

SA assets increase but figures reveal concerns

Despite South Africa's economic regression over the past decade or so, the country is still blessed with relatively large amounts of capital and (for now) good infrastructure.

This edition of *FreeFACTS* shows the level and value of assets such as fixed capital stock – which is effectively infrastructure – among other figures. Taken at face value these numbers seem to indicate that the country is not doing as poorly as some people would seem to believe. However, if we dig deeper into these figures it is evident that the South African economy is under strain.

For example, while fixed capital stock grew by nearly 10% between 2014 and 2021, at constant 2015 prices, two important sectors saw declines. The value of fixed capital stock in the mining sector shrank by 5% over the same period, and by 4% for the manufacturing sector.

These two sectors are important value adders to the economy – particularly manufacturing – and this decline is a cause for concern.

At the same time, the private sector controlled the biggest share of fixed capital stock in South Africa, but between 2014 and 2021 the value of this grew at a lower rate than that owned by the government or public corporations. This indicates that the private sector, which is the primary creator of jobs and wealth, is not investing in the South African economy at levels high enough to result in South Africa achieving sustainable economic growth which can help make a dent in our levels of poverty and unemployment.

Another figure in this month's edition also shows how fewer South Africans are saving – whether general saving or for something in particular, such as their child's education. For example, in 2015 some 36% of South African households said they were saving for education, that proportion had declined to 26% in 2022. This is likely a result of South Africa's sputtering economy, with fewer people having the additional income to save for those types of expenses.

— Marius Roodt

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Assets and Incomes

Fixed capital ^a stock by economic sector, 2014-21						
Economic sector	2014	2018	2019	2020	2021	Change 2014-21
	—Rbn ^b —					
Agriculture, forestry and fishing	0,28	0,29	0,29	0,29	0,29	3,9%
Mining and quarrying	0,56	0,52	0,53	0,53	0,53	-4,9%
Manufacturing	0,74	0,73	0,73	0,72	0,71	-3,9%
Electricity, gas and water	0,72	0,94	0,96	0,96	0,97	34,4%
Construction (contractors)	0,07	0,07	0,07	0,07	0,07	3,6%
Wholesale and retail trade, catering and accommodation	0,33	0,36	0,37	0,36	0,36	11,9%
Transport, storage and communication	0,81	0,86	0,86	0,85	0,85	5,0%
Financial intermediation, insurance, real estate and business services ^c	2,45	2,61	2,64	2,63	2,63	7,2%
Community, social and personal services ^d	1,98	2,21	2,24	2,26	2,28	15,4%
Total^e	7,93	8,59	8,70	8,69	8,70	9,6%

Source: South African Reserve Bank (SARB), *Quarterly Bulletin*, March 2022, S-131

^a Fixed capital is the portion of total capital that is invested in fixed assets, such as land, buildings, vehicles, and equipment. The distinguishing feature of a fixed asset is that it may be used repeatedly or continuously in production over a long period of time, which is taken to be more than a year.

Fixed assets include not only structures, machinery, and equipment but also cultivated assets such as trees or animals that are used repeatedly or continuously to produce other products such as fruit or dairy products. They also include intellectual property products such as software or artistic originals used in production.

^b At constant 2015 prices.

^c Includes transfer costs.

^d Includes government.

^e Figures may not add up vertically, owing to rounding.

Fixed capital stock by type of organisation (actual numbers), 2014-21						
Type of organisation	2014	2018	2019	2020	2021	Change 2014-21
	—Rbn ^a —					
General government	2,08	2,27	2,29	2,30	2,31	11,4%
Public corporations	1,27	1,46	1,47	1,46	1,46	14,9%
Private business enterprises	4,59	4,86	4,93	4,92	4,92	7,3%
Total	7,93	8,59	8,70	8,69	8,70	9,6%

Source: SARB, *Quarterly Bulletin*, March 2022, S-131

^a At constant 2015 prices.

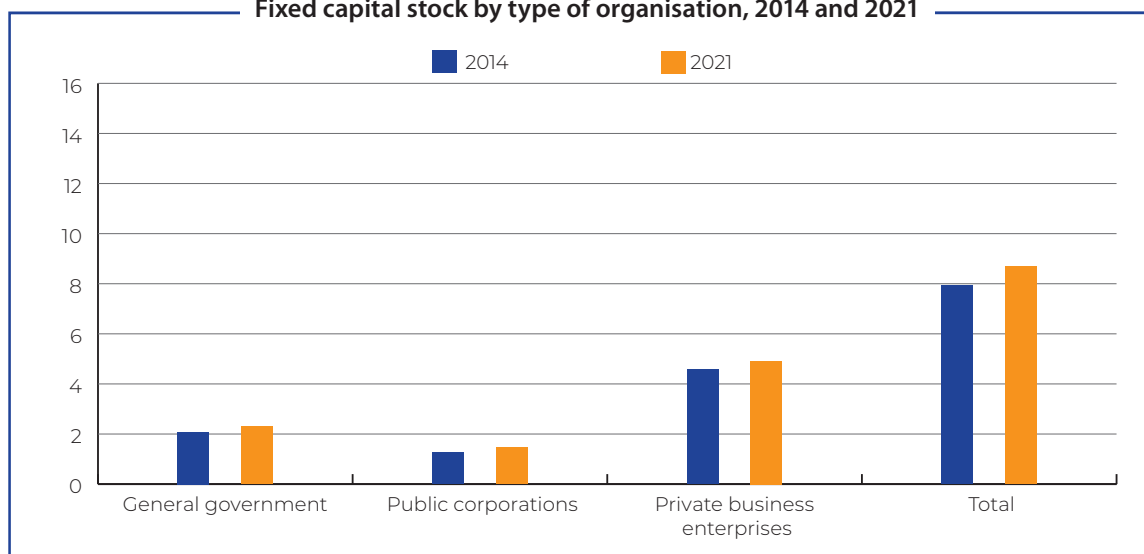
Fixed capital stock by type of organisation (proportions), 2014-21						
Type of organisation	2014	2018	2019	2020	2021	Change 2014-21
General government	26,2%	26,4%	26,4%	26,5%	26,6%	1,5%
Public corporations	16,0%	17,0%	16,9%	16,8%	16,8%	5,0%
Private business enterprises	57,8%	56,6%	56,8%	56,7%	56,6%	-2,1%
Total^a	100,0%	100,0%	100,0%	100,0%	100,0%	—

Source: SARB, *Quarterly Bulletin*, March 2022, S-131

^a Figures should add up vertically but may not, owing to rounding.

Assets and Incomes

Fixed capital stock by type of organisation, 2014 and 2021



Home ownership by race (actual numbers), 2007-21

Status	—2007—			—2012—			—2020—			—2021—		
	Black	Other ^b	Total	Black	Other ^b	Total	Black	Other ^b	Total	Black	Other ^b	Total
Owned and fully paid off	6 778 000 ^a	1 338 000	8 116 000	6 622 000 ^a	1 279 000	7 901 000	9 331 000 ^a	1 633 000	10 964 000	9 437 000 ^a	1 584 000	11 021 000
Owned, but not yet paid off ^c	317 000	1 921 000	2 238 000	487 000	767 000	1 254 000	308 000	205 000	513 000	316 000	206 000	522 000
Total households	7 095 000	3 259 000	10 354 000	7 109 000	2 046 000	9 155 000	9 639 000	1 838 000	11 477 000	9 753 000	1 790 000	11 544 000

Source: Statistics South Africa (Stats SA), *General Household Survey 2007*, Statistical release P0318, 10 July 2008, Table 7.16, p119; *General Household Survey 2012*, Statistical release P0318, 3 October 2013, Table 8.6, p112; *General Household Survey 2020*, Statistical release P0318, 2 December 2021, Table 8.6, p40; *General Household Survey 2021 Addendum tables*, Statistical release P0318, 23 June 2022, Table 8.6

^a The high levels of homes owned and fully paid off by Black South Africans can be attributed, in large part, to the provision of housing by the State.

^b Includes Coloured, Indian/Asian and White.

^c Includes houses owned but not yet paid off to bank/financial institution or private lender.

Home ownership by race (proportions), 2007-21

Status	—2007—			—2012—			—2020—			—2021—		
	Black	Other ^b	Total	Black	Other ^b	Total	Black	Other ^b	Total ^d	Black	Other ^b	Total ^d
Owned and fully paid off	83.5% ^a	16,5%	100,0%	83.8% ^a	16,2%	100,0%	85.1% ^a	14,9%	100,0%	85.6% ^a	14,4%	100,0%
Owned, but not yet paid off ^c	14,2%	85,8%	100,0%	38,8%	61,2%	100,0%	60,0%	40,0%	100,0%	60,5%	39,5%	100,0%
Total households	68,5%	31,5%	100,0%	77,7%	22,3%	100,0%	84,0%	16,0%	100,0%	84,5%	15,5%	100,0%

Source: Stats SA, *General Household Survey 2007*, Statistical release P0318, 10 July 2008, Table 7.16, p119; *General Household Survey 2012*, Statistical release P0318, 3 October 2013, Table 8.6, p112; *General Household Survey 2020*, Statistical release P0318, 2 December 2021, Table 8.6, p40; *General Household Survey 2021 Addendum tables*, Statistical release P0318, 23 June 2022, Table 8.6

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^d Figures should add up horizontally to 100% but may not, owing to rounding.

Assets and Incomes

Registered vehicles^a by province, 2003/04 and 2022

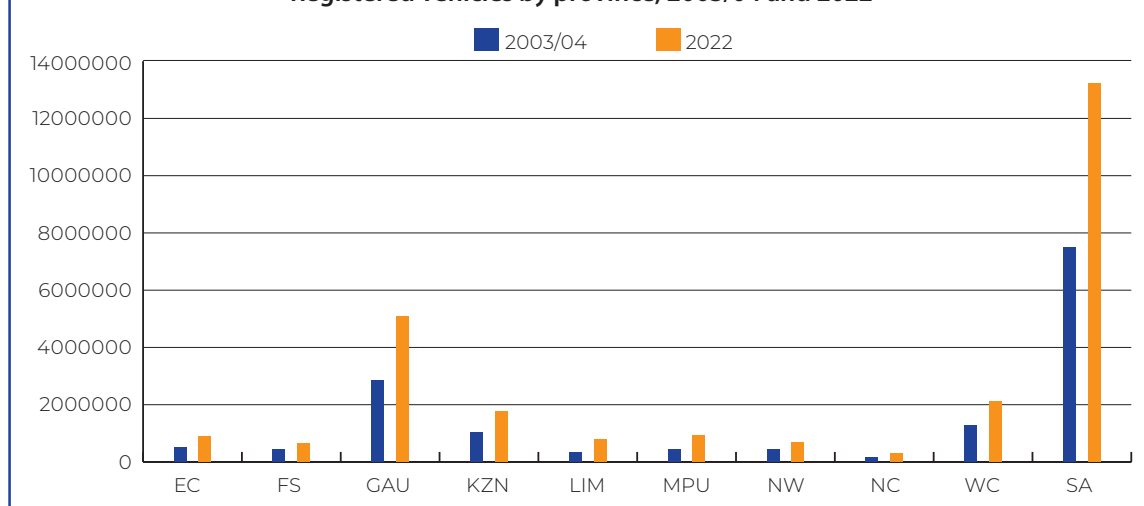
Province	—2003/04—		—2022 ^b —		Change: Number	Change: Proportion
	Registered vehicles	People per vehicle ^c	Registered vehicles	People per vehicle ^c		
Eastern Cape	513 217	13,8	875 833	7,6	362 616	70,7%
Free State	453 974	6,5	660 286	4,4	206 312	45,4%
Gauteng	2 831 350	3,1	5 079 795	3,2	2 248 445	79,4%
KwaZulu-Natal	1 031 813	9,4	1 773 526	6,5	741 713	71,9%
Limpopo	332 506	16,6	789 492	7,5	456 986	137,4%
Mpumalanga	451 389	7,2	941 166	5,0	489 777	108,5%
North West	428 676	8,9	671 888	6,2	243 212	56,7%
Northern Cape	162 893	5,5	298 614	4,4	135 721	83,3%
Western Cape	1 273 360	3,6	2 125 946	3,4	852 586	67,0%
South Africa	7 479 178	6,2	13 216 546	4,6	5 737 368	76,7%
— Motorised vehicles	6 677 242	7,0	11 956 465	5,1	5 279 223	79,1%
— Towed vehicles and other	801 936	58,1	1 231 553	49,2	429 617	53,6%

Source: Source: Road Traffic Management Corporation (RTMC), *Road Traffic and Fatal Crash Statistics 2003-2004*, June 2005, p4,9,14; Electronic National Administration Traffic Information System (eNaTis), www.enatis.com, accessed 14 November 2022

Registered vehicles by province, 2003/04 and 2022

	2003/04	2022
EC	513 217	875 833
FS	453 974	660 286
GAU	2 831 350	5 079 795
KZN	1 031 813	1 773 526
LIM	332 506	789 492
MPU	451 389	941 166
NW	428 676	671 888
NC	162 893	298 614
WC	1 273 360	2 125 946
SA	7 479 178	13 216 546

Registered vehicles by province, 2003/04 and 2022



Assets and Incomes

Motorised vehicles registered ^a , 1999-2022								
Year	Motor cars	Minibuses	Buses	Motor cycles	Bakkies/ loading vans	Trucks	Other	Total
1999	3 851 048	253 201	26 127	158 328	1 263 348	228 838	211 166	5 992 056
2001	3 977 255	244 598	25 820	158 958	1 332 591	225 134	195 323	6 159 679
2003	4 154 593	241 938	27 221	162 871	1 406 217	231 302	193 342	6 417 484
2005	4 574 972	256 205	32 308	237 556	1 564 437	259 651	203 662	7 128 791
2007 ^b	4 992 401	268 660	37 348	293 164	1 732 256	285 807	213 677	7 823 313
2009	5 411 093	282 941	45 217	362 400	1 946 292	321 604	230 484	8 600 031
2010 ^b	5 472 090	282 793	45 858	367 162	1 965 316	321 729	231 084	8 686 032
2011 ^b	5 675 488	285 858	47 799	331 271	2 025 074	326 721	234 337	8 926 548
2012 ^b	5 928 532	284 536	49 679	345 179	2 101 392	335 527	221 930	9 266 775
2013 ^b	6 202 323	286 458	52 325	360 068	2 179 564	344 120	224 445	9 649 303
2014 ^b	6 461 553	290 520	55 090	368 285	2 254 105	352 906	228 184	10 010 643
2015 ^b	6 707 175	295 139	57 538	368 529	2 329 710	361 895	230 849	10 350 835
2016 ^b	6 905 939	300 876	59 843	364 960	2 397 369	367 975	272 448	10 669 410
2017 ^c	7 140 959	314 988	62 900	352 549	2 489 364	372 183	234 625	10 967 568
2018 ^d	7 270 100	323 378	63 919	348 611	2 533 184	374 491	234 955	11 148 638
2019 ^e	7 424 649	335 392	64 808	345 513	2 589 676	378 254	235 181	11 373 473
2020 ^f	7 448 021	341 252	65 159	338 871	2 603 099	377 412	233 348	11 447 162
2021 ^g	7 656 531	349 399	64 566	347 658	2 673 889	388 938	237 541	11 718 522
2022 ^h	7 826 452	356 485	65 329	356 830	2 713 384	395 972	242 013	11 956 465
2021-22	2,2%	2,0%	1,2%	2,6%	1,5%	1,8%	1,9%	2,0%
1999-2022	103,2%	40,8%	150,0%	125,4%	114,8%	73,0%	14,6%	99,5%
People per vehicle: 2022	7,7	170,0	927,7	169,8	22,3	153,1	250,4	5,1

Source: RTMC, Road Traffic Report-March 2008, April 2008, pp10-11; Road Traffic Report for the Calendar Year 2009, 2010, p9; Road Traffic Report 31 March 2011, August 2011, p71 eNaTis, www.enatis.com, accessed 14 November 2022

^a Figures as at year-end (December).

^b Figures for 2007, 2010, 2011, 2012, 2013, 2014, 2015 and 2016 are for March financial year ends.

^c As at 30 September 2017.

^d As at 30 June 2018.

^e As at 30 June 2019.

^f As at 31 May 2020.

^g As at 31 October 2021.

^h As at 30 September 2022.

Assets and Incomes

Households with an education policy/saving for education^a, 2015-22

Year	Proportion
2015	36,0%
2016	31,0%
2017	32,0%
2018	30,0%
2019	28,0%
2020	26,0%
2021	23,0%
2022	26,0%
2015-22	-27,8%

Source: Old Mutual, *Savings and Investment Monitor 2022*, July 2022, p61

^a The annual monitor is a survey of 1 487 working people in South Africa's major metropolitan areas. It examines levels of savings and investment, as well as people's attitudes to their finances in general. Respondents were asked about household rather than personal income.

Households^{ab} that use informal savings, 2020-22

Informal savings	2020	2021	2022	Change 2021-22	Change 2020-22
Stokvels ^c	46,0%	46,0%	31,0%	-32,6%	-32,6%
Burial societies	54,0%	49,0%	31,0%	-36,7%	-42,6%
Grocery schemes	53,0%	55,0%	31,0%	-43,6%	-41,5%

Source: Old Mutual, *Savings and Investment Monitor 2022*, July 2022, p36

^a The annual monitor is a survey of 1 487 working people in South Africa's major metropolitan areas. It examines levels of savings and investment, as well as people's attitudes to their finances in general. Respondents were asked about household rather than personal income.

^b Refers to Black households only.

^c A rotating savings and credit association. Typically made up of 5 to 20 people who contribute an agreed periodic amount to a central collective savings vehicle. Each member gets to receive a lump sum of the combined contributions at least once during the lifetime of the stokvel.

Average monthly earnings in formal non-agricultural industries (constant prices), 2016-22

Industry	Feb-16 ^a	Feb-19 ^a	Feb-20 ^a —R—	Feb-21 ^a	Feb-22 ^b	Change 2016-22
Mining and quarrying	21 120	21 906	23 972	24 449	29 457	39,5%
Manufacturing	16 043	16 733	16 869	17 039	20 724	29,2%
Electricity, gas and water	36 695	38 492	38 291	39 380	46 851	27,7%
Construction	13 272	15 842	16 186	15 398	18 945	42,7%
Wholesale and retail trade: repair of motor vehicles, motor cycles, personal and household goods, hotels and restaurants	12 353	12 440	12 765	12 912	15 738	27,4%
Transport, storage and communication	21 872	21 884	21 937	21 002	26 505	21,2%
Financial intermediation, insurance, real estate and business services	19 670	22 030	20 740	21 001	25 782	31,1%
Community, social and personal services ^c	21 706	23 088	24 118	23 882	27 861	28,4%
Average	18 038	19 284	19 423	19 482	23 509	30,3%

Source: Stats SA, *Quarterly Employment Statistics June 2022*, Statistical release P0277, 29 June 2021, p50-54

^a At constant 2016 prices, including bonuses and overtime.

^b Figures from Nov 2021 onwards are based on the December 2021 CPI headline index numbers.

^c This industry includes government but does not include domestic servants in private households as this work is not classified as formal.