

# Key statistics on operating characteristics of information and communications, financing and insurance, professional and business services sectors in 2018

The Census and Statistics Department (C&SD) released today (November 29) the results of the 2018 Annual Survey of Economic Activities – Information and Communications, Financing and Insurance, Professional and Business Services Sectors.

Amongst the industry sectors covered by the survey, the financing (except banking) industry recorded the largest total receipts (comprising business receipts and other income) in 2018, followed by the insurance industry and the banking industry. The other industry sectors in descending order in terms of total receipts were information and communications; professional, scientific and technical activities; and administrative and support service activities.

In the financing (except banking) industry, total receipts amounted to \$633.9 billion in 2018, representing a decrease of 4.8% compared with 2017. On a per establishment basis, total receipts decreased by 9.1% compared with 2017 to \$74.2 million in 2018. Operating expenses and compensation of employees together increased by 4.3% year-on-year to \$246.1 billion in 2018. Gross surplus, which is equal to total receipts less operating expenses, compensation of employees and (where applicable) value of purchases of goods for sale, decreased from \$430.0 billion in 2017 to \$387.8 billion in 2018, accounting for 61.2% of total receipts in 2018. Value added, which provides a measure of the contribution of this industry to Hong Kong's Gross Domestic Product (GDP), increased by 6.5% compared with 2017 to \$100.9 billion in 2018. In 2018, the financing (except banking) industry comprised about 8 500 establishments and engaged about 89 100 persons, or an average of 10.4 persons per establishment.

In the insurance industry, total receipts decreased by 5.6% over 2017 to \$559.5 billion in 2018. On a per establishment basis, total receipts decreased by 6.0% compared with 2017 to \$208.7 million in 2018. Operating expenses and compensation of employees together increased by 9.4% year-on-year to \$74.0 billion in 2018. In 2018, the insurance industry comprised about 2 700 establishments and engaged about 88 400 persons, or an average of 33.0 persons per establishment.

In the banking industry, total receipts amounted to \$472.1 billion in 2018, representing an increase of 10.9% compared with 2017. On a per establishment basis, total receipts increased by 14.8% compared with 2017 to \$2.0 billion in 2018. Operating expenses and compensation of employees

together increased by 5.5% year-on-year to \$216.2 billion in 2018. In 2018, the banking industry comprised 231 establishments and engaged about 107 500 persons, or an average of 465.2 persons per establishment.

In compiling gross surplus and value added of the banking industry and the insurance industry, other data sources are required to supplement the data collected through this survey and these statistics are to be compiled under the framework of GDP. Statistics on value added of these two industries are released by the C&SD separately.

In the information and communications sector, total receipts increased by 5.5% compared with 2017 to \$211.5 billion in 2018. On a per establishment basis, total receipts increased by 3.0% compared with 2017 to \$19.5 million in 2018. Operating expenses and compensation of employees together increased by 5.5% year-on-year to \$141.3 billion in 2018. Gross surplus increased from \$47.0 billion in 2017 to \$49.5 billion in 2018, accounting for 23.4% of total receipts in 2018. Value added increased by 4.2% compared with 2017 to \$89.0 billion in 2018. In 2018, the information and communications sector comprised about 10 800 establishments and engaged about 108 100 persons, or an average of 10.0 persons per establishment.

In the professional, scientific and technical activities sector, total receipts amounted to \$161.6 billion in 2018, representing an increase of 7.6% compared with 2017. On a per establishment basis, total receipts increased by 5.3% compared with 2017 to \$6.0 million in 2018. Operating expenses and compensation of employees together increased by 7.7% year-on-year to \$130.3 billion in 2018. Gross surplus increased from \$27.9 billion in 2017 to \$29.9 billion in 2018, and accounted for 18.5% of total receipts in 2018. Value added increased by 7.0% compared with 2017 to \$86.9 billion in 2018. In 2018, the professional, scientific and technical activities sector comprised about 27 100 establishments and engaged about 148 600 persons, or an average of 5.5 persons per establishment.

In the administrative and support service activities sector, total receipts amounted to \$149.5 billion in 2018, representing a slight decrease of 0.5% compared with 2017. On a per establishment basis, total receipts decreased by 3.1% compared with 2017 to \$12.2 million in 2018. Operating expenses and compensation of employees together decreased marginally by 0.6% year-on-year to \$137.5 billion in 2018. Gross surplus increased slightly from \$11.3 billion in 2017 to \$11.4 billion in 2018, accounting for 7.6% of total receipts in 2018. Value added increased by 5.4% compared with 2017 to \$56.8 billion in 2018. In 2018, the administrative and support service activities sector comprised about 12 200 establishments and engaged about 236 800 persons, or an average of 19.4 persons per establishment.

Selected statistics for the sectors mentioned above are shown in the attached table. More detailed statistics will be given in the report "Key Statistics on Business Performance and Operating Characteristics of the Information and Communications, Financing and Insurance, Professional and Business Services Sectors in 2018". Users can download this report (in PDF format) free of charge at the website of the C&SD ([www.censtatd.gov.hk/hkstat/sub/sp350.jsp?productCode=B1080013](http://www.censtatd.gov.hk/hkstat/sub/sp350.jsp?productCode=B1080013)) as from end-

December 2019.

For enquiries about the key statistics on business performance and operating characteristics of the information and communications, financing and insurance, professional and business services sectors, please contact the Business Services Statistics Section of the C&SD (Tel: 3903 7268 or email: [business-services@censtatd.gov.hk](mailto:business-services@censtatd.gov.hk)).

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## [Opening remarks by CE at press conference in Thailand with Deputy Prime Minister of Thailand \(English only\)](#)

Following are the opening remarks by the Chief Executive, Mrs Carrie Lam, at a press conference in Thailand with the Deputy Prime Minister of Thailand, Dr Somkid Jatusripitak, today (November 29):

Deputy Prime Minister Somkid, distinguished guests, media friends, ladies and gentlemen,

First of all, I wish to extend to Dr Somkid our deepest gratitude for the great care that he has put into this high-level meeting and the signing of the MoU. I am glad to be here in this beautiful city of Bangkok, Thailand once again. Indeed, this is my fourth visit since I became the Chief Executive of the Hong Kong Special Administrative Region in July 2017, therefore making Thailand my most frequently visited foreign country. This is by no means a coincidence – it is testimony to the close, mutually beneficial relationship between Hong Kong and Thailand.

Our bilateral ties are growing stronger day by day. In February this year, Dr Somkid and I together officiated at the opening of the Hong Kong Economic and Trade Office here in Bangkok, marking the beginning of a new phase of closer collaboration between us. In June, the Hong Kong-ASEAN Free Trade Agreement and Investment Agreement came into force as far as Thailand is concerned. And today, I had a very fruitful high-level meeting with Dr Somkid and his colleagues, and together we signed a MoU on Strengthening Economic Relations, which is set to boost our collaboration on multiple fronts.

Before I say a few words about the Memorandum – actually Dr Somkid has done a wonderful summary of the issues we discussed already – I would like to pay tribute to my good friend, and indeed a friend of Hong Kong, Dr Somkid, who has been most influential in strengthening Hong Kong-Thailand relations.

He has always been supportive of me and the Hong Kong SAR Government through good times and bad. Just last month, despite the ongoing social conflicts in Hong Kong, Dr Somkid, I was told later with the encouragement of Prime Minister Prayut, personally came to visit us and spoke at the International Forum on the Guangdong-Hong Kong-Macao Greater Bay Area, for which I am most grateful. In June 2018, Dr Somkid also visited us and delivered a keynote speech at the Third Belt and Road Summit.

Apart from his support for Hong Kong, Dr Somkid's visits also showed the importance he attached to the two national development strategies of Mainland China, namely the Belt and Road Initiative and the Guangdong-Hong Kong-Macao Greater Bay Area development. I fully share his vision. These two Initiatives will bring enormous opportunities, and Hong Kong and Thailand can benefit hugely if we work together. And I have no doubt that we will work together.

This brings me to the Memorandum of Understanding that we signed today. The Memorandum acknowledges the important role of Hong Kong in the Belt and Road Initiative and the Greater Bay Area development. In particular, Hong Kong is the prime platform and a key link for the Belt and Road Initiative, while under the Greater Bay Area development, Hong Kong will enhance its status as international financial, transportation and trade centres and will develop into an international innovation and technology hub. Coupled with Thailand's strategic location in South Asia and leading role in ASEAN, the collaboration between our two economies will create synergy and present a lot of opportunities to our enterprises and our people.

The Memorandum of Understanding that we signed today will see Hong Kong and Thailand establish a platform to explore further economic opportunities and connectivities between the two economies. Of particular importance, I am happy to note that Hong Kong and Thailand agree to pursue exploratory talks on negotiating a bilateral free trade agreement. We will also take the opportunity to review and upgrade the Investment Promotion and Protection Agreement signed between us in 2005. This shows our mutual commitment to open and free trade and investment, amid the prevailing uncertainties in the global economic landscape.

The Memorandum also provides for collaboration between our two economies in a number of important aspects. We together will look to forge closer partnership and networking between enterprises, explore the possibility of co-operation to increase the level of productivity and efficiency, as well as to facilitate investment, industrial operation and establishment of regional operations for enterprises. There will also be a more structured framework to further promote the creative industries of the two places for mutual growth and benefits.

Dr Somkid has highlighted a few areas and let me just supplement a bit. On financial services, which is Hong Kong's core strength, we will be exploring collaboration between Hong Kong Exchanges and Clearing Limited and the Stock Exchange of Thailand. The areas to be explored include mutual recognition of securities and green finance. On innovation and technology, which is among the top policy agenda of both Hong Kong and Thailand, the

Memorandum will provide much room for co-operation for technology start-ups and enterprises from both places, covering different areas including networking, information sharing, internationalisation and collaboration in joint-research and studies. The Memorandum also contains a paragraph on human resource development, under which we decide to foster even closer academic ties and establish more education collaboration between the two places.

Taken together, I would say that this Memorandum is very positive and, together with our other Memoranda signed between institutions of the two places which we witnessed today, covers the key areas for further collaboration between Hong Kong and Thailand. And to many of us in Hong Kong, what Dr Somkid has shared with us, I have this buzzword coming to my mind – opportunities. There will be huge opportunities for Hong Kong and also for Thailand, and I would hope that we will both connect and excel as we move forward. However, I am sure Dr Somkid would agree, it is by no means exhaustive. Our ties with Thailand are multi-faceted and we will continue to work with Thailand to strengthen our bilateral relationships and to further nurture our friendship.

As you are aware, Hong Kong is undergoing a difficult period. Despite the social unrest, I wish to assure our Thai friends that Hong Kong's fundamentals including our unique strengths under "One Country, Two Systems", our rule of law and independent judiciary remain strong. I and my Government are listening to our people, with a view to resolving some deep-seated problems in Hong Kong through dialogue. I have every confidence that Hong Kong can bounce back, as we always do. I am also grateful for the confidence shown by the Thai Government in Hong Kong, as evident by the Memorandum of Understanding that we signed today.

Finally, I thank Dr Somkid and Thailand and all your ministers for their hospitality and support. Thank you very much.

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## **Effective Exchange Rate Index**

The effective exchange rate index for the Hong Kong dollar on Friday, November 29, 2019 is 106.4 (up 0.1 against yesterday's index).

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## **Update on dengue fever**

The Centre for Health Protection (CHP) of the Department of Health today (November 29) reported the latest number of dengue fever (DF) cases, and

strongly urged the public to maintain strict environmental hygiene, mosquito control and personal protective measures both locally and during travel.

From November 22 to 28, the CHP recorded two imported DF cases. The patients had respectively been to Guangdong in Mainland China (one case) and Vietnam (one case) during the incubation period.

As of yesterday (November 28), 193 cases had been recorded this year (including 192 imported cases and one local case), as compared with 157 cases recorded in the same period last year. The imported cases were mainly from Thailand (32), Malaysia (27) and the Philippines (24).

The CHP has been closely monitoring the latest DF situation in neighbouring and overseas areas. DF is endemic in many tropical and subtropical areas of the world. According to the World Health Organization, some Asian countries are experiencing unusually high numbers of DF cases this year. The numbers of cases in some countries were significantly higher than the numbers for the same period in 2018, including Malaysia, the Philippines, Singapore and Thailand.

Separately, according to the Health Commission of Guangdong Province, as of October 31, 5 315 cases had been recorded in Guangdong this year, which was significantly higher than that in the same period last year (2 752 cases). The numbers of cases recorded in August, September and October were 1 209, 1 430 and 1 880 respectively. In Taiwan, as of yesterday, 598 cases (including 100 local cases) had been recorded in 2019.

Detailed information on the latest DF situation in Hong Kong as well as neighbouring and overseas countries and areas this year has been uploaded to the CHP's website ([www.chp.gov.hk/files/pdf/df\\_imported\\_cases\\_and\\_overseas\\_figures\\_eng.pdf](http://www.chp.gov.hk/files/pdf/df_imported_cases_and_overseas_figures_eng.pdf)). Members of the public should stay vigilant and carry out effective mosquito prevention and control measures.

â€œ"Apart from [general measures](#), travellers returning from areas affected by DF should apply insect repellent for 14 days upon arrival in Hong Kong. If feeling unwell, seek medical advice promptly and provide travel details to the doctor," a spokesman for the CHP said.

The public should take heed of the following advice on mosquito control:

- Thoroughly check all gully traps, roof gutters, surface channels and drains to prevent blockage;
- Scrub and clean drains and surface channels with an alkaline detergent compound at least once a week to remove any deposited mosquito eggs;
- Properly dispose of refuse, such as soft drink cans, empty bottles and boxes, in covered litter containers;
- Completely change the water of flowers and plants at least once a week. The use of saucers should be avoided if possible;
- Level irregular ground surfaces before the rainy season;
- Avoid staying in shrubby areas; and

- Take personal protective measures such as wearing light-coloured long-sleeved clothes and trousers and apply insect repellent containing DEET to clothing or uncovered areas of the body when doing outdoor activities.

DEET-containing insect repellents are effective and the public should take heed of the tips below:

- Read the label instructions carefully first;
- Apply right before entering an area with risk of mosquito bites;
- Apply on exposed skin and clothing;
- Use DEET of up to 30 per cent for pregnant women and up to 10 per cent for children\*;
- Apply sunscreen first, then insect repellent; and
- Re-apply only when needed and follow the instructions.

\* For children who travel to countries or areas where mosquito-borne diseases are endemic or epidemic and where exposure is likely, those aged 2 months or above can use DEET-containing insect repellents with a DEET concentration of up to 30 per cent.

The public should call 1823 in case of mosquito problems and may visit the following pages for more information: the DF page of the [CHP](#) and the [Travel Health Service](#), the latest [Travel Health News](#), [tips for using insect repellents](#), and the CHP [Facebook Page](#) and [YouTube Channel](#).

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## [Third phase of Mandatory Energy Efficiency Labelling Scheme to take full effect on Sunday](#)

â€‹The third phase of the Mandatory Energy Efficiency Labelling Scheme (MEELS) will be fully implemented on Sunday (December 1) to include televisions, storage type electric water heaters and induction cookers. The scope of two existing prescribed products has also been extended, such that room air-conditioners will also include those with heating functions, and washing machines will also include those with a rated washing capacity of more than 7 kilograms but not exceeding 10kg.

"The energy label classifies energy performance into five grades. Products with a Grade 1 energy label are the most energy efficient. With this information, consumers can make informed decisions in purchasing more energy efficient products," a spokesman for the Electrical and Mechanical Services Department (EMSD) said today (November 29).

"Any person who supplies a prescribed product that does not properly bear an energy label or is not a 'listed model' under the Ordinance will commit an offence and is liable to a fine of \$100,000. The EMSD will conduct inspections at retail shops to ensure compliance with the Ordinance," the spokesman said.

The MEELS was introduced in May 2008 through the Energy Efficiency (Labelling of Products) Ordinance (Cap. 598), which requires energy labels to be shown on all prescribed products for supply in Hong Kong. The first and second phases of the scheme cover five types of products, namely room air-conditioners, refrigerating appliances, compact fluorescent lamps, washing machines with a rated washing capacity at or under 7kg and dehumidifiers. The third phase of the scheme covers three more prescribed products, namely televisions, storage type electric water heaters and induction cookers, and extends the scope of two existing prescribed products. It came into effect on June 1, 2018, with a grace period of 18 months.

The eight products currently covered under MEELS altogether account for about 70 per cent of the annual electricity consumption in the residential sector. When the third phase is fully implemented, MEELS is expected to help consumers save about 625 million kilowatt hours a year, equivalent to a reduction of annual carbon dioxide emissions of about 440 000 tonnes.

For more details of MEELS and information on listed models, please visit the EMSD's website ([www.emsd.gov.hk/energylabel/](http://www.emsd.gov.hk/energylabel/)).