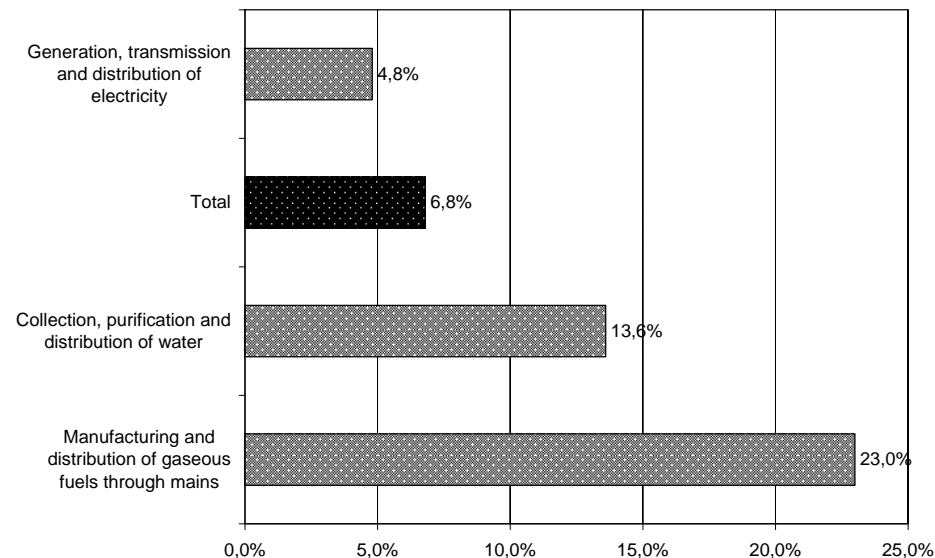
1. Summary of findings for the year 2013

Figure 1 – Income by type of service in the electricity, gas and water supply industry, 2013



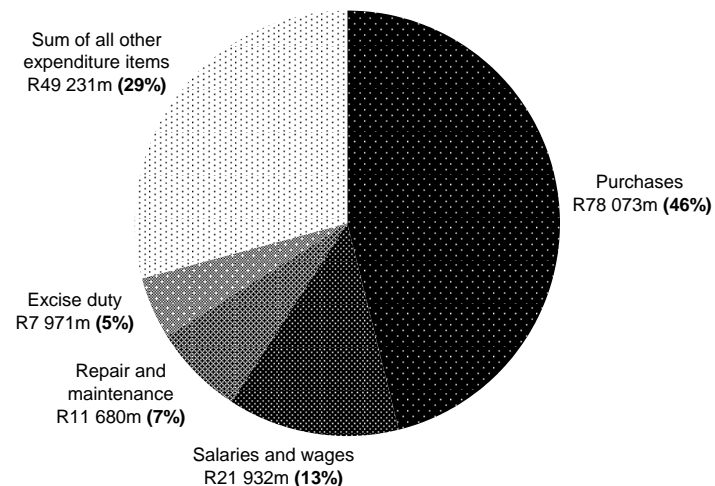
The total income for the electricity, gas and water supply industry in 2013 was R181 500 million. The largest contributor to the total income was 'generation, transmission and distribution of electricity' (R150 095 million or 83%), followed by 'collection, purification and distribution of water' (R22 133 million or 12%) and 'manufacturing and distribution of gaseous fuels through mains' (R9 272 million or 5%) (Figure 1 and Table 1, page 5).

Figure 2 – Profit margin in the electricity, gas and water supply industry, 2013



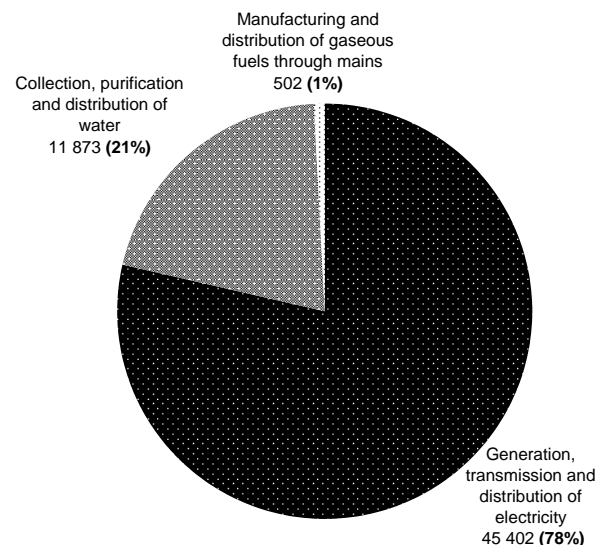
The profit margin for the electricity, gas and water supply industry was 6,8% in 2013. 'Manufacturing and distribution of gaseous fuels through mains' had the highest profit margin at 23,0%, followed by 'collection, purification and distribution of water' at 13,6% and 'generation, transmission and distribution of electricity' at 4,8% (Figure 1 and Table 1, page 5).

Figure 3 – Composition of expenditure in the electricity, gas and water supply industry, 2013



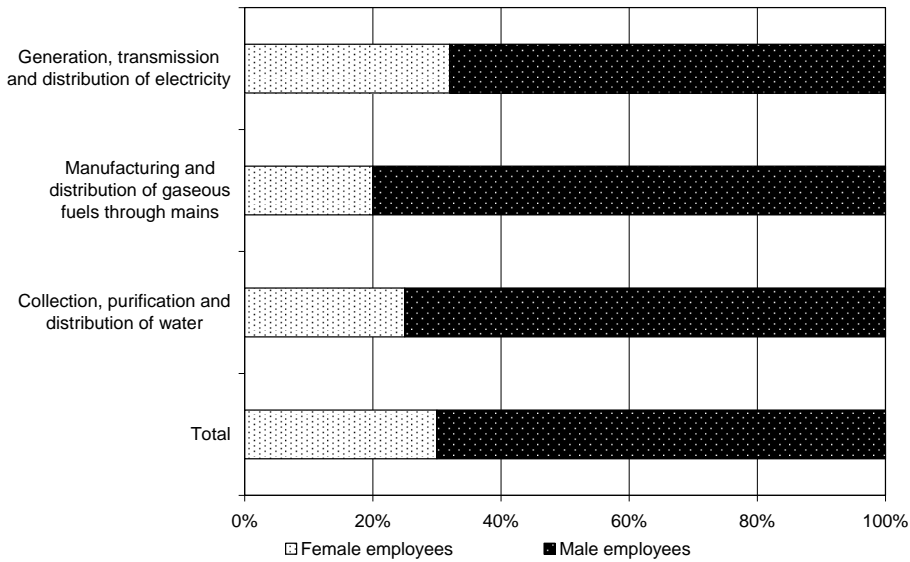
Expenditure in the electricity, gas and water supply industry in 2013 amounted to R168 887 million. The largest contributor to the total expenditure was ‘purchases’ (R78 073 million or 46%), followed by ‘salaries and wages’ (R21 932 million or 13%) (Figure 3 and Table 3, page 6).

Figure 4 – Employment by type of service in the electricity, gas and water supply industry, 2013



The total number of persons employed in the electricity, gas and water supply industry at the end of June 2013 was 57 777. ‘Generation, transmission and distribution of electricity’ employed the largest number of persons (45 402 or 78%), followed by ‘collection, purification and distribution of water’ (11 873 or 21%) and ‘manufacturing and distribution of gaseous fuels through mains’ (502 or 1%) (Figure 4 and Table 4, page 7).

Figure 5 – Gender ratios in the electricity, gas and water supply industry, 2013



The proportion of males out of the total persons employed was 70%. The industry with the highest proportion of males employed was 'manufacturing and distribution of gaseous fuels through mains' (80%), whilst 'generation, transmission and distribution of electricity' had the highest proportion of females employed (32%) (Figure 5 and Table 4, page 7).

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Statistician-General

2. Tables

Table 1 – Principal statistics in the electricity, gas and water supply industry, 2013

Type of service	Total income	Total expenditure	Total value of opening inventories	Total value of closing inventories	Net profit or loss before tax	Profit margin
	R million					%
Generation, transmission and distribution of electricity	150 095	143 247	10 025	12 211	9 034	4,8
Manufacturing and distribution of gaseous fuels through mains	9 272	6 307	66	72	2 971	23,0
Collection, purification and distribution of water	22 133	19 333	303	375	2 872	13,6
Total	181 500	168 887	10 394	12 658	14 877	6,8

Table 2 – Income in the electricity, gas and water supply industry, 2013

Type of service	Sales and services	Government subsidies and incentives received	Other income	Total income
	R million			
Generation, transmission and distribution of electricity	143 443	769	5 883	150 095
Manufacturing and distribution of gaseous fuels through mains	9 241	0	31	9 272
Collection, purification and distribution of water	20 988	346	799	22 133
Total	173 672	1 115	6 713	181 500

Table 3 – Expenditure in the electricity, gas and water supply industry, 2013

Type of service	Purchases	Subcontractors	Salaries and wages	Repair and maintenance	Customs duty	Excise duty
	R million					
Generation, transmission and distribution of electricity	63 695	5 030	18 579	11 135	81	7 971
Manufacturing and distribution of gaseous fuels through mains	5 343	0	253	70	0	0
Collection, purification and distribution of water	9 035	562	3 100	475	0	0
Total	78 073	5 592	21 932	11 680	81	7 971

Table 3 – Expenditure in the electricity, gas and water supply industry, 2013 (concluded)

Type of service	Motor vehicle running expenditure	Railage and transport-out	Telecommunication services	Other expenditure	Total expenditure
	R million				
Generation, transmission and distribution of electricity	751	284	392	35 329	143 247
Manufacturing and distribution of gaseous fuels through mains	8	0	5	628	6 307
Collection, purification and distribution of water	77	68	32	5 984	19 333
Total	836	352	429	41 941	168 887

Table 4 – Employment in the electricity, gas and water supply industry, 2013

Type of service	Female employees	Male employees	Total employees
	Number of employees		
Generation, transmission and distribution of electricity	14 376	31 026	45 402
Manufacturing and distribution of gaseous fuels through mains	99	403	502
Collection, purification and distribution of water	2 978	8 895	11 873
Total	17 453	40 324	57 777

Explanatory notes

Background

The results presented in this publication have been derived from the 2013 electricity, gas and water supply industry large sample survey. This is a periodic survey which measures economic activity in the electricity, gas and water supply sector of the South African economy. This survey is based on a census of private and public enterprises operating in electricity, gas and water supply industry.

The census was conducted from Stats SA's business register, based on the units registered for value added tax (VAT).

All figures exclude VAT.

Reference period

The information was collected from enterprises for their financial year which ended on any date between 1 July 2012 and 30 June 2013.

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

This survey covers the following income tax-registered private and public enterprises that are mainly engaged in the electricity, gas and water supply industry:

- Generation, transmission and distribution of electricity (SIC 41111, SIC 41112 and SIC 41113).
- Manufacturing and distribution of gaseous fuels through mains (SIC 41200).
- Steam and hot water supply (SIC 41300) [not included in the report due to non-response].
- Collection, purification and distribution of water (SIC 42000).

Exclusions:

- Enterprises which generate electricity as a secondary or auxiliary activity for own use (e.g. manufacturing companies).
- Municipalities (included in statistical releases P9114 and P9115).
- Enterprises which manufacture and distribute liquefied petroleum gas (LPG).
- Enterprises which are engaged in sanitation and other waste water treatment.

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 4-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 turnover recorded for them on the Stats SA business register. Large enterprises are those with an annual recorded turnover of R153 million and above. Table A presents the size groups defined using the Department of Trade and Industry (DTI) cut-off points multiplied by three.

Table A – Size groups for the electricity, gas and water supply industry

Size Group	VAT Turnover
1	Turnover ≥ R153 000 000
2	R39 000 000 ≤ Turnover < R153 000 000
3	R15 300 000 ≤ Turnover < R39 000 000
4	Turnover < R15 300 000

Survey methodology and design

The census of enterprises in electricity, gas and water supply industry was conducted by post, email, fax, telephone and personal visits.

A population of approximately 600 enterprises was completely enumerated. The enterprises were first stratified at 5-digit level according to the SIC and then by size of enterprise. Business register turnover was used as the measure of size for stratification. The collection rate was 90,6%.

Collection rate

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

Weighting methodology

All the enterprises were each assigned a weight of one because a census of the industry was conducted.

Relative standard error

A census of the electricity, gas and water supply industry was conducted and hence the estimates are subject to non-sampling errors only. Relative standard errors and confidence intervals do not apply to the census.

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

Enterprise	The enterprise is a legal entity or a combination of legal units that includes and directly controls all functions necessary to carry out its activities.
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 (SIC)</i> , Fifth Edition, Report No. 09-90-02 of January 1993.
Labour brokers	Agents who recruit and administer workers on behalf of the enterprise. They do not provide any other service.
Motor vehicles	Motor vehicles include motor vehicles, trucks, aircraft, boats, trailers, locomotives and other transport equipment.
Net profit or loss after tax	<p>Net profit or loss after tax is derived as:</p> <p>Total income plus closing value of inventories minus total expenditure minus opening value of inventories minus company tax</p>
Net profit or loss before tax	<p>Net profit or loss before tax is derived as:</p> <p>Total income plus closing value of inventories minus total expenditure minus opening value of inventories</p>

Other expenditure

Other expenditure includes:

- accommodation;
- administration fees;
- advertising;
- amortisation;
- bank charges;
- bursaries;
- computers and other IT expenditure;
- containers and packaging materials;
- donations, sponsorships and social investment;
- entertainment;
- insurance;
- losses on liabilities;
- losses on foreign exchange;
- mineral rights leases;
- paper, printing and stationery;
- other expenditure.

Other income

Other income includes:

- customs duty received;
- excise duty received;
- other income.

Profit margin

Profit margin is derived as:

Net profit 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.
Temporary employees	Temporary employees are employees appointed on a short-term contract basis with a stipulated termination date for periods not exceeding one year.
Turnover	Turnover includes: <ul style="list-style-type: none">• value of sales of goods;• amount 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.

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