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email: info@statssa.gov.za
www.statssa.gov.za
170 Andries Street • Private Bag X44, 0001 Pretoria, South Africa
Tel: +27(12) 310 8911, Fax: +27(12) 321 7381

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Enquiries: Printing and distribution User information services

Tel: (012) 310 8251 (012) 310 8600 fax: (012) 321 7381 (012) 310 8500/ 8495

email: distribution@statssa.gov.za info@statssa.gov.za

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Survey of Employers and the Self-employed 2005

This statistical release presents a selection of key findings and tables from Statistics South Africa's (Stats SA) Survey of Employers and the Self-employed (SESE), conducted in September 2005.

1 SUMMARY

1.1 Introduction and background to the survey

Since 1994, South Africa has been faced with the challenges of re-integration into world markets as a global economy, while at the same time positioning itself to realise the high expectations of its populace regarding a successful transition towards a more democratic order. To achieve the objectives of economic growth through competitiveness on the one hand, and employment generation and income redistribution as a result of this growth on the other, various strategies have been implemented to stimulate and support both micro-, small and large businesses in South Africa.

The growth and development of the micro-enterprise and small business sector is acknowledged by most interest groups and policymakers as being of critical importance to South Africa's ability to address the serious problems of unemployment.

Estimates of employment are derived from two sources in most countries:

i) Household surveys; or
ii) Surveys conducted at business premises.

In the South African context, a survey of registered businesses obviously yields employment estimates that pertain to registered businesses alone, which in turn means that the Quarterly Employment Survey (QES) can provide estimates of employment only for the formal sector. Employment estimates are, however, also required for other sectors. As a result, the Labour Force Survey (LFS) – a household survey[1] conducted biannually in South Africa – is specifically designed to measure the labour market which would generally be excluded in the QES. The LFS provides insight into a variety of issues related to the labour market, including the level and pattern of unemployment and the industrial and occupational structure of the economy. The design of the questionnaire and definitions conform to the requirements set by international bodies, such as the International Labour Organization (ILO)[2.]

Owing to the nature of micro- and small businesses, the total universe or sampling frame is largely unknown, and therefore the household-based LFS (for which a sampling frame exists) is used to identify non-VAT registered businesses.

The main aim of this report is to provide information on the characteristics of micro- and small businesses in South Africa and to gain an understanding of their operation and access to services as reported in the SESE. As explained previously, the information presented in this report supplements those statistics collected by Stats SA on formal sector businesses registered for VAT.

These basic differences between the QES, LFS and SESE would yield differences in the employment estimates of formal sector employment. The reasons for these differences include the following:

- In the LFS, the determination that someone is employed in the formal sector is based on answers provided by survey respondents. They are asked whether their employer is registered in any way.

- The possibility exists that some respondents might misunderstand the questions, and incorrectly identifies very small businesses as registered, even though they may not be. Alternatively, they may understand the question correctly, but the information that they have about the business's registration status is incorrect. In addition, where a proxy is providing the information, they may not be sufficiently informed.

1 Details of the sampling methodology are provided in the technical notes, p. xxi.
2 For definitions of terms see p.30

- The estimates of employment by industry provided from the LFS are also based on responses to interviewer questions, and are dependent on the respondents' knowledge of the industry of the business in which they are employed. On the other hand, the estimates of employment by industry from the QES (and other business-based surveys) are determined by the industry classification of the responding businesses on Stats SA's business register. The industry codes on the business register are based on detailed knowledge of the main activities of the businesses.

- Businesses are constantly being created and dissolved or merged. In this environment, it is very challenging to keep the business register up to date.

- Both the LFS and QES are sample surveys and are therefore subject to sampling variability. Even in the absence of all other sources of difference, this would result in differences in the two estimates.

- In the QES, employers working in the enterprise who are not remunerated through the firm's payroll are not included in the count of employees in the firm. They are, however, included in the LFS estimates of employment.

- The two reference periods differ. The QES refers to average employment over a quarter while the LFS refers to employment in a reference week. During periods of rapid change in employment levels, this difference in reference periods will contribute to the difference in employment between the two surveys.

- The QES does not cover agriculture, forestry, hunting and fishing, nor does it include domestic workers, whereas the LFS covers these industries.

1.2 How the SESE was conducted

Currently, there is no sampling frame on which to base weights and raising factors for small businesses in South Africa. As a result, the research design used for SESE was based on a methodology known as the '1–2–3 methodology', consisting of three stages. The first stage involved identifying small and micro-businesses through a household survey. The second stage involved interviewing the owners of these businesses, to determine the nature of their business and their contribution to the economy. In South Africa, the SESE was used for this purpose. In general, the third phase involved asking consumers in households about their buying patterns from large, small and micro-businesses. However, the last stage was not carried out during the SESE.

The criterion for inclusion in the survey depends on whether a business has been registered for Value Added Tax (VAT) as these small and micro-businesses are generally excluded from the Business Frame which is used by Stats SA during surveys to assess the formal economy. A business with an annual turnover of R20 000 is eligible to register for VAT while any business with an estimated turnover of R300 000 or more is obliged to register for VAT. The latter is therefore used as a cut-off point for not being registered for VAT.

The questionnaire was designed by Stats SA in consultation with the ILO and other users interested in small and micro-businesses. The questionnaire was piloted before administering it to ensure that the survey would be feasible and to test whether the screening questions in the LFS questionnaire worked. The SESE questionnaire was then revised, based on the findings of the pilot.

When the LFS was conducted in September 2005, a more thorough screening process than during 2001 was performed to ensure that only persons eligible for the SESE were questioned.

For the actual survey, data were collected in September 2005 by trained fieldworkers in all nine provinces. During the 2005 SESE, data collection was conducted differently to Census 2001. If a member of the household qualified for SESE 2005, the questionnaire was only administered after a checking process with the LFS and the household itself to ensure that the particular household did indeed qualify to be included in the sample.

When the previous SESE was conducted in 2001, data collection was done simultaneously with the LFS. An SESE interview was undertaken immediately after the LFS interview, if the owner of the business or a person who could answer questions about the business was available, or else an appointment was made. Because of these changes in the methodology, it is not advisable to compare the results of 2005 and 2001.

1.3 The questionnaire

Table A: Contents of the SESE 2005 questionnaire

Section	Number of questions	Details of each section
Cover page	1	
Introduction and demographics	18	Number and types of businesses, registration for VAT and income tax, licences, UIF registration, self-employed or employee, services, ownership
Business operations	33	Location, permanence, payment, access to services, purchases, duration, reasons for existence, money required and source of money for start-up, payments, loans and grants
General information	20	Information about raw materials, supplies, types of markets, transport for supplies and assistance
People employed and labour costs	10	Employment, paid and unpaid workers, full-time and part-time workers, demographics of workers, agreements with workers, leave and medical expenses.
Expenditure on fuels, materials and services	3	Expenditure on fuels, materials and services
Fixed capital information	5	Fixed capital
Transport	2	Transport services offered, types of goods transported

1.4 Response details

Table B: Response rates by households, SESE 2005

Result code	South Africa	
Completed	3 283	92,8
Non-contact	33	0,9
Refusal	19	0,5
Partly completed	5	0,1
Vacant dwelling	6	0,2
Other	189	5,3
Unoccupied dwelling	2	0,1
Total	**3 537**	**100,0**

1.5 Data Limitations

As described in 1.1, estimates of employment are derived from household surveys (e.g. the LFS), or surveys conducted using formal businesses as a sampling frame (e.g. the QES). The purpose of the SESE is to gain information about micro- and small businesses which are not covered in the QES or other surveys.

The sample for SESE 2001 was based on Census 1996 as the sampling frame and was weighted accordingly. SESE 2005 utilised a new master sample which was compiled during 2004 and based on Census 2001 as a sampling frame. The master sample used during SESE 2001 was stratified by urban and rural, while the new master sample did not contain similar stratification variables.

The Master Sample used during 2005 was a multi-stage stratified sample design with an overall sample size of Primary Sampling Units (PSUs) of 3 000. The latter was allocated using the power allocation method. Explicit strata consisted of 53 district councils. The PSUs were then sampled using principles inherent in probability proportional to size. The measure of size (MOS) was the number of households in a PSU as calculated using Census 2001. Sampled PSUs were listed with the dwelling unit as the listing unit. From these listings systematic samples of dwelling units were drawn. These samples of dwelling units formed clusters, which differed depending on specific survey requirements. Enumeration Areas (EAs) that had a household count of less than 25 were omitted from the census frame that was used to draw the sample of PSUs for the Master Sample. Other omissions from the Master Sample frame included all institution EAs except workers' hostels, residential hostels, convents and monasteries.

Because of changes in the fieldwork methodology and the sampling methodology and lessons learned, comparison between 2001 and 2005 is not advisable. Furthermore, Stats SA does not attempt to distinguish between formal and informal small and micro-businesses, since this definition varies from country to country. The report only provides information about the perception of the owners of the business.

Stats SA has revised the population model to produce mid-year population estimates in the light of recent mortality data released during 2005 (see Stats SA Statistical release P0309.3, 2005) per five-year age group. The benchmarks for the September 2005 LFS and the SESE 2005 have therefore also been adjusted according to five-year age groups. As a result, comparisons using age groups other than the five-year age groups are not advisable.

1.6 Interpretation of the results

This section provides brief definitions of some of the principal SESE variables and indicators for which data are presented in this report. Most surveys are designed so that the key statistics can precisely be estimated from the sample and the sampling error from those estimates can be computed from the survey itself. This implies that the sample surveys are large enough that the estimates satisfy the requirements of large-sample statistical theory developed for sample surveys. Please note that small subgroups with small sample sizes may show larger variance, therefore small subgroups should not be compared over time, as it would not provide reliable estimates.

The methodology and sampling frames of other surveys differ substantially; therefore it is not advisable to compare the SESE to those data sets.

Due to rounding percentages do not always add up to 100% in the report. As a result of unspecified subgroups such as industry, the totals vary depending on the number of subgroups.

Table C is followed by a list of key definitions used in the SESE

Table C: Key variables or indicators in the SESE

Key Indicators	Number (Thousands)	Percentage
Number of non-VAT registered businesses	1 748	100,0
Single business owners	1 606	91,8
Gender		
Males	795	45,5
Females	954	54,5
Population group		
African	1 597	91,3
Other	151	8,6
Industry		
Primary	80	4,6
Secondary	322	18,4
Tertiary	1 050	60,0
Other	297	17,0
Location		
Fixed location	1 168	66,8
Mobile location	540	30,9
Access to Services		
Sanitation	967	55,3
Telephone	1 226	70,1
Electricity	962	55,0
Reason for starting a business		
Unemployment	1 176	67,2

List of definitions used in the SESE

Employed: Persons aged 15–65 who did any work or who did not work but had a job or business in the seven days prior to the survey interview

Unemployed (official definition): Persons aged 15–65 who did not have a job or business in the seven days prior to the survey interview but had looked for work or taken steps to start a business in the four weeks prior to the interview and were able to take up work within two weeks of the interview

Population of working age: All persons living in South Africa aged between 15 and 65 years at the time of the survey

Unemployment rate: The number of unemployed persons expressed as a percentage of the labour force

Owners of non-VAT registered business: An owner of a business with and annual turnover of less than R300 000 which is not registered for Value Added Tax (VAT).

Primary industries – include agriculture, forestry and fishing, and mining and quarrying.

Secondary industries – include manufacturing, electricity and other utilities, and construction.

Tertiary industries – include trade, transport, financial and business services, and social, personal and community services.

Fixed location: A non-VAT registered business operating from a room within their own dwelling, another space within their dwelling, a room in another person's dwelling, a workshop in the backyard, the customer's place or a non-residential building from where they operate.

Mobile location: A non-VAT registered business operating from the street, at a market or from a taxi rank.

Main business – refers to the business that has the highest turnover.

Raw materials – refer to products that are changed in some way before re-selling, e.g. flour to make bread. In this case, flour is a raw material because it is changed into bread before selling.

Supplies – refer to products that are not changed before reselling, e.g. cold drinks bought and resold at a higher price. In this case, cold drinks have not been changed before selling, and are therefore regarded as supplies in this survey.

Gross income – refers to the total sum of money generated from business activities as well as non-business activities (for example, interests from policies and gifts from other persons to the business) before any deductions.

1.7 Summary of the key findings

It should be noted that the results from the SESE should be interpreted with caution, since it is only a subset of the LFS.

Table C indicates a total of 1,7 million non-VAT registered businesses in South Africa.

- Almost two out of every three persons (67,2%) mentioned unemployment as their main reason for starting a business.
- Slightly more than 91,8% were the owners of a single business.
- Similar to the pattern noted in general, the majority of non-VAT registered businesses (43,5%) was found in the wholesale and retail trade industry according to the internationally accepted Standard Industrial Classification of Industries (SIC), followed by manufacturing (12,0%).
- More than 6 out of 10 (66,8%) persons were running their non-VAT business from a fixed location.
- The majority (96,5%) of the non-VAT registered business owners were self-employed. Only 15,7% have one or more employees, either paid or unpaid, working in their business and could therefore be defined as employers.
- At least three-quarters of persons running a non-VAT registered business required some money to start up their business.

In addition, an estimated 178 200 persons had licences to operate their non-VAT registered businesses in September 2005.

Not surprisingly, more people running non-VAT registered businesses from a fixed location had access to services:

- o More than six out of ten (66,9%) of non-VAT registered businesses reported access to sanitation at a fixed location as opposed to only 5,3% operating from a mobile location.
- o Slightly more than half (55,1%) of the non-registered businesses had access to electricity as opposed to 14,2% operating from a mobile location.
- o Almost three-quarters (73,2%) of non-VAT registered business owners who were operating from a fixed location had access to either a landline or a cellphone while 64,0% of those operating from a mobile location had access to a phone.

A relatively small proportion of non-VAT registered business owners (25,2%) used raw materials in their business, of which 20,9% reported that they produced their own raw material.

2 Introduction

Since 1994, South Africa has been faced with the challenges of re-integration into world markets as a global economy, while at the same time positioning itself to realise the high expectations of its populace regarding a successful transition towards a more democratic order. To achieve the objectives of economic growth through competitiveness on the one hand, and employment generation and income redistribution as a result of this growth on the other, various strategies have been implemented to stimulate and support both micro-, small and large businesses in South Africa.

All over the world, it has been recognised that the small business sector plays an important if not critical role in the economic and social development of a country. The latter also applies to South Africa, where the micro- to small business sector has been neglected during much of the century following the discovery of diamonds and gold, and the establishment of a modem, capitalist economy.

Micro-enterprises are very small businesses, often involving only the owner, some family member(s) and at the most one or two paid employees. They usually lack 'formality' in terms of business licences, VAT registration, formal business premises, operating permits and accounting procedures. Most of them have a limited capital base and only rudimentary technical or business skills among their operators. However, there is potential that micro-enterprises could advance into viable small businesses. Earning levels of micro-enterprises differ widely, depending on the particular sector, the growth phase of the business and access to relevant support.

Taking into account the very large micro-enterprise segment of the small business sector, as well as those struggling in survivalist activities, it should be clear that the small business sector plays a crucial role in people’s efforts to meet basic needs and help marginalised groups – like female heads of households, disabled people and rural families – to survive during the current phase of fundamental structural changes where the formal economy is unable to absorb the increasing labour supply, and social support systems are grossly inadequate (1996: White Paper).

3 Background to surveys

Currently, there is no sampling frame on which to base weights and raising factors for small businesses in South Africa. As a result, the research design used for SESE was based on those developed for Francophone African countries to measure the extent of their informal sectors. The methodology used for such surveys is known as the ‘1–2–3 methodology’, consisting of three stages. The first stage involved identifying small and micro-businesses through a household survey. In South Africa, the LFS is used for this purpose. The definition of such businesses varies from country to country, depending on size, turnover and other criteria. In South Africa, the criterion of ownership of non-VAT-registered enterprises, i.e. an annual turnover of less than R300 000, was applied for our selection. The second stage involved interviewing the owners of these businesses, to determine the nature of their business and their contribution to the economy. In South Africa, SESE was used for this purpose. The third phase involved asking consumers in households about their buying patterns from large, small and micro-businesses.

The LFS is a twice-yearly household survey[3] specifically designed to measure the labour market. It also provides insight into a variety of issues related to the labour market, including the level and pattern of unemployment and the industrial and occupational structure of the economy. The design of the questionnaire and definitions used, conform to the requirements set by international bodies, such as the ILO[4].

The business-based Survey of Employment and Earnings (SEE) captures employment information from formal businesses registered for VAT, while the SESE captures information about micro- and small to medium enterprises in South Africa for the purpose of measuring the potential contribution of these businesses to the economy.

There can be no doubt that, compared to big businesses in South Africa and in other countries, small businesses face a wider range of constraints and problems, and are less able to address the problems on their own, even in effectively functioning market economies. The constraints relate to, among others, the legal and

3 Details of the sampling methodology are provided in the technical notes, p. xxi.
4 For definitions of terms see p.31

regulatory environment confronting micro- and small businesses; access to markets; finance and business premises (at affordable rentals); the acquisition of skills and managerial expertise; access to appropriate technology; the quality of the business infrastructure in poverty-stricken areas; and in some cases, the tax burden. In the South African context, the constraints have been particularly hard on entrepreneurs in rural areas, and on women.

4 Results of the SESE

4.1 The South African labour market

This section presents an overview of developments in the labour market based on information from the LFS for the period September 2001 to September 2005. The discussion of the labour absorption rate and labour force participation/activity rate in this section provides a useful context to the analysis of employment and small business that follows later in this report.

Table 1: Key labour market variables, September 2001 to September 2005

Thousand	**Sep '01**	**Mar '02**	**Sep '02**	**Mar '03**	**Sep '03**	**Mar '04**	**Sep '04**	**Mar '05**	**Sep '05**
Employed	11 181	11 617	11 296	11 304	11 424	11 392	11 643	11 907	12 301
Unemployed	4 655	4 897	4 936	5 116	4 434	4 415	4 135	4 283	4 487
Not economically active	12 281	11 819	12 295	12 337	13 080	13 324	13 527	13 334	12 909
Labour force	15 836	16 514	16 232	16 420	15 858	15 807	15 778	16 190	16 788
Working age	28 117	28 333	28 527	28 756	28 938	29 131	29 305	29 524	29 697
Per cent									
Unemployment rate	29,4	29,7	30,4	31,2	28,0	27,9	26,2	26,5	26,7
Absorption rate	39,8	41,0	39,6	39,3	39,3	39,1	39,7	40,3	41,4
Labour force participation rate	56,3	58,3	56,9	57,1	54,8	54,3	53,8	54,8	56,5

Source: Statistics SA, 2005

After several years of decline, employment has generally been on an upward trend in recent years.

- Over the period September 2004 to September 2005, as many as 658 000 additional jobs were recorded, and the number of employed persons rose to 12 301 000 – higher than it was in September 2001 (**Figure 1**). Looking at the whole period from September 2001 to September 2005, employment grew by over one million.

After several years of successive increases, unemployment declined steadily to 4 135 000 in September 2004. A year later, in September 2005, the number of unemployed persons had risen to 4 487 000. On the other hand, in the year to September 2005, the number of discouraged work-seekers declined by more than 600 000. The rise in unemployment in the face of improving job prospects may therefore reflect discouraged work-seekers beginning to engage in active job searching. By actively seeking work, they become classified as unemployed. Similarly, the decline in unemployment could be a result of persons who started running their own non-VAT registered businesses, and therefore these persons would not be reflected as unemployed any longer. **Table 2** indicates a larger unemployment rate among women than among men.

Table 2: Labour market indicators, September 2001 to September 2005

Key indicators	Sep ’01	Sep ’02	Sep ’03	Sep ’04	Sep ’05
			Percentage		
Unemployment rate					
Male	25,8	25,9	24,7	23,1	22,6
Female	33,8	35,9	32,0	30,2	31,7
Average	**29,4**	**30,4**	**28,0**	**26,2**	**26,7**
Absorption rate					
Male	47,3	47,6	47,2	47,7	49,3
Female	32,7	32,0	32,2	32,2	34,1
Average	**39,8**	**39,6**	**39,5**	**39,7**	**41,4**
Labour force participation rate					
Male	63,7	64,2	62,7	62,0	63,7
Female	49,4	49,9	47,4	46,2	49,9
Average	**56,3**	**56,9**	**54,8**	**53,8**	**56,5**

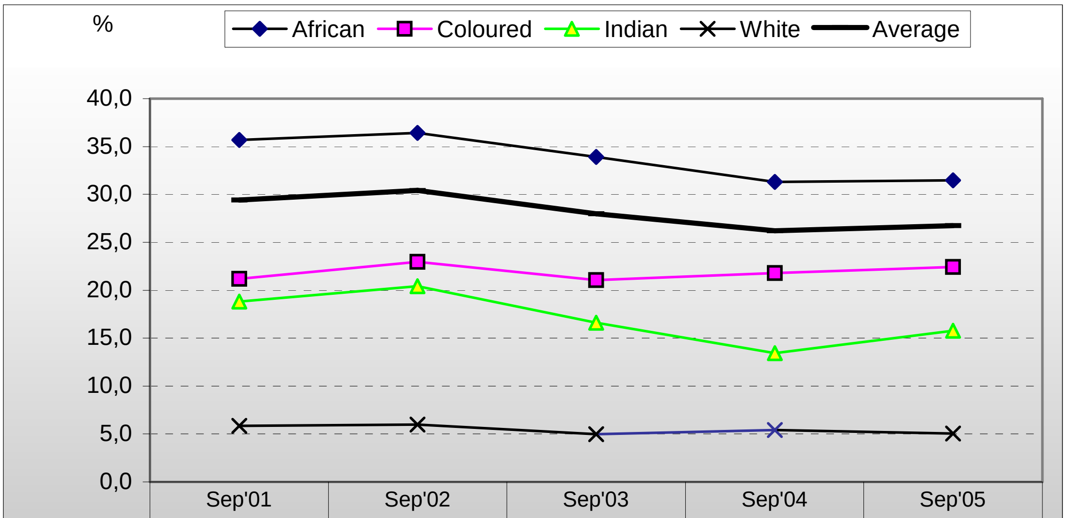
Source: Statistics SA, 2005

- Female unemployment rates were higher than male rates for every period and a similar pattern is evident in the absorption and labour force participation rates.
- Slight employment growth in the year to September 2005 resulted in increases in both male and female absorption rates. As a result, the percentage of South Africans in the working-age population with jobs rose from 39,7% in September 2004 to 41,4% in September 2005.

4.2 Unemployment by population group

The variation in provincial unemployment discussed in **4.1** reflects differences in natural resource endowments and differences in the composition of the labour force in terms of the four major population groups.

Figure 1: Unemployment rate by population group, September 2001 to September 2005



	Sep'01	Sep'02	Sep'03	Sep'04	Sep'05
African	35,7	36,4	33,9	31,3	31,5
Coloured	21,2	23,0	21,1	21,8	22,4
Indian	18,8	20,4	16,6	13,4	15,8
White	5,8	6,0	5,0	5,4	5,1
Average	29,4	30,4	28,0	26,2	26,7

***** Source: Statistics SA, 2005

Figure 1 shows that the unemployment rate according to the official definition was much higher among Black African people than the rate among Indian/Asian, coloured and white people. For example, in September 2005, the unemployment rate among Black Africans was 31,5% as against 22,4% among coloured people, 15,8% among Indians/Asians and 5,1% among white people.

Figure 1 and **Table 2** indicate higher unemployment rates among the Black African group, and among females of all population groups.

The 2001 SESE indicates a total of 2 385 751 persons who were running non-VAT registered businesses in South Africa while the 2005 SESE indicates a total of 1 747 578 persons who were running non-VAT registered businesses. This is quite surprising since one would expect some growth in the number of non-VAT registered businesses which more or less follows population growth.

This decrease in numbers may, however, be a result of the fact that unemployment has stabilised over time among all population groups (Statistics SA, 2006[5]).

Although there were changes in the fieldwork methodology and sampling frame, indications are that there may have been a decline in the growth of micro- and small businesses in South Africa. The following article in Business Day, published on 3 January 2005, provides some supporting evidence that there may indeed have been a decline instead of expected growth in the micro- and small business sector[6].

‘There is growing concern about stagnating growth in the numbers of small businesses, it emerged in the latest review of the sector by the trade and industry department. Government's policy for the small business sector has come under fire from entrepreneurs and small business practitioners, who say it is not doing enough to boost the sector's contribution to economic growth. The small business sector, which is seen as a vital engine for economic growth and job creation, faces difficulty in accessing finance and complying with myriad regulations’.

5 Statistics SA, 2006. Labour Force Survey, March 2006. (Statistical Release P0210).
6 March 2005. Business Day. (http://business.iafrica.com/news/145655.htm)

The patterns noted in the LFS are similar to those noted in SESE 2005, which indicate that the majority of non-VAT registered business owners were Black Africans (approximately 91%), and a little more than half (54,6%) of these non-VAT registered business owners were females.

4.2.1 Where do owners of non-VAT registered micro- and small businesses live?

Table 3 indicates the percentage of non-VAT registered businesses by province and gender. Approximately 1,7 million non-VAT registered businesses were estimated during SESE 2005. The largest number of non-VAT registered businesses were found in Gauteng (430 000), followed by KwaZulu-Natal (328 000) and Eastern Cape (234 000).

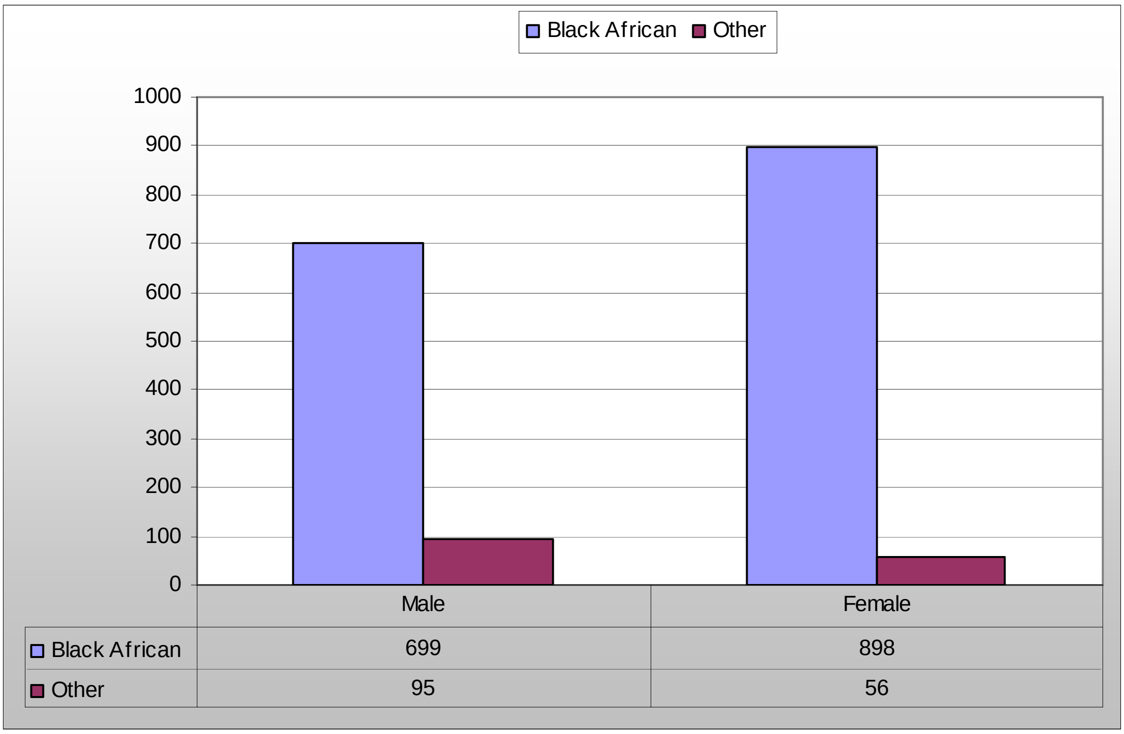
Table 3: Number of people running non-VAT registered businesses by province, 2005

Key Variable	Lower	Estimate	Upper
		Thousand	
Western Cape	83 987	**103 217**	122 448
Eastern Cape	209 264	**234 443**	259 623
Northern Cape	9 800	**12 471**	15 142
Free State	101 900	**115 687**	129 474
Kwazulu-Natal	297 598	**328 210**	358 822
North West	115 100	**139 472**	163 844
Gauteng	375 490	**429 515**	483 540
Mpumalanga	121 225	**134 948**	148 672
Limpopo	224 826	**249 615**	274 404
Males	736 408	**794 966**	853 525
Females	898 460	**952 612**	1 006 764
RSA	1 670 124	**1 747 579**	1 826 498

4.2.2 Description of characteristics of micro- and small businesses

Figure 2 indicates that the majority of non-VAT registered business owners were Black Africans. Slightly more than half of all business owners (51,3%) were Black African women.

Figure 2: Number of non-VAT registered business owners by population group and gender, 2005



***** Unspecified not included in the total

Approximately 91% of non-VAT registered businesses were owned by Black Africans. An association can generally be expected between unemployment and non-VAT registered businesses. This relationship is evident when **Figure 1** and **Figure 2** are compared, since there were also more Black Africans who were unemployed than in any other population group.

Figure 3: Distribution of at least one non-VAT registered business by age of the owner

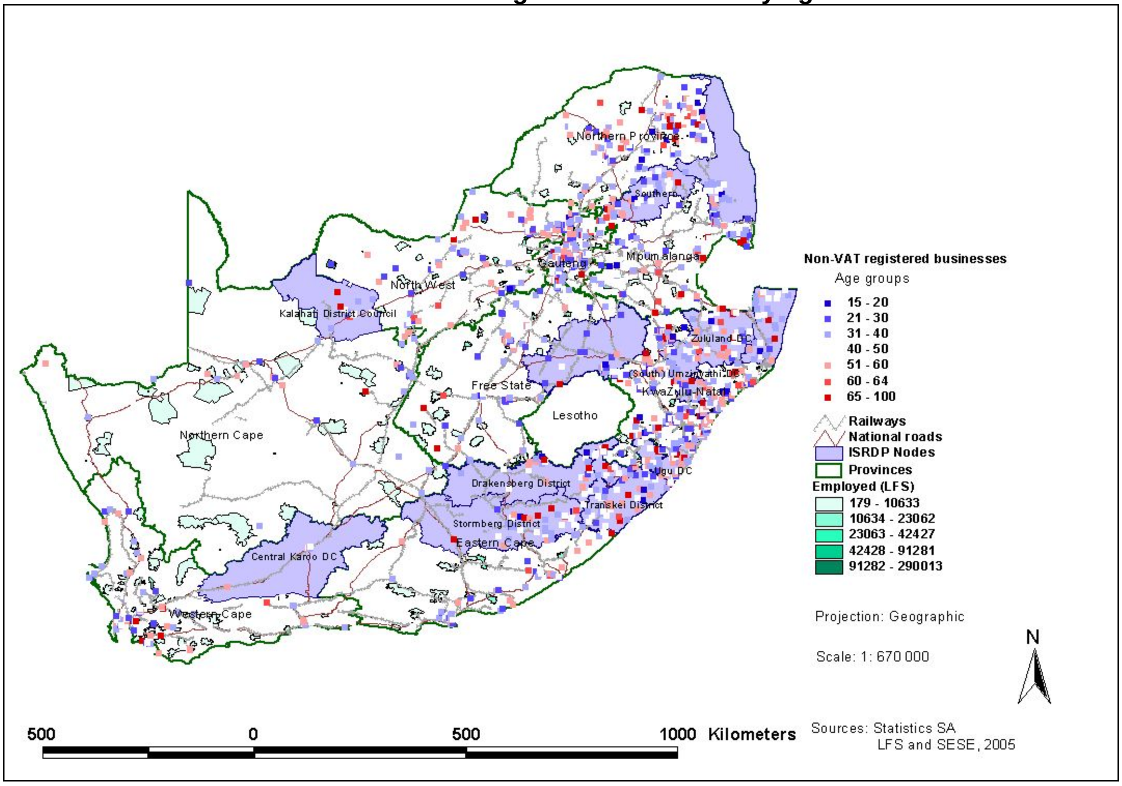


Figure 3 provides a picture of the distribution of non-VAT businesses which were included in the survey for the whole of South Africa. The map illustrates that the distribution differed according to both geographical area and age. A particular age group does not dominate when the map is interpreted.

The majority of persons running non-VAT registered businesses (99,2%) in Limpopo reported to be the single owners of the business (**Figure 4**). Fewer people in Free State (90,3%) were single owners of a non-VAT registered business than elsewhere.

Not surprisingly, **Figure 5** indicates that slightly more businesses in Western Cape (52,6%) were owned by population groups other than Black Africans, and in Northern Cape, a little more than half of the population (51,3%) indicated that they were Black Africans. More than half of the businesses in the Northern Cape (54,6%) were owned by women.

Figure 4: **Percentage of non-VAT business registered owners who were the owners of one business by province**

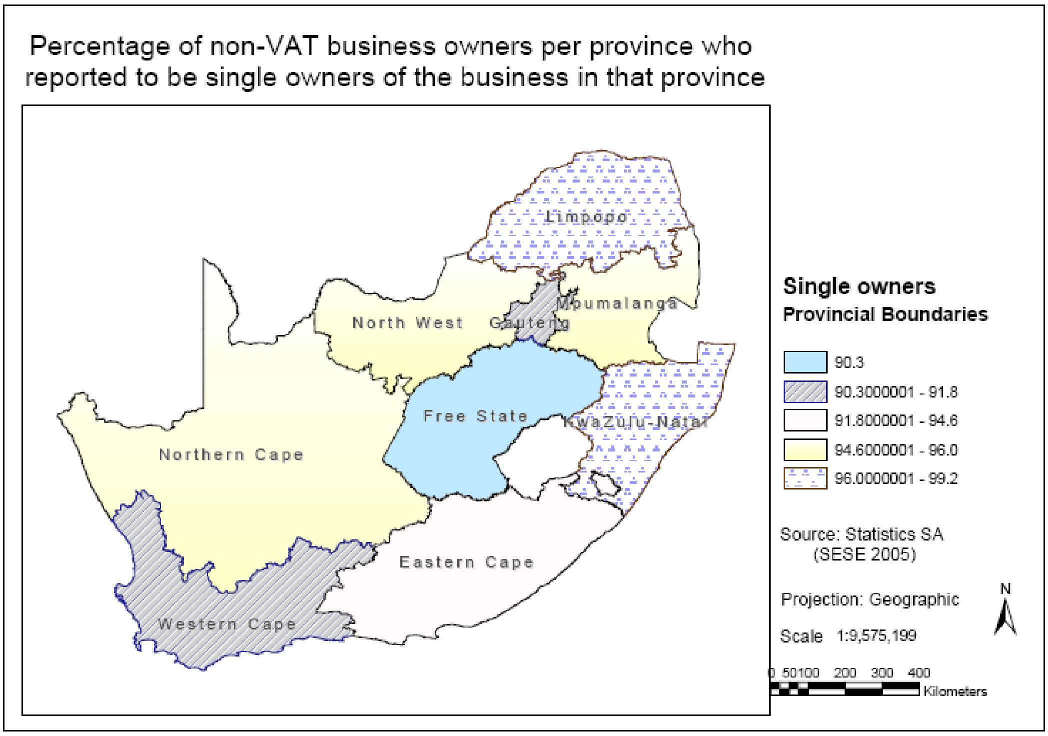
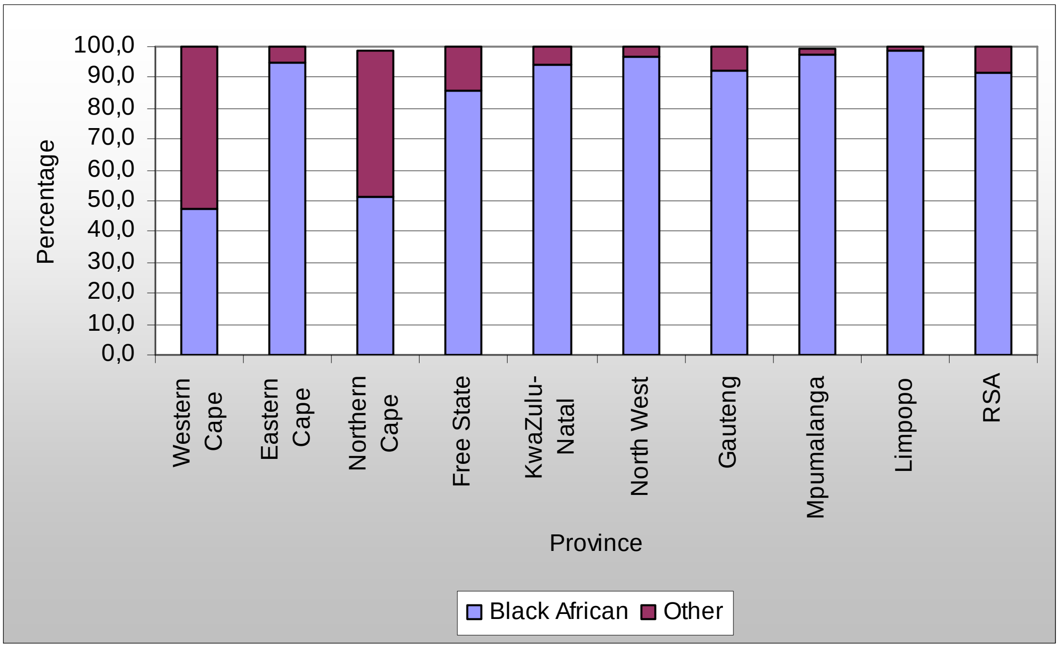


Figure 5: Participation in micro- to small business activity by population group and province



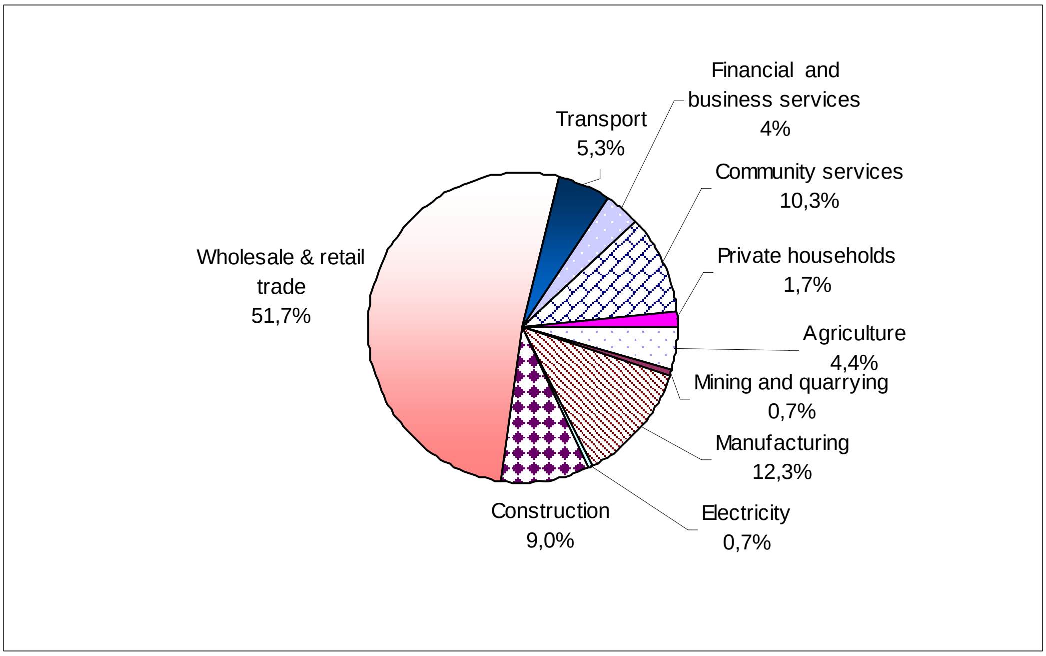
***** Unspecified population group not included in the total percentage

A very small percentage (5,2%) of persons running a non-VAT registered business owned more than one non-VAT registered business.

4.2.3 Industrial sector in which small-businesses operate

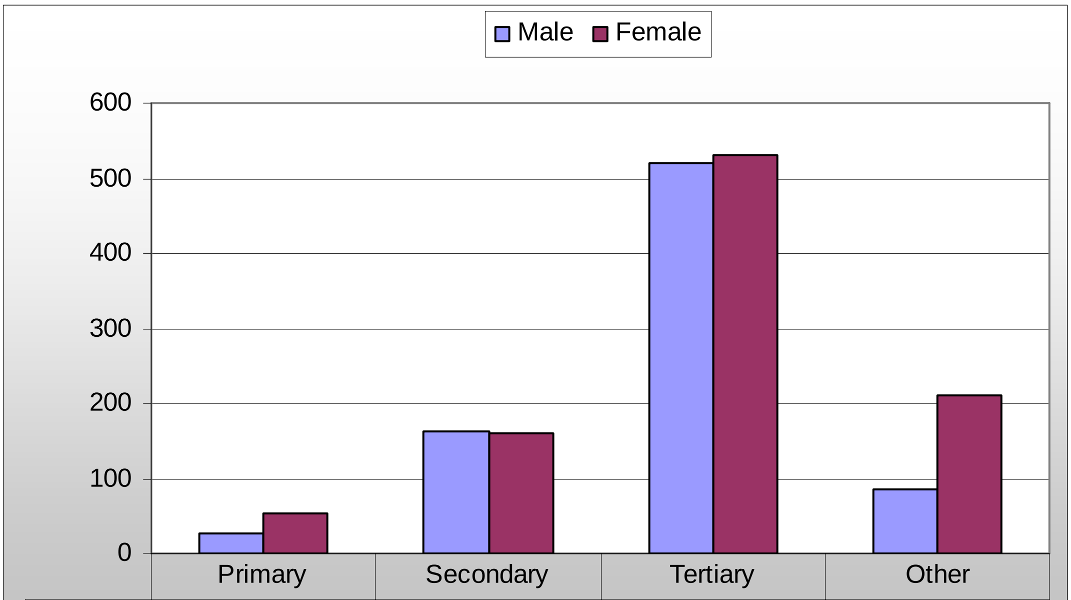
Figure 6 indicates that slightly more than half of the non-VAT registered businesses were found in the wholesale and retail trade industry according to the internationally accepted Standard Industrial Classification of Industries (SIC). The second largest industry in which non-VAT registered businesses operated was manufacturing (12%).

Figure 6: Distribution of at least one non-VAT registered business by industry



***** Unspecified industry not included in the total percentage

Figure 7: Participation of non-VAT registered businesses by type of industry and gender

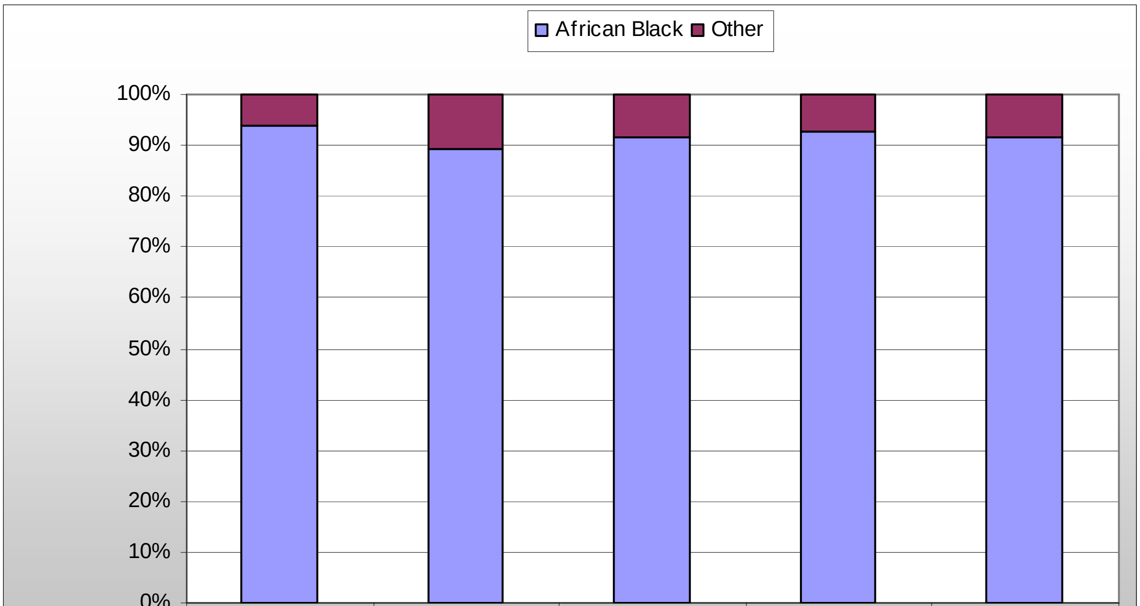


	Primary	Secondary	Tertiary	Other
Male	27	163	519	86
Female	52	159	531	211

* Unspecified gender and industry not included in the totals

Slightly more than half of the non-VAT registered businesses (54,6%) were owned by women. The majority of non-VAT registered businesses were operating in the tertiary sector (60,0%), followed by 18,4% in the secondary sector. A fairly large proportion of non-VAT registered businesses (17,0%) was not classified in any particular sector (including private households). Only 4,6% of all non-VAT registered businesses were operating in the primary sector.

Figure 8: Non-VAT registered businesses in a particular industry by population group



	Primary	Secondary	Tertiary	Other	Total
Other	5	35	90	21	151
African Black	75	287	960	275	1597

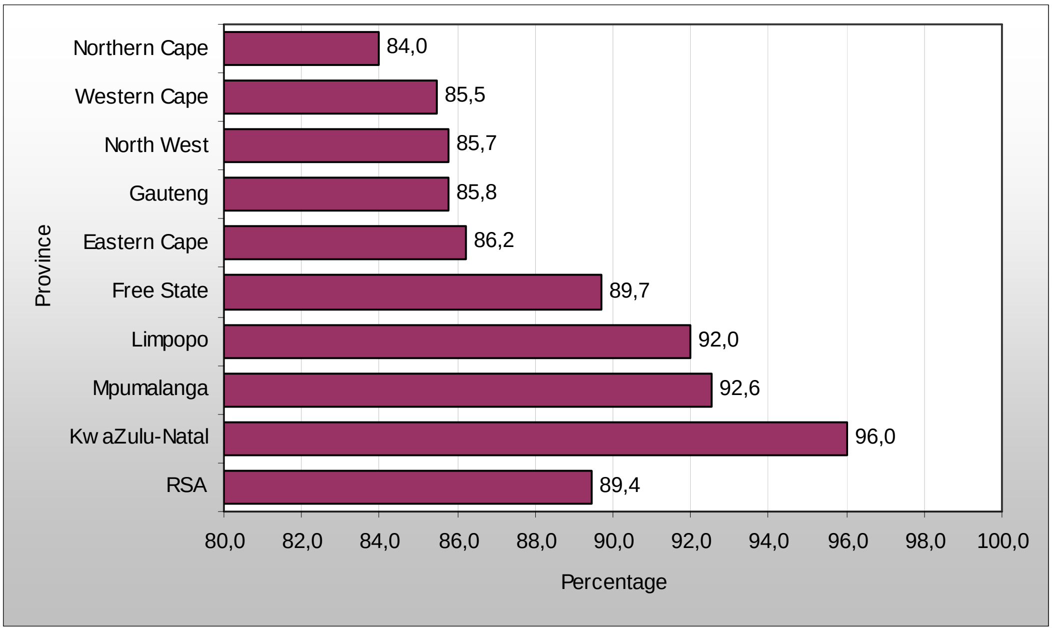
* Unspecified population group and industry not included in the totals

Figure 8 indicates that slightly more non-VAT registered businesses among the other population groups (23,3%) were operating in the secondary sector as opposed to 18,0% among the Black African population group who were operating in this sector.

4.2.4 Licences to operate micro- and small business enterprises

An estimated 178 200 persons reported having a licence to operate their non-VAT registered businesses. This means that approximately one out of ten persons who were running a non-VAT registered business, operated with a licence. The reliability of the latter, however, would be influenced by the fact that it was self-reported. **Figure 9** indicates that 96,0% of all non-VAT registered businesses in KwaZulu-Natal, and 92,6% in Mpumalanga did not operate with a licence. Only 84% of non-VAT registered businesses operated without a licence in Northern Cape.

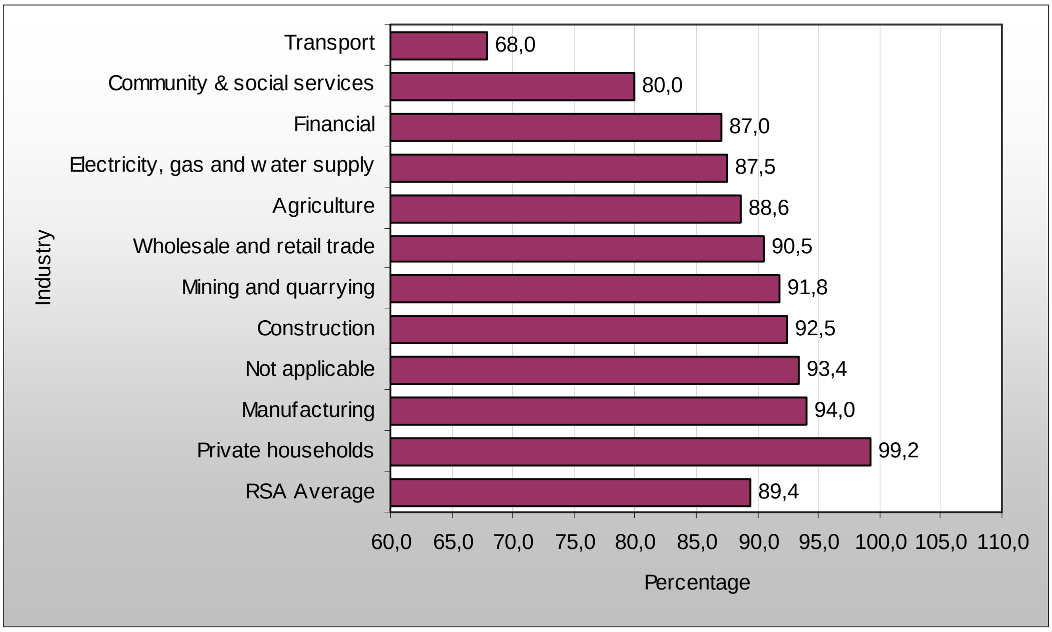
Figure 9: Non-VAT registered businesses without licences to operate the business



* Unspecified licenses not included in the total percentage

Figure 10 represents the proportion of persons who were running a non-VAT registered business without a licence by industry. Almost two-thirds of persons in the transport industry reported that they did not operate with a licence [i.e. slightly more than a third (32,0%] operated with a licence), followed by the community and social services where 20,0% operated with a licence.

Figure 10: Proportion of persons running a non-VAT registered business that operates without a licence by industry



***** Unspecified industry not included in the total percentage

Table 4: Main reason for starting a business

Reasons	Percentage
Inherited	3,2
Unemployed	67,3
Retrenched	3,9
Inadequate income	4,6
Like activity	9,0
Have skills for business	4,4
Have equipment	0,2
High income	2,6
Small investment	1,0
Unhappiness with previous work	1,2
Other	2,4
Unspecified	0,2

The main reason (**Table 4**) for starting a business was indicated as unemployment (67,3%), followed by a preference for the particular activity in which the business specialises, which ranked second at 9,0%.

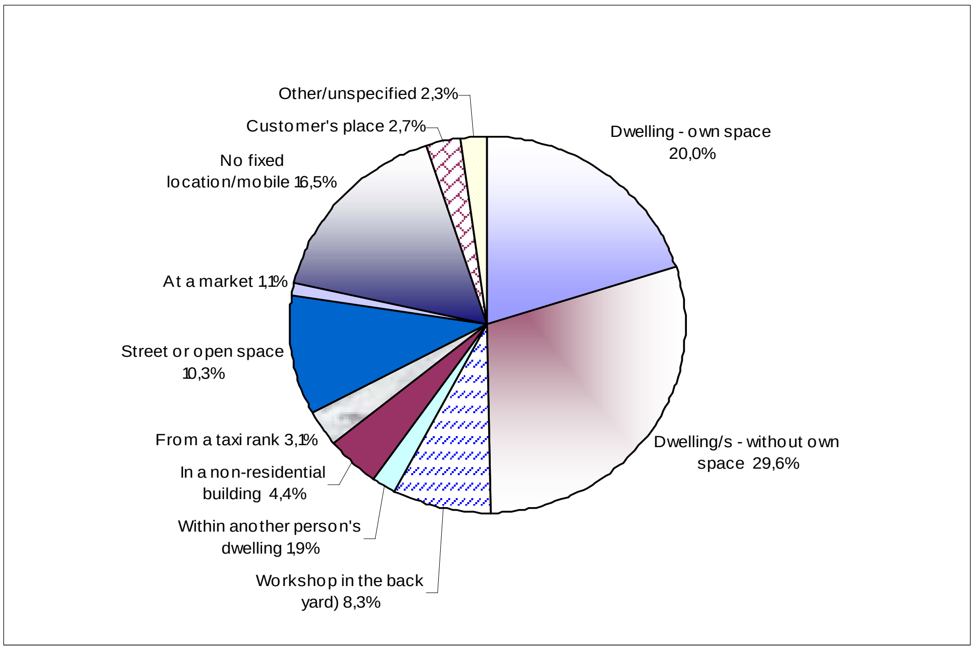
4.3 Operations of micro- and small businesses

4.3.1.1 Characteristics of the premises

Figure 11 indicates that almost a third (29,6%) of the persons running non-VAT businesses operated from a dwelling where they did not have their own space, followed by 20% who operated from a dwelling where they did have their own space.

More than six out of ten (66,8%) persons running a non-VAT registered business used a fixed location, such as a room within their own dwelling, another space within their dwelling, a room in another person's dwelling, a workshop in the backyard, the customer's place or a non-residential building from where they operated. A fairly large proportion of persons (16,5%) indicated that they were running their non-VAT registered businesses from a mobile location. Only 8,2% of the respondents answered that they were paying for the location from which they are operating.

Figure 11: Percentage of persons running a non-VAT registered business by location of the business



* Unspecified location not included in the total percentage

4.3.2 Record keeping

Figure 12: Types of transactions recorded for the business

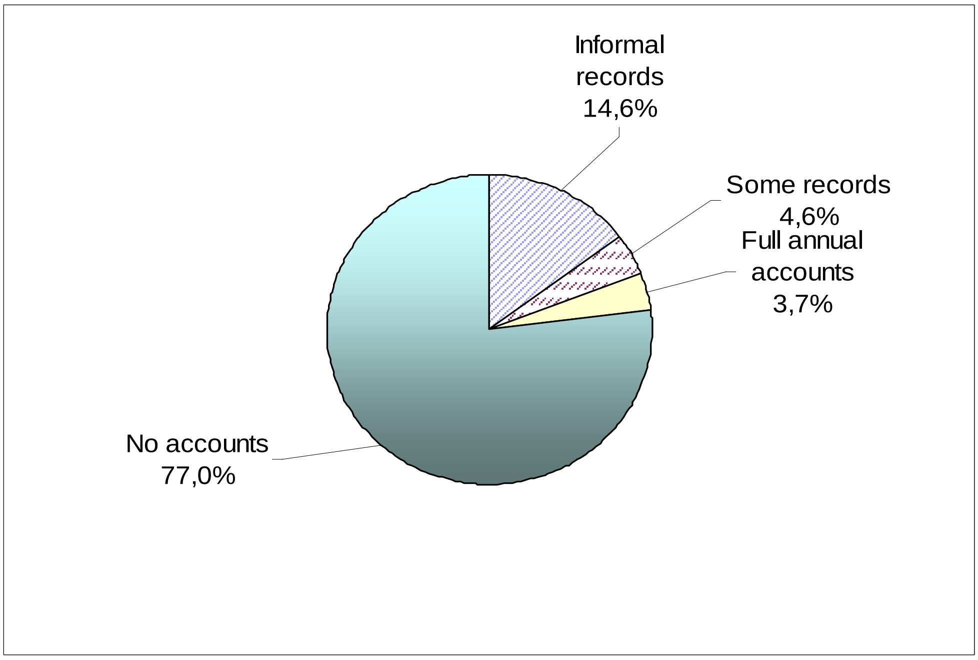


Figure 12 indicates that more than three-quarters (77,0%) of non-VAT registered businesses did not keep any records of transactions (including sales and expenditure). Only 3,7% of non-VAT registered businesses kept accounts annually. The results of the SESE (Statistics SA, 2005) further indicate that, of those who kept records, 85,3% kept records of their purchases, and of those who kept records of purchases, more than half (55,8%) of non-VAT registered businesses only kept informal records of their purchases. This means that most

of the respondents were reporting figures depending mainly on their memory, which in turn would influence the reliability of answers about turnover and expenses.

4.3.3 Access to services by industry

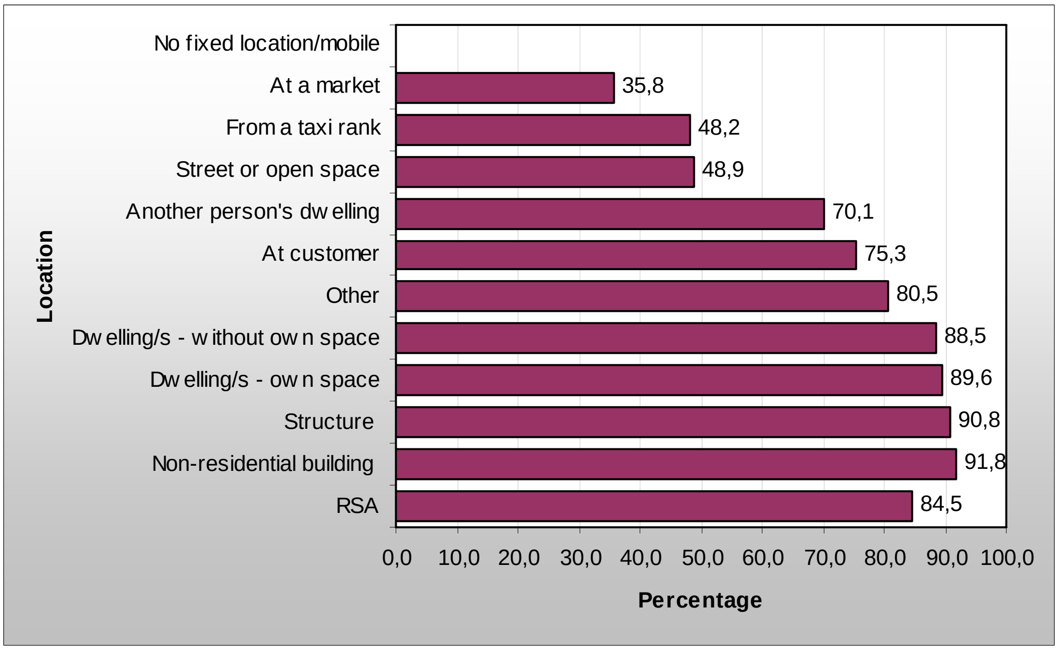
As expected, the access to services such as sanitation, telephones and electricity was higher when a business was run from a fixed location as opposed to those who were operating from a mobile location.

4.3.3.1 Access to sanitation

Among the 1,7 million owners of non-VAT registered businesses, 82,7% reported that they were operating from a fixed location and 66,9% of those who answered the question on sanitation indicated that they had access to on-site sanitation.

Figure 13 indicates that 91,8% of persons running non-VAT registered businesses who were operating from non-residential buildings, had access to sanitation. A slightly lower percentage (90,8%) of persons who operated their business from a structure, reported access to sanitation followed by 89,6% of those who ran operations from a dwelling with their own space. With regard to mobile location, slightly more than a third (35,8%) of those persons operating from a market reported access to sanitation, followed by 48,2% of those who operated from a taxi rank.

Figure 13: Percentage of persons running a non-VAT registered business who had access to sanitation



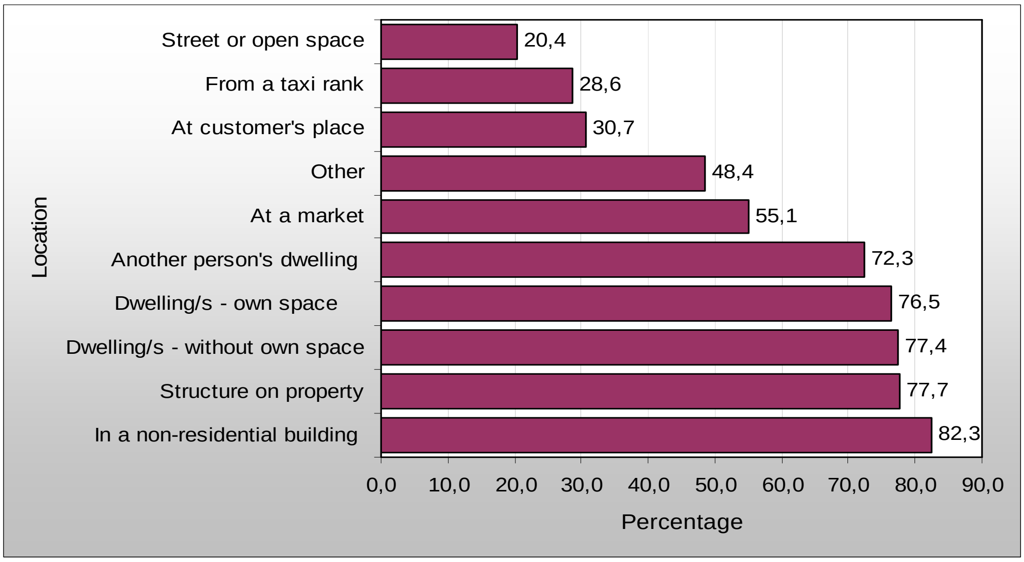
***** Unspecified location and service not included in the total percentage

4.3.3.2 Access to electricity

Slightly more than half (55,1%) of the non-VAT registered businesses operating from a fixed site reported access to electricity, while only 14,0% operating from mobile locations had access to electricity.

Figure 14 indicates that only 20,4% of non-VAT registered businesses operating from a street or open space and 28,6% of those operating from a taxi rank had access to electricity for the business. Slightly more than three-quarters of business owners who operated from their own dwellings, with (76,5%) or without (77,4%) a separate space for the business, and of those who operated from within the property of the dwelling, 77,7% had access to electricity.

Figure 14: Percentage of persons running a non-VAT registered business with access to electricity, by location of the business



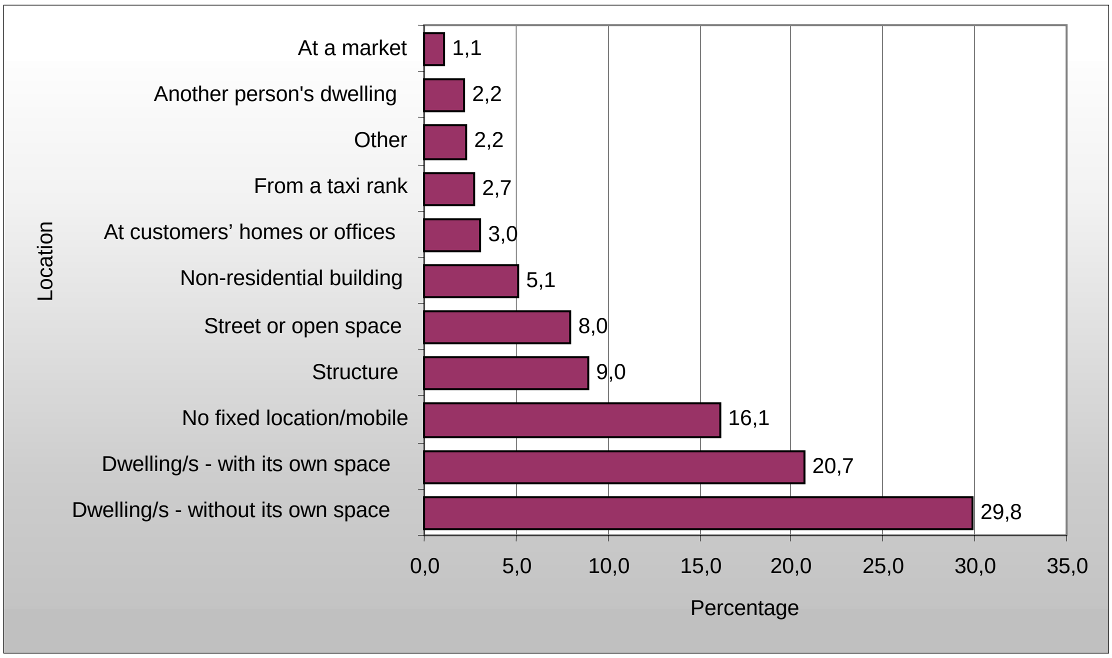
***** Unspecified location and service not included in the total percentage

4.3.3.3 Access to telephones

Among non-VAT registered business owners, 70,2% indicated access to landline telephones on the site of the business premises, or else to a cellular phone on the premises. Almost seven out of every ten (73,2%) of non-VAT registered business owners who operated from a fixed location had access to either a landline or a cellphone while 64,0% of those who operated from a mobile location had access to a phone.

Figure 15 shows that more persons running non-VAT registered businesses who operated from a dwelling without its own space (29,8%) reported access to either a landline or cellphone, followed by 20,7% who operated from a dwelling with its own space. Accessibility to a phone was the most limited at a market (1,1%) or in another person's dwelling.

Figure 15: Access to phone lines or cellphones by industry

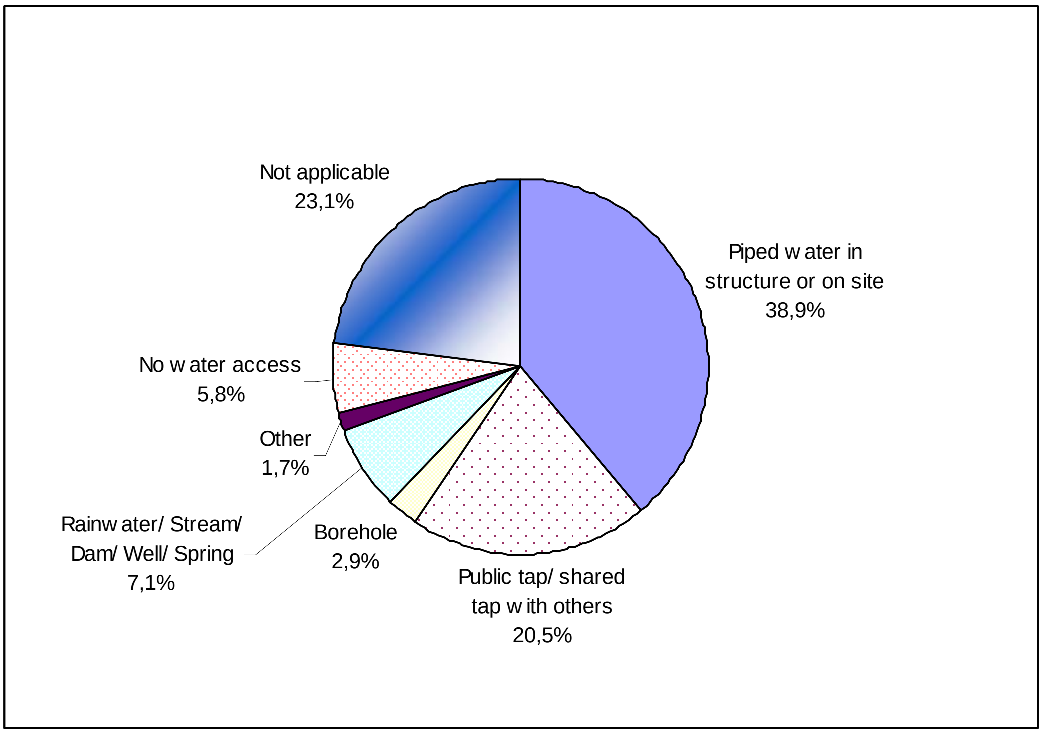


***** Unspecified location and access to phones not included in the total percentage

4.3.3.4 Access to water

Figure 16 indicates that almost four out of every ten persons (38,9%) running a non-VAT registered business had access to piped water in the structure or at least on the site where they were operating. A relatively small percentage (5,8%) of persons running non-VAT registered businesses did not have any access to water.

Figure 16: Percentage of persons running a non-VAT registered business with access to water

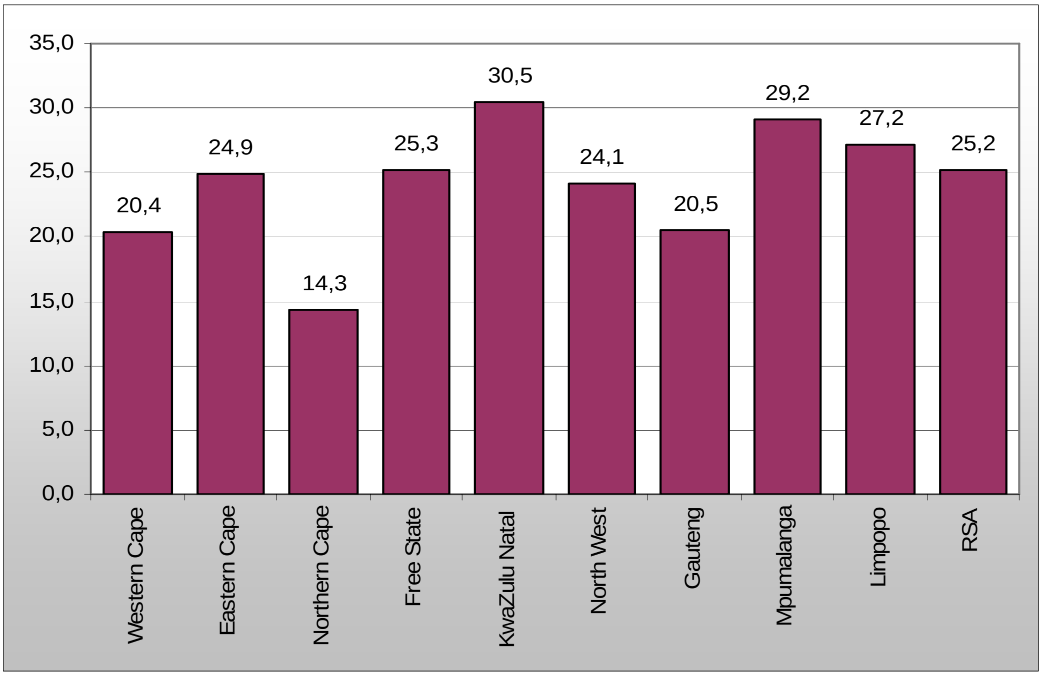


4.4 Information about raw materials and supply

4.4.1 Use of raw materials

Figure 17 shows that a relatively small proportion of non-VAT registered business owners (25,2%) used raw materials in their business. Approximately a third (30,5%) of the non-VAT registered business owners in KwaZulu-Natal used raw materials. Raw materials were used the least in Northern Cape (14,3%).

Figure 17: Persons running a non-VAT registered business that used raw material by province

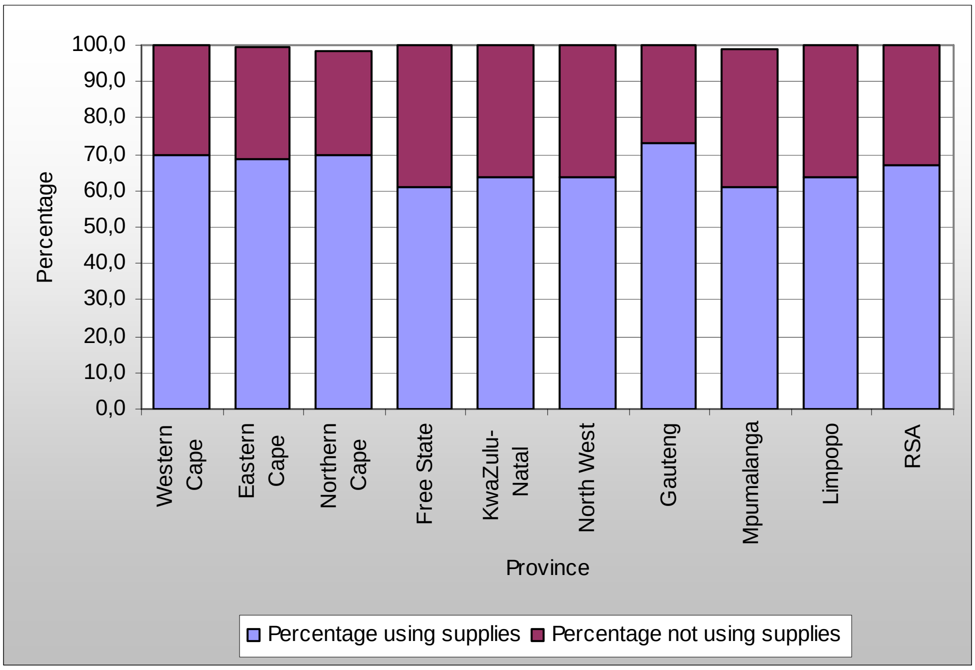


* Unspecified for raw materials not included in the total

A fifth (20,9%) of the non-VAT registered business owners indicated that the raw materials were obtained with their own produce, while a further 2,7% obtained raw materials from private individuals. The definition and subsequent classification of raw material presented interpretation problems in the field. An example is cooked chicken, which has also been classified by fieldworkers as raw material. These interpretation disparities therefore had an influence on the results.

4.4.2 Supplies

Figure 18: Proportion of non-VAT business owners who used supplies by province



Slightly more than half (52,9%) of the business owners indicated that they obtained their supplies at the same price as any other private individual, while 9,8% of the business owners obtained their supplies at a discount. In Gauteng (**Figure 18**) approximately 73,3% of non-VAT registered business owners indicated that they needed supplies for their business while only 61,1% of the business owners in Free State needed any supplies.

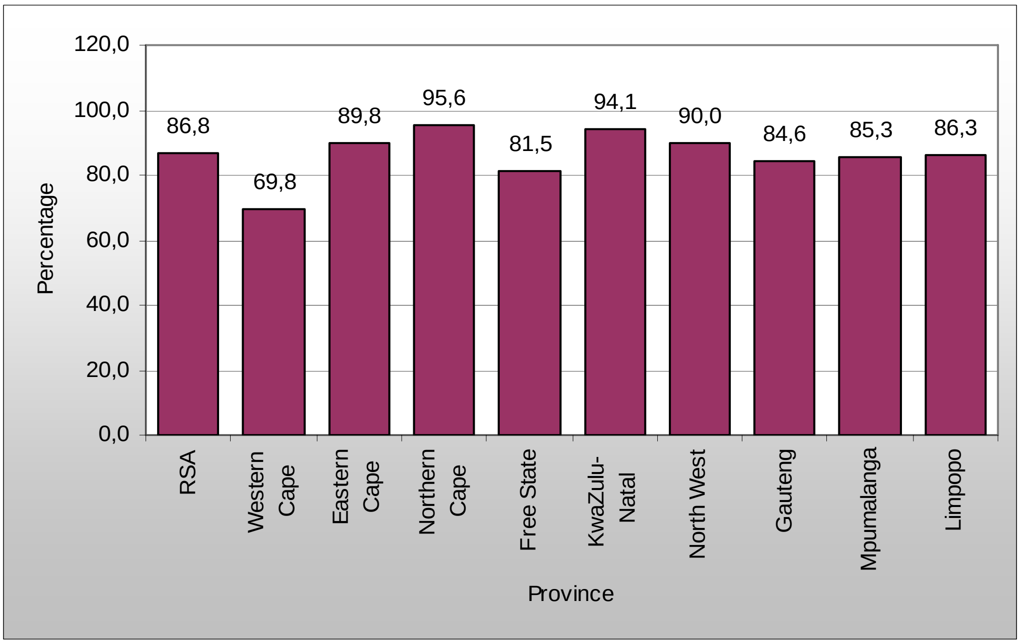
The majority of non-VAT registered business owners provided their services or products to private individuals as their main customers while only a small proportion (1,4%) provided them to large businesses and 1,6% provided their products or services to small businesses.

4.5 Employment and labour costs

Among the 1,7 million people who were owners of non-VAT registered businesses, only 15,7% had one or more employees, either paid or unpaid, working in their business and could therefore be defined as employers.

Figure 19 indicates that non-VAT registered business owners in Northern Cape were mostly self-employed (95,6%) followed by KwaZulu-Natal (94,1%). Fewer people in non-VAT registered businesses (69,8%) were self-employed in Western Cape than elsewhere.

Figure 19: Percentage of self-employed people running a business by province



4.5.1 Profile and characteristics of paid and unpaid employees

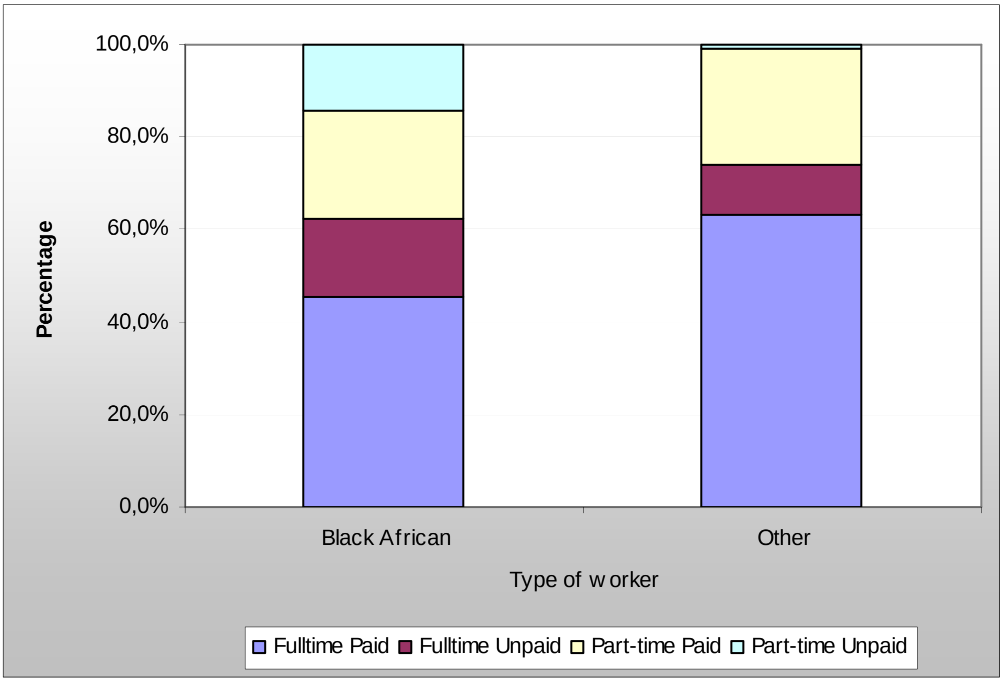
Table 5 indicates that 275 000 employees were reported by their employers in 2005. These 275 000 workers were employed by their employers during a similar period in 2004 of which 71,4% were paid while the rest were unpaid. A slightly lower percentage 69,4% of paid employees was reported by non-VAT registered business owners during the last calendar month than either the same time in 2004 or during the last seven days.

Table 5: All non-VAT registered businesses who reported employing other workers (paid and unpaid workers)

Employees	At this time 2004 (%)	During the last calendar month (%)	During the last seven days (%)
	Percentage		
Paid employees	71,4	69,4	71,5
Unpaid employees	28,6	30,6	28,5
	Number (per thousand)		
Total number of employees	275	312	300

Figure 20 shows that, of those persons who ran at least one non-VAT registered business, 45,4% had full-time paid Black African employees, while 63,2% had full-time paid employees from other population groups.

Figure 20: Percentage of paid and unpaid employees by population group

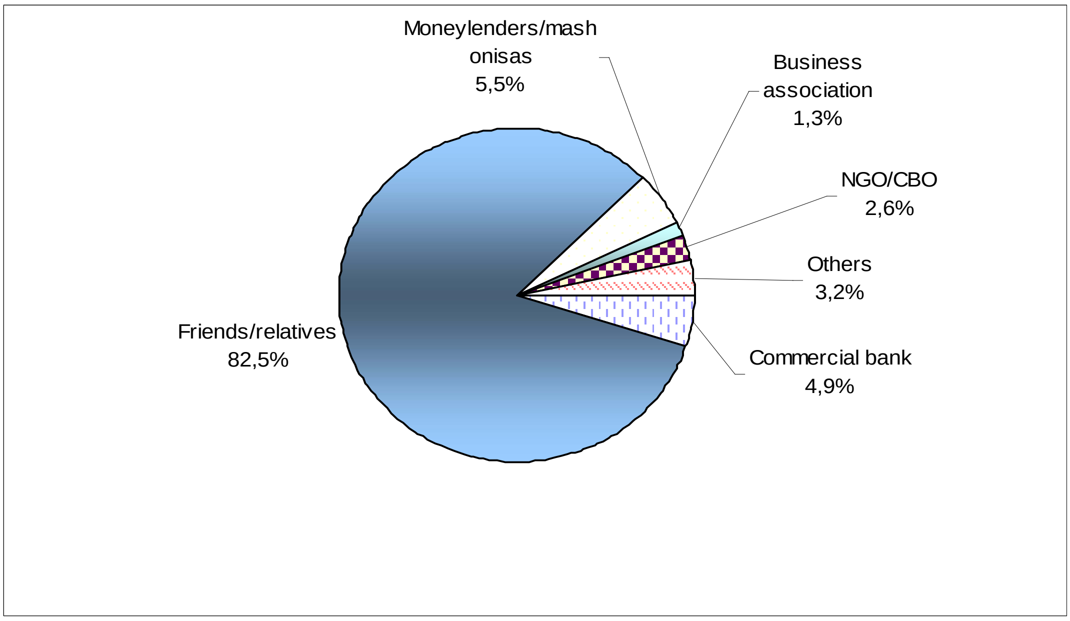


***** Unspecified population group not included in the totals

4.6 Access to capital

The majority (96,8%) of non-VAT registered businesses had not accessed a loan or grant. However, it is likely that these results are biased because fieldworkers and respondents could have misunderstood the question to apply only to very large amounts of money. Only 17,7% of all respondents indicated that they required a loan or business grant. Three-quarters of persons who ran at least one non-VAT registered business required some money to start-up the business. Slightly more than half (53,8%) of these persons also used their own money to start the business.

Figure 21: The main source from where money was borrowed for non-VAT registered businesses

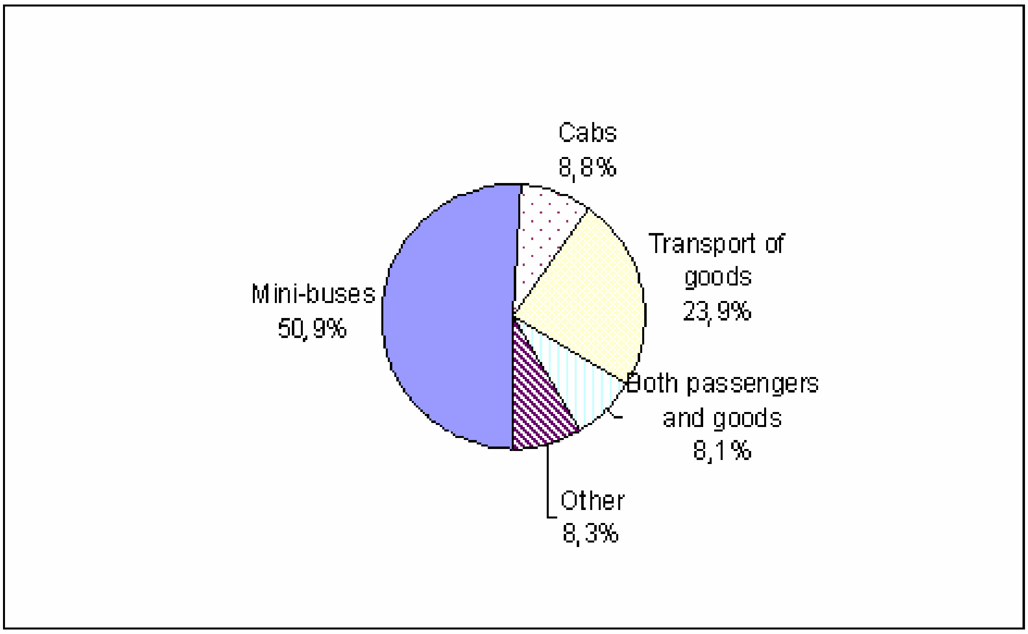


* Unspecified totals not included in the percentages

4.7 Transport

A very small percentage (3,3%) of the 1,7 million persons who reported running non-VAT registered businesses indicated that they provided transport services. Of the 57 900 persons (**Figure 22**) who ran non-VAT registered businesses, 50,9% indicated that they transported passengers using minibuses and a further 23,9% indicated that they transported goods.

Figure 22: Percentage of the type of service that the business provided by those who provided transport



Summary

The growth and development of the micro- to small business sector is acknowledged by most interest groups and policymakers as being of critical importance to South Africa's ability to address the serious problem of unemployment. Furthermore, information presented in this report supplements those statistics collected by Stats SA on formal sector businesses registered for value-added tax (VAT).

This report provides information about the characteristics and circumstances of small and micro-businesses in the country and their possible potential to supplement employment or income-generating activities, thereby contributing to the economic growth of the country. It is based on the results of the Survey of Employers and the Self-employed conducted by Stats SA in September 2005.

The highlights of this report suggest that there were an estimated 1,7 million non-VAT registered businesses in South Africa of which approximately 91% were owned by Black Africans. Unemployment was given as the main reason for starting a business (67,3%). A little more than 94,8% of persons who ran non-VAT registered businesses were the single owners of the business. More than half of the non-VAT registered businesses (51,7%) were found in the wholesale and retail trade industry according to the internationally accepted Standard Industrial Classification of Industries (SIC), followed by manufacturing (12,0%).

Approximately 10% of non-VAT registered businesses had licences to operate their businesses in September 2005 and more than six out of ten (66,8%) persons ran their non-VAT registered business from a fixed location.

Only 15,7% of 1693 businesses had one or more employees, either paid or unpaid, who worked in their business and could therefore be defined as employers.

The majority (96,8%) of non-VAT registered businesses had not accessed a loan or grant and three-quarters of persons who ran at least one non-VAT registered business required some money to start up the business.

Not surprisingly, there is a relationship between business location and access to services. More people who ran non-VAT registered businesses and operated from a fixed location, had access to services such as sanitation, electricity and telephones than those who operated from a mobile location such as a taxi rank. The majority of non-VAT registered business owners did not use any raw materials in their business.

Mr Pali Lehohla

Statistician-General: Statistics South Africa

5 Technical notes

5.1 Sample design

The Survey of Employers and the Self-employed (SESE) was conducted in October 2005. Due to the lack of a sampling frame for businesses that are not registered for VAT, the Labour Force Survey (LFS), which is a household- based survey, was used to identify persons who ran such businesses. This means that the SESE sample is a subset of the September 2005 LFS sample. The September 2005 LFS sample, however, is based on the Master Sample. As a result this section also provides a brief overview of the Master Sample design.

The Master Sample utilises a multi-stage stratified sample design. The coverage of the Master Sample is all households living in private dwellings, as well as those that are found in workers' hostels, residential hostels, convents, and monasteries. During the design of the Master Sample, the explicit strata were 53 district councils (DCs). Primary Sampling Units (PSUs)∗ were allocated to the DCs using the power allocation method. In addition, PSUs were sampled using probability proportional to size principles. The measure of size used was the number of households in a PSU as calculated in Census 2001. The first stage of the sample selection process involved the selection of 3 000 PSUs.

During the second stage, dwelling units (DUs) were systematically sampled from the selected PSUs. A minimum of 10 DUs were sampled from each PSU (in the absence of growth within a PSU). However, if growth was recorded during the last Master Sample update exercise, additional dwelling units were added to the original 10 dwelling units. During the LFS, all households that were found at the sampled DU were enumerated.

5.2 Coverage

Stats SA uses a rotating panel methodology for the LFS, to ultimately obtain a better picture of movement into and out of the labour market over time. The rotating panel methodology involves visiting the same dwelling units on a number of occasions (in this instance, five at most). After the panel has been established, a proportion of the dwelling units is replaced during each round (in this instance, 20%). New dwelling units are added to the sample to replace those that are taken out. The advantage of this type of design is that it provides the basis for monitoring changes in the work situation of members of the same households over time, while retaining the larger picture of the overall employment situation in the country. It also allows for both longitudinal and cross-sectional analysis.

The target population is all households, as well as residents in workers' hostels, residential hostels, and convents and monasteries. The survey does not cover institutions such as old-age homes, hospitals, prisons and military barracks.

There were 3 328 persons with complete LFS information that made them eligible for the SESE interview, and who subsequently had the corresponding SESE information.

5.3 Weighting the SESE 2005

Normally, the data were weighted to obtain unbiased estimates of persons who ran non-VAT registered businesses, and other characteristics pertaining to SESE. In this case, the computed weights for all qualifying persons from the LFS are adjusted for unit non-response in SESE to get the final SESE weights. Basically, the product of the adjustment factors and LFS person weights of the selected records yield the SESE weights.

The data were weighted to obtain unbiased estimates of persons who ran non-VAT registered businesses and other characteristics pertaining to SESE. The computed weights for all qualifying persons from the LFS were

∗ A PSU is defined as a geographical area that consists of at least one Enumeration Area (EA) or several EAs from 2001 Census, when the originally selected EA was found to have less than 74 households. In some cases it has been necessary to add EAs to the original EA to meet the requirement of a minimum of 74 households per PSU. The EA or EAs added to the original EA has to be of the same settlement type as the original one and as such may not be adjacent to each other. An EA is the smallest portion of land that the country was demarcated into for the purpose of Census enumeration.

adjusted for unit non-response in SESE to get the final SESE weights. The product of the adjustment factor and the LFS person weight thus gave the final SESE weight for each record.

The non-response adjustment factors were computed within adjustment classes. Apart from Northern Cape, where in general the numbers of respondents in the province were few, the adjustment class was defined as: province * gender * age group. Age was grouped into two categories, namely 15–44 and 45+. In Northern Cape only gender was taken into account.

The adjustment factor is calculated as the inverse of the response rate, where the response rate is the weighted sum of respondents divided by the weighted sum of respondents plus the weighted sum of non-respondents, i.e.

Adj = (wr + wnr)/ wr

where wr = weighted sum of respondents and
wnr = weighted sum of non-respondents.

5.4 Data limitations

Caution must be exercised when interpreting the results of the SESE at low levels of disaggregation.

Revisions to the LFS and SESE data, based on the new population estimates, involved benchmarking at national level in terms of age, sex and population group while at provincial level, benchmarking was by population group only. As a result, caution should be exercised when interpreting the results of the LFS and the SESE at levels of disaggregation below the national picture.

5.5 Response details

Response rates at national level have been 85% or higher for most rounds of the LFS. Table (i) below shows response rates in each province for the September 2005 LFS. Nationally, while 87,5% of the expected 32 464 household interviews were successfully completed, it was not possible to complete interviews in 2,4% of the sampled dwelling units because they had become vacant. An additional 2,5% of all interviews was also not conducted because persons in the sampled dwelling units could not be contacted. But the non-contact rate in provinces such as Western Cape (6,3%) and Gauteng (5,0%) in part reflects the increasing difficulty in gaining access to the sampled dwelling units in high-walled security areas and golf estates.

5.5.1 Table (i): Response rates by households, September 2005

Result code	**Western Cape**	**Eastern Cape**	**Northern Cape**	**Free State**	**KwaZulu-Natal**	**North West**	**Gauteng**	**Mpuma-langa**	**Limpopo**	**South Africa**
Completed	77,9	87,7	82,9	86,9	94,6	88,6	84,5	83,8	92,6	87,5
Non-contact	6,3	0,8	2,4	2,2	0,2	1,8	5,0	4,4	0,9	2,5
Refusal	4,3	1,0	1,1	1,6	0,3	1,1	2,9	3,0	1,4	1,7
Partly completed	0,0	0,0				0,1	0,2	0,4	0,1	0,1
No usable information			0,1	0,1						0,0
Vacant	3,5	2,1	3,8	3,6	1,6	1,9	1,6	2,5	2,3	2,4
Listing error	1,7	0,1	0,5	0,2	0,4	0,3	1,0	0,3	0,2	0,6
Other	3,8	2,1	2,2	2,4	1,2	1,5	3,3	3,1	1,0	2,2
Unoccupied	2,5	6,0	6,5	2,9	1,8	4,6	1,4	2,4	1,6	3,0
	0,1	0,1	0,6	0,1	0,0	0,1	0,1	0,1	0,0	0,1
Total (%)	**100,0**	**100,0**	**100,0**	**100,0**	**100,0**	**100,0**	**100,0**	**100,0**	**100,0**	**100,0**
***Total (number)**	**4 145**	**4 197**	**2 140**	**2 581**	**7 316**	**2 721**	**3 989**	**2 444**	**2 931**	**32 464**

*Totals include households with no qualifying members.

6 Definitions of terms

A ***household*** – refers to a single person or a group of people who live together for at least four nights a week, who eat together and who share resources.

Dwelling unit – any structure or part of a structure or group of structures occupied by one or more than one household; or which is vacant or under construction but could be lived in at the time of the survey.

Population group – describes the racial classification of a particular group of South African citizens. The previous government used legislation to impose this type of classification to divide the South African population into distinct groupings on which to base apartheid policies. For quite a different reason it remains important for Stats SA to continue to use this classification wherever possible. It clearly indicates the effects of discrimination of the past, and permits monitoring of policies to alleviate discrimination. Note that, in the past, population group was based on a legal definition, but it is now based on self-perceptions and self-classification. An African/black person is someone who classifies himself/herself as such. The same applies to a coloured, Indian/Asian or white person.

The ***working-age population*** – includes all those aged between 15 and 65 years.

The ***economically active population*** – consists of both those who are employed and those who are unemployed.

The ***employed*** – are those who performed work for pay, profit or family gain in the seven days prior to the household survey interview, or who were absent from work during these seven days, but did have some form of paid work during this time.

The ***official unemployment rate*** – the unemployed are those people within the economically active population who: (a) did not work during the seven days prior to the interview, (b) want to work and are available to start work within a week of the interview, and (c) have taken active steps to look for work or to start some form of self-employment in the four weeks prior to the interview.

The ***expanded unemployment rate*** – excludes criterion (c). Among those who are included in the expanded but not the official definition of unemployment will be discouraged work-seekers (those who said they were unemployed but had not taken active steps to find work in the four weeks prior to the interview).

The ***people who are out of the labour market*** or who are not economically active are those who are not available for work. This category includes full-time scholars and students, full-time homemakers, those who are retired, and those who are unable or unwilling to work.

Primary industries – include agriculture, forestry and fishing, and mining and quarrying.

Secondary industries – include manufacturing, electricity and other utilities, and construction.

Tertiary industries – include trade, transport, financial and business services, and social, personal and community services.

Employment status – refers to whether or not the person is self-employed, or works as an employee, or both, or else works as a domestic worker in a household.

Workers – include the self-employed, employers and employees.

Labour market dynamics – refer to movement into and out of the labour market, and into and out of actual employment, over a specified time period.

Main business – refers to the business that has the highest turnover.

Raw materials – refer to products that are changed in some way before re-selling, e.g. flour to make bread. In this case flour is a raw material because it is changed into bread before selling.

Supplies – refer to products that are not changed before reselling, e.g. cold drinks bought and resold at a higher price. In this case cold drinks have not been changed before selling, and are therefore regarded as supplies in this survey.

Gross income – refers to the total sum of money generated from business activities as well as non-business activities (for example, interests from policies and gifts from other persons to the business) before any deductions.

Turnover – refers to the total amount generated from sales. This excludes any money coming from sources not related to the business.

Profit – refers to the money generated from the business after deduction of expenses.

Business location – refers to the site of operation. This may be different from the administrative activities of the business. For an example, a taxi owner operates from a taxi rank, but does his administrative work at home. In this case, the site of operation is the taxi rank.

1. Distribution of businesses

1.1 Number of persons running non-VAT-registered businesses by province and number of businesses they run

1 000

Province	Number of businesses			Total
	1	2	3	
RSA	**1 692**	**55**	*****	**1 748**
Western Cape	102	*	-	103
Eastern Cape	226	*	-	234
Northern Cape	12	*	-	12
Free State	111	*	-	116
KwaZulu-Natal	324	*	*	328
North West	127	13	-	139
Gauteng	413	16	*	430
Mpumalanga	133	*	-	135
Limpopo	244	*	-	250

* For all values of 10 000 or lower the sample size is too small for reliable estimates.

Due to rounding, numbers do not necessarily add up to totals.

Total include unspecified business registration.

1. Distribution of businesses

1.2 Number of persons running non-income tax-registered businesses by province and number of businesses they run

1 000

Province	Number of businesses			Total
	1	2	3	
RSA	**1 630**	**54**	*****	**1 686**
Western Cape	87	*	-	88
Eastern Cape	224	*	-	233
Northern Cape	11	*	-	11
Free State	109	*	-	113
KwaZulu-Natal	321	*	*	326
North West	122	13	-	135
Gauteng	386	16	*	402
Mpumalanga	130	*	-	132
Limpopo	241	*	-	247

* For all values of 10 000 or lower the sample size is too small for reliable estimates.

Due to rounding, numbers do not necessarily add up to totals.

1. Distribution of businesses
1.3 Number of persons running at least one non-VAT-registered business by industry of the business, population group and sex of the owner

1 000

Main industry	Black African			Other[1]			Total		
	Total	Male	Female	Total	Male	Female	Total	Male	Female
Total	**1 545**	**678**	**867**	**147**	**92**	**55**	**1 693**	**771**	**922**
Agriculture, hunting, forestry and fishing	59	22	36	*	*	*	63	25	38
Mining and quarrying	*	*	*	*	*	*	*	*	*
Manufacturing	156	60	96	18	15	*	174	75	99
Electricity, gas and water supply	*	*	*	*	*	*	*	*	*
Construction	117	76	41	13	*	*	130	85	45
Wholesale and retail trade	682	321	361	47	34	13	729	355	374
Transport, storage and communication	73	47	26	*	*	*	77	50	26
Financial intermediation, insurance, real estate and business services	46	26	20	17	*	*	63	34	29
Community, social and personal services	128	49	79	19	11	*	147	59	88
Private households	21	*	12	*	*	*	23	*	14
Not applicable	247	64	183	18	*	*	266	74	192

* For all values of 10 000 or lower the sample size is too small for reliable estimates.

[1] Other includes coloured, Indian/Asian and White. These groups are aggregated due to small sample size

Totals include other, unspecified population group and sex.

Due to rounding, numbers do not necessarily add up to totals.

1. Distribution of businesses

1.4 Number of persons running at least one non-income tax-registered business by industry of the business, population group and sex of the owner

1 000

Main industry	Black African			Other[1]			Total		
	Total	Male	Female	Total	Male	Female	Total	Male	Female
Total	**1 510**	**654**	**856**	**121**	**80**	**41**	**1 632**	**734**	**897**
Agriculture, hunting, forestry and fishing	56	20	36	*	*	*	60	23	37
Mining and quarrying	*	*	*	*	-	*	*	*	*
Manufacturing	155	59	96	14	13	*	169	71	97
Electricity, gas and water supply	*	*	*	*	*	*	*	*	*
Construction	111	72	39	13	*	*	124	80	43
Wholesale and retail trade	670	315	356	38	30	*	709	345	364
Transport, storage and communication	69	43	26	*	*	-	73	46	26
Financial intermediation, insurance, real estate and business services	42	22	20	11	*	*	53	28	25
Community, social and personal services	126	48	79	14	*	*	141	56	85
Private households	21	*	12	*	*	*	23	*	14
Not applicable	244	64	180	16	*	*	261	71	189

* For all values of 10 000 or lower the sample size is too small for reliable estimates.

[1] Other includes coloured, Indian/Asian and White. These groups are aggregated due to small sample size

Totals include other, unspecified population group and sex.

Due to rounding, numbers do not necessarily add up to totals.

2. Licenses/permits

2.1 Number of persons running at least one non-VAT-registered business by industry and whether the business has any license/permit to operate

1 000

Main industry	Has a license / permit	Does not have a license / permit	Total
Total	**178**	**1 515**	**1 693**
Agriculture, hunting, forestry and fishing	*	56	63
Mining and quarrying	*	*	*
Manufacturing	10	164	174
Electricity, gas and water supply	*	*	*
Construction	*	120	130
Wholesale and retail trade	69	660	729
Transport, storage and communication	25	52	77
Financial intermediation, insurance, real estate and business services	*	55	63
Community, social and personal services	29	118	147
Private households	*	23	23
Not applicable	18	249	266

* For all values of 10 000 or lower the sample size is too small for reliable estimates.
Due to rounding, numbers do not necessarily add up to totals.
Totals include those who did not specify whether they have licence to operate.

2. Licenses/permits

2.2 Number of persons running at least one non-income tax-registered business by industry and whether the business has any license/permit to operate

1 000

Main industry	Has a license / permit	Does not have a license / permit	Total
Total	**139**	**1 492**	**1 632**
Agriculture, hunting, forestry and fishing	*	56	60
Manufacturing	*	*	*
Mining and quarrying	*	161	169
Electricity, gas and water supply	*	*	*
Construction	*	118	124
Wholesale and retail trade	54	655	709
Transport, storage and communication	21	52	73
Financial intermediation, insurance, real estate and business services	*	49	53
Community, social and personal services	26	115	141
Private households	*	23	23
Not applicable	14	246	261

* For all values of 10 000 or lower the sample size is too small for reliable estimates.

Due to rounding, numbers do not necessarily add up to totals.

2. Licenses/permits

2.3 Number of persons running at least one non-VAT-registered business by province and whether the business has any license/permit to operate

1 000

Province	Has a license / permit	Does not have a license / permit	Total
RSA	**178**	**1 515**	**1 693**
Western Cape	15	87	102
Eastern Cape	31	195	226
Northern Cape	*	10	12
Free State	12	101	112
KwaZulu-Natal	12	311	324
North West	18	109	127
Gauteng	59	354	413
Mpumalanga	*	123	133
Limpopo	20	225	244

* For all values of 10 000 or lower the sample size is too small for reliable estimates.
Due to rounding, numbers do not necessarily add up to totals.
Totals include those who did not specify whether they have licence to operate.

2. Licenses/permits

2.4 Number of persons running at least one non-income tax-registered business by province and whether the the business has any license/permit to operate

1 000

Province	Has a license / permit	Does not have a license / permit	Total
RSA	**139**	**1 492**	**1 632**
Western Cape	*	79	87
Eastern Cape	30	194	224
Northern Cape	*	*	11
Free State	11	99	110
KwaZulu-Natal	11	310	321
North West	15	107	122
Gauteng	40	346	386
Mpumalanga	*	123	130
Limpopo	17	224	241

* For all values of 10 000 or lower the sample size is too small for reliable estimates.
Due to rounding, numbers do not necessarily add up to totals.

2. Licenses/permits

2.5 Among those who have the license or permit to operate their business by the person or organisation that issued the license.

1 000

Person/organisation	Issued the license / permit	Did not issue the license / permit	Total
Municipality/Provincial authority	87	-	87
Professional association	12	-	12
Business association	40	-	40
Regional Services Council	*	-	*
Traditional leader	17	-	17
Protection agency/ies	*	-	*
Friend/relative	*	-	*
Other	*	-	*
Unspecified	*	1 562	1 565

* For all values of 10 000 or lower the sample size is too small for reliable estimates.

Totals include unspecified license variable.

Due to rounding, numbers do not necessarily add up to totals.

2. Licenses/permits

2.6 Among those who run at least one non-VAT registered business by province and whether their businesses are registered for Unemployment Insurance Fund (UIF)

1 000

Province	Whether businesses are registered for UIF		
	Yes	**No**	**Total**
RSA	**24**	**1 669**	**1 693**
Western Cape	*	96	102
Eastern Cape	*	223	226
Northern Cape	*	12	12
Free State	*	111	112
KwaZulu-Natal	*	322	324
North West	*	125	127
Gauteng	*	405	413
Mpumalanga	*	131	133
Limpopo	*	242	244

* For all values of 10 000 or lower the sample size is too small for reliable estimates.
Due to rounding, numbers do not necessarily add up to totals.
Totals include unspecified category of the UIF variable.

2. Licenses/permits

2.7 Among those who run any kind of business by province, status within the business and type of sector

1 000

Province	Self-employed (without employees)			Employer		
	Total	Formal	Informal	Total	Formal	Informal
RSA	**1 468**	**148**	**1 317**	**220**	**66**	**154**
Western Cape	71	13	59	31	*	22
Eastern Cape	203	*	195	21	*	16
Northern Cape	12	*	11	*	-	*
Free State	91	*	83	19	*	16
KwaZulu-Natal	303	26	276	20	*	12
North West	114	*	107	12	*	*
Gauteng	349	73	277	64	30	33
Mpumalanga	114	11	102	20	*	17
Limpopo	211	*	207	33	*	29

* For all values of 10 000 or lower the sample size is too small for reliable estimates.

Due to rounding, numbers do not necessarily add up to totals.

Totals include unspecified status of those who run businesses and sector.

3. Ownership and location

3.1 Among those who run at least one non-VAT registered business by province and type of business ownership

1 000

Province	Single owner			Owned in partnership with household members		
	Total	Yes	No	Total	Yes	No
RSA	**1 693**	**1 605**	**87**	**1 693**	**54**	**33**
Western Cape	102	94	*	102	*	*
Eastern Cape	226	214	12	226	*	*
Northern Cape	12	12	*	12	*	*
Free State	112	101	11	112	*	*
KwaZulu-Natal	324	315	*	324	*	*
North West	127	121	*	127	*	*
Gauteng	413	378	35	413	21	14
Mpumalanga	133	128	*	133	*	*
Limpopo	244	242	*	244	*	*

* For all values of 10 000 or lower the sample size is too small for reliable estimates.

Due to rounding, numbers do not necessarily add up to totals.

Totals include not applicable and unspecified category of ownership variable.

3. Ownership and location

3.2 Among those who run at least one non-VAT registered business by province and the main owner of the business

1 000

Province	Yourself	Another family or household member	Another person in the partnership or cooperate, not a household member	The ownership is equally shared between two or more owners	Total
RSA	**46**	*****	*****	**27**	**87**
Western Cape	*	-	*	*	*
Eastern Cape	*	*	*	*	12
Northern Cape	-	-	*	*	*
Free State	*	*	*	*	11
KwaZulu-Natal	*	-	*	*	*
North West	*	*	*	*	*
Gauteng	20	*	*	12	35
Mpumalanga	*	-	*	*	*
Limpopo	-	*	*	*	*

* For all values of 10 000 or lower the sample size is too small for reliable estimates.

Due to rounding, numbers do not necessarily add up to totals.

Totals exclude not applicable, other and unspecified categories of ownership variable.

3. Ownership and location

3.3 Number of persons running non-VAT-registered business by business location and province

1 000

Business location	Western Cape	Eastern Cape	Northern cape	Free State	KwaZulu-Natal	North West	Gauteng	Mpumalanga	Limpopo	Total
Total	**103**	**234**	**12**	**116**	**328**	**139**	**430**	**135**	**250**	**1 748**
Within owners dwelling/s - with its own space (e.g. a separate room)	28	28	*	18	108	26	89	18	33	349
Within owners dwelling/s - without its own space (e.g. a family room)	29	109	*	46	64	50	79	40	94	518
In a structure attached to owner's dwelling/s or on the same plot (e.g. a workshop in the back yard)	*	13	*	*	25	17	32	14	33	144
Within another person's dwelling (e.g. neighbour's dwelling)	*	*	-	*	*	*	11	*	*	33
In a non-residential building (e.g. an office block or factory)	*	12	*	*	13	*	21	*	*	76
From a taxi rank	-	*	-	*	12	*	17	*	*	54
On a footpath, street or open space	*	22	-	*	37	12	61	15	20	180
At a market	-	*	*	*	*	*	*	*	*	18
No fixed location/mobile	15	23	*	17	53	19	98	24	36	288
At customer's homes or offices	*	-	*	*	*	*	*	*	14	48
Other/unspecified	*	*	*	*	*	*	*	*	*	39

* For all values of 10 000 or lower the sample size is too small for reliable estimates.

Due to rounding, numbers do not necessarily add up to totals.

3. Ownership and location

3.4 Number of persons running non-VAT-registered business from a fixed location by business location and whether they pay for the use location for business purposes

1 000

Business location	Paying for the location	Not paying for the location	Total
Total	**144**	**1 289**	**1 748**
Within owners dwelling/s - with its own space (e.g. a separate room)	*	339	349
Within owners dwelling/s - without its own space (e.g. a family room)	*	512	518
In a structure attached to owner's dwelling/s or on the same plot (e.g. a workshop in the back yard)	*	137	144
Within another person's dwelling (e.g. neighbour's dwelling)	12	20	33
In a non-residential building (e.g. an office block or factory)	51	25	76
From a taxi rank	16	38	54
On a footpath, street or open space	32	148	180
At a market	*	12	18
No fixed location/mobile	-	-	288
At customer's homes or offices	*	24	48
Other/unspecified	*	33	39

* For all values of 10 000 or lower the sample size is too small for reliable estimates.

Totals include not applicable fixed location/mobile

Due to rounding, numbers do not necessarily add up to totals.

4. Services available to businesses operating from a fixed location

4.1 Number of persons running non-VAT-registered businesses by business location and main source of water for the business

1 000

Business location	Piped (tap) water in structure	Piped(tap) water on site	Public tap/ shared tap with others	Borehole on site	Borehole off site	Rainwater tank on site	Flowing water/ stream	Dam/pool/ stagnant water	Well/ Spring	No water access	Other	Total
Total	**282**	**398**	**358**	**13**	**37**	**11**	**57**	*****	**51**	**31**	**102**	**1 748**
Within owners dwelling/s - with its own space (e.g. a separate room)	92	109	90	*	*	*	11	*	*	*	*	349
Within owners dwelling/s - without its own space (e.g. a family room)	104	150	136	*	17	*	33	*	31	*	15	518
In a structure attached to owner's dwelling/s or on the same plot (e.g. a workshop in the back yard)	25	65	32	*	*	*	*	*	*	*	*	144
Within another person's dwelling (e.g. neighbour's dwelling)	*	14	*	*	*	-	*	*	*	*	*	33
In a non-residential building (e.g. an office block or factory)	36	23	*	-	-	*	-	*	*	*	*	76
From a taxi rank	*	*	26	-	*	-	-	-	-	*	*	54
On a footpath, street or open space	*	11	52	*	*	*	*	*	*	*	54	180
At a market	*	*	*	-	-	-	-	*	-	-	*	18
No fixed location/mobile	-	-	-	-	-	-	-	-	-	-	-	288
At customer's homes or offices	*	*	*	*	-	-	-	-	*	*	*	48
Other	*	12	*	*	*	*	*	*	*	*	*	38

* For all values of 10 000 or lower the sample size is too small for reliable estimates.

Totals include unspecified category of business location and source of water variables.

Due to rounding, numbers do not necessarily add up to totals.

4. Services available to businesses operating from a fixed location

4.2 Number of persons running non-VAT-registered businesses by business location and availability of electricity for the business

1000

Business location	Availability of electricity		Total
	Yes	No	
Total	**962**	**420**	**1 748**
Within owners dwelling/s - with its own space (e.g. a separate room)	267	77	349
Within owners dwelling/s - without its own space (e.g. a family room)	401	111	518
In a structure attached to owner's dwelling/s or on the same plot (e.g. a workshop in the back yard)	112	32	144
Within another person's dwelling (e.g. neighbour's dwelling)	24	*	33
In a non-residential building (e.g. an office block or factory)	63	10	76
From a taxi rank	15	33	54
On a footpath, street or open space	37	117	180
At a market	*	*	18
No fixed location/mobile	-	-	288
At customer's homes or offices	15	*	48
Other	18	18	38

* For all values of 10 000 or lower the sample size is too small for reliable estimates.
Totals include unspecified category of business location and electricity variables.
Due to rounding, numbers do not necessarily add up to totals.

4. Services available to businesses operating from a fixed location

4.3 Number of persons running non-VAT-registered businesses, by nearest phone that the business can use and business location

1 000

Business location	Telephone on-site			Telephone off-site		
	Total	Landline telephone on site	Cellular telephone	Total	Landline telephone on site	Public telephone
Total	**1 226**	**127**	**1 099**	**516**	**30**	**486**
Within owners dwelling/s - with its own space (e.g. a separate room)	253	37	216	95	*	85
Within owners dwelling/s - without its own space (e.g. a family room)	365	41	325	150	*	145
In a structure attached to owner's dwelling/s or on the same plot (e.g. a workshop in the back yard)	110	15	95	35	*	32
Within another person's dwelling (e.g. neighbour's dwelling)	27	*	24	*	*	*
In a non-residential building (e.g. an office block or factory)	63	*	54	14	*	12
From a taxi rank	33	*	32	21	*	20
On a footpath, street or open space	98	*	94	82	*	78
At a market	14	*	13	*	-	*
No fixed location/mobile	198	10	187	89	*	85
At customer's homes or offices	37	*	33	11	*	11
Other	27	*	25	*	*	*

* For all values of 10 000 or lower the sample size is too small for reliable estimates.

Totals include unspecified business location and nearest telephone for business use.

Due to rounding, numbers do not necessarily add up to totals.

4. Services available to businesses operating from a fixed location

4.4 Among those who are running non-VAT-registered businesses and have telephone off-site, by time taken to the nearest telephone

1 000

Province	0 - 5 minutes	6 - 15 minutes	16 - 30 minutes	31 - 60 minutes	1 - 2 hours	More than 2 hours	Total
Total	**235**	**168**	**69**	**27**	**11**	*****	**1 748**
Western Cape	**22**	*****	*****	*****	**-**	**-**	**103**
Eastern Cape	33	20	11	*	*	*	234
Northern Cape	*	*	*	-	-	*	12
Free State	14	14	*	*	-	-	116
KwaZulu-Natal	46	52	30	15	*	*	328
North West	13	16	*	*	*	-	139
Gauteng	74	20	*	*	-	-	430
Mpumalanga	13	14	*	*	*	-	135
Limpopo	18	29	16	*	-	-	250

* For all values of 10 000 or lower the sample size is too small for reliable estimates.

Totals include not applicable, unspecified business location and nearest telephone for business use.

Due to rounding, numbers do not necessarily add up to totals.

4. Services available to businesses operating from a fixed location

4.5 Number of persons running non-VAT-registered businesses, by the type of toilet facility available to the business

1 000

Business location	Sanitation								Total
	Flush toilet on site	Flush toilet off site	Chemical toilet	Pit latrine with ventilation pipe	Pit latrine without ventilation pipe	Bucket toilet	None	Other	
Total	**436**	**144**	**47**	**111**	**374**	**34**	**168**	**27**	**1 748**
Within owners dwelling/s - with its own space (e.g. a separate room)	129	27	37	26	86	*	20	*	349
Within owners dwelling/s - without its own space (e.g. a family room)	159	30	*	46	191	22	53	*	518
In a structure attached to owner's dwelling/s or on the same plot (e.g. a workshop in the back yard)	52	*	*	13	56	*	*	-	144
Within another person's dwelling (e.g. neighbour's dwelling)	11	*	-	*	*	*	*	-	33
In a non-residential building (e.g. an office block or factory)	51	*	*	*	*	*	*	-	76
From a taxi rank	11	14	*	*	*	-	14	*	54
On a footpath, street or open space	*	35	*	11	16	*	54	12	180
At a market	*	*	-	-	*	-	*	-	18
No fixed location/mobile	-	-	-	-	-	-	-	-	288
At customer's homes or offices	*	*	*	-	*	-	*	*	48
Other	*	*	*	*	*	-	*	*	38

* For all values of 10 000 or lower the sample size is too small for reliable estimates.

Totals include not applicable, unspecified categories of business location and main source of water variables.

Due to rounding, numbers do not necessarily add up to totals.

5. Raw materials (products that are changed in some way before selling)

5.1 Number of persons running non-VAT-registered businesses by whether they use raw materials and province

1 000

Province	Uses raw materials	Does not use raw materials	Total
Total	**440**	**1 304**	**1 748**
Western Cape	21	82	103
Eastern Cape	58	175	234
Northern Cape	*	10	12
Free State	29	86	116
KwaZulu Natal	100	227	328
North West	34	106	139
Gauteng	88	341	430
Mpumalanga	39	94	135
Limpopo	68	182	250

* For all values of 10 000 or lower the sample size is too small for reliable estimates.
Totals include unspecified usage of raw materials
Due to rounding, numbers do not necessarily add up to totals.

5. Raw materials (products that are changed in some way before selling)

5.2 Number persons running non-VAT-registered businesses and are using raw materials by means of transporting raw materials to the business

1 000

Means of transport	**Total**
Total	**440**
On foot	121
Using own transport	55
Using hired transport	39
Using public transport	193
The supplier delivers	16
Other	*
Unspecified	*

* For all values of 10 000 or lower the sample size is too small for reliable estimates.

Due to rounding, numbers do not necessarily add up to totals.

6. Supplies (products that are not changed before reselling)

6.1 Number of persons running non-VAT-registered businesses by whether they use supplies and province

1 000

Province	Uses supplies	Does not use supplies	Total
RSA	**1 167**	**577**	**1 748**
Western Cape	**72**	**31**	**103**
Eastern Cape	161	73	234
Northern Cape	*	*	12
Free State	71	45	116
KwaZulu Natal	210	118	328
North West	89	51	139
Gauteng	315	115	430
Mpumalanga	83	51	135
Limpopo	159	90	250

* For all values of 10 000 or lower the sample size is too small for reliable estimates.
Total includes unspecified usage of supplies

Due to rounding, numbers do not necessarily add up to totals.

6. Supplies (products that are not changed before reselling)

6.2 Number of persons running non-VAT-registered businesses using supplies by means of transporting supplies to the business

1 000

Means of transport	Total
Total	**1 167**
On foot	210
Using own transport	186
Using hired transport	103
Using public transport	550
The supplier delivers	80
Other	15
Not applicable	22
Unspecified	*

* For all values of 10 000 or lower the sample size is too small for reliable estimates.

Due to rounding, numbers do not necessarily add up to totals.

7 Employees of persons running non-VAT-registered businesses

7.1 Employers by the number of paid workers

1 000

Number of workers	Paid workers		
	At this time last year	**During the last calendar month**	**During the last seven days**
1	83	103	103
2	62	67	65
3	14	19	18
4	18	*	*
5	*	*	*
6	*	*	*
7	*	*	*
8	*	*	*
9	*	*	*
10	*	*	*
12 or more	*	*	*
Unspecified	1 413	1 414	1 414

* For all values of 10 000 or lower the sample size is too small for reliable estimates.

Due to rounding, numbers do not necessarily add up to totals.

7 Employees of persons running non-VAT-registered businesses

7.2 Employers by the number of unpaid workers

1 000

Number of workers	UnPaid workers		
	At this time last year	During the last calendar month	During the last seven days
1	58	73	65
2	16	16	13
3	*	*	*
4	*	*	*
5	*	*	*
7 or more	*	*	*
Unspecified	1 414	1 414	1 414

* For all values of 10 000 or lower the sample size is too small for reliable estimates.

Due to rounding, numbers do not necessarily add up to totals.

8. Grants and loans for the main business

8.1 Number of persons running non-VAT-registered businesses by industry of the business and whether they needed to start a business

1 000

Main industry	Needed money	Did not need money	Total
Total	**1 311**	**434**	**1 748**
Agriculture, hunting, forestry and fishing	47	18	65
Mining and quarrying	14	*	15
Manufacturing	131	46	178
Electricity, gas and water supply	*	*	*
Construction	84	51	135
Wholesale and retail trade	586	166	752
Transport, storage and communication	56	24	80
Financial intermediation, insurance, real estate and business services	46	19	64
Community, social and personal services	104	48	153
Private households	18	*	25
Not applicable	216	55	272

* For all values of 10 000 or lower the sample size is too small for reliable estimates.

Totals include those who did not specify whether they want to start a business.

Due to rounding, numbers do not necessarily add up to totals.

8. Grants and loans for the main business

8.2 Number of persons running non-VAT-registered businesses and needed money to start that business by industry of the business and whether they obtained a grant to start a business.

1 000

Main industry	Obtained a grant	Did not obtain a grant	Total
Total	**33**	**991**	**1 748**
Agriculture, hunting, forestry and fishing	*	38	65
Mining and quarrying	-	12	15
Manufacturing	*	98	178
Electricity, gas and water supply	*	*	*
Construction	*	65	135
Wholesale and retail trade	12	440	752
Transport, storage and communication	-	44	80
Financial intermediation, insurance, real estate and business services	*	36	64
Community, social and personal services	*	78	153
Private households with employed persons	-	17	25
Not applicable	*	156	272

* For all values of 10 000 or lower the sample size is too small for reliable estimates.

Totals include unspecified industry

Due to rounding, numbers do not necessarily add up to totals.

8. Grants and loans for the main business

8.3 Number of persons running non-VAT-registered businesses that has received grant/s by industry of the business, source of grant and whether a grant was received from that particular source.

1 000

Source of grants and receipt of grant from that source	Agriculture, hunting, forestry and fishing	Mining and quarrying	Manufacturing	Electricity, gas and water supply	Construction	Wholesale and retail trade	Transport, storage and communication	Financial intermediation, insurance, real estate and business services	Community and personal services	Private households with employed persons	Not applicable	Total
From government												
Total	**65**	**15**	**178**	*****	**135**	**752**	**80**	**64**	**153**	**25**	**272**	**1 748**
Yes	*	-	*	-	-	*	-	-	*	-	*	*
No	*	-	*	*	*	11	-	*	*	-	*	24
From a non-governmental organization												
Total	**65**	**15**	**178**	*****	**135**	**752**	**80**	**64**	**153**	**25**	**272**	**1 748**
Yes	-	-	*	-	-	-	-	-	*	-	-	*
No	*	-	*	*	*	12	-	*	*	-	*	30
Other sources												
Total	**65**	**15**	**178**	*****	**135**	**752**	**80**	**64**	**153**	**25**	**272**	**1 748**
Yes	*	-	*	*	*	11	-	*	*	-	*	24
No	*	-	*	-	-	*	-	-	*	-	*	*

* For all values of 10 000 or lower the sample size is too small for reliable estimates.

Due to rounding, numbers do not necessarily add up to totals.

8. Grants and loans for the main business

8.4 Number of persons running non-VAT-registered businesses and needed money to start that business by industry and whether they borrowed money anywhere to start a business

1 000

Main industry	Borrowed money	Did not borrow money	Total
Total	**311**	**996**	**1 748**
Agriculture, hunting, forestry and fishing	*	38	65
Mining and quarrying	*	12	15
Manufacturing	30	102	178
Electricity, gas and water supply	*	*	*
Construction	20	64	135
Wholesale and retail trade	140	443	752
Transport, storage and communication	12	44	80
Financial intermediation, insurance, real estate and business services	12	33	64
Community, social and personal services	25	79	153
Private households	*	17	25
Not applicable	59	157	272

* For all values of 10 000 or lower the sample size is too small for reliable estimates.

Totals include unspecified industry

Due to rounding, numbers do not necessarily add up to totals.

8. Grants and loans for the main business

8.5 Number of persons running non-VAT-registered businesses and borrowed money to start that business by source of a loan and area of residence of the owner

1 000

Source of loan	Borrowed money	Did not borrow money	Total
Loans from commercial banks			
Total	**311**	**996**	**1 748**
Yes	15	-	15
No	296	-	296
Loans from friends/relatives			
Total	**311**	**996**	**1 748**
Yes	256	-	256
No	55	-	55
Loans from credit societies			
Total	**311**	**996**	**1 748**
Yes	-	-	-
No	311	-	311
Loans from moneylenders/mashonisas			
Total	**311**	**996**	**1 748**
Yes	17	-	17
No	294	-	295
Loans from (business) partners			
Total	**311**	**996**	**1 748**
Yes	*	-	*
No	311	-	311
Loans from business association			
Total	**311**	**996**	**1 748**
Yes	*	-	*
No	307	-	308
Loans from NGO/CBO			
Total	**311**	**996**	**1 748**
Yes	*	-	*
No	303	-	303
Loans from others			
Total	**311**	**996**	**1 748**
Yes	*	-	*
No	301	-	301

* For all values of 10 000 or lower the sample size is too small for reliable estimates.
Due to rounding, numbers do not necessarily add up to totals.

8. Grants and loans for the main business

8.6 Number of persons who needed money to start a business by industry and whether they borrowed money from a stokel or any other cooperatives or collective arrangement to start the business

1 000

Main industry	Did borrow	Did not borrow	Total
Total	**311**	**996**	**1 748**
Agriculture, hunting, forestry and fishing	*	38	65
Mining and quarrying	*	12	15
Manufacturing	30	102	178
Electricity, gas and water supply	*	*	*
Construction	20	64	135
Wholesale and retail trade	140	443	752
Transport, storage and communication	12	44	80
Financial intermediation, insurance, real estate and business services	12	33	64
Community, social and personal services	25	79	153
Private households with employed persons	*	17	25
Other	59	157	272

* For all values of 10 000 or lower the sample size is too small for reliable estimates.

Totals include unspecified industry

Due to rounding, numbers do not necessarily add up to totals.