

Key statistics on business performance and operating characteristics of industrial sector in 2018

According to the results of the 2018 Annual Survey of Economic Activities – Industrial Sector released today (November 28) by the Census and Statistics Department (C&SD), the manufacturing sector's total receipts (comprising sales and other receipts) amounted to \$232.1 billion in 2018, representing an increase of 2.6% compared with 2017; on a per establishment basis, total receipts increased by 5.4% compared with 2017 to \$31.3 million in 2018.

Operating expenses and compensation of employees of the manufacturing sector altogether amounted to \$217.3 billion in 2018, representing an increase of 2.7% compared with 2017; on a per establishment basis, they increased by 5.5% compared with 2017 to \$29.3 million in 2018.

Gross surplus of the manufacturing sector, which is equal to total receipts less operating expenses and compensation of employees, increased slightly by 0.1% compared with 2017 to \$14.8 billion in 2018; on a per establishment basis, gross surplus increased by 2.9% compared with 2017 to \$2.0 million in 2018. Gross surplus accounted for 6.4% of total receipts of this sector in 2018, slightly down by 0.2 percentage point compared with 2017.

Value added of the manufacturing sector, which is a measure of its contribution to Hong Kong's Gross Domestic Product, increased by 2.6% compared with 2017 to \$35.5 billion in 2018; on a per establishment basis, the value added was \$4.8 million in 2018, which increased by 5.4% compared with 2017.

According to the survey results, it was estimated that the manufacturing sector comprised some 7 400 establishments and engaged about 89 700 persons, or an average of 12.1 persons per establishment in 2018.

Within the manufacturing sector, the four largest industry groupings in terms of value added in 2018 were (1) food, beverages and tobacco; (2) metal products, machinery and equipment; (3) chemicals, rubber, plastics and non-metallic mineral products; and (4) paper products, printing and reproduction of recorded media. They together accounted for 86.5% of the value added of the manufacturing sector.

In the food, beverages and tobacco industry, total receipts amounted to \$44.2 billion while operating expenses and compensation of employees totalled \$38.8 billion in 2018. Gross surplus amounted to \$5.4 billion in 2018, accounting for 12.2% of total receipts in 2018. Value added increased by 4.8% compared with 2017 to \$11.6 billion.

In the metal products, machinery and equipment industry, total receipts amounted to \$126.0 billion while operating expenses and compensation of employees totalled \$123.0 billion in 2018. Gross surplus amounted to \$3.0 billion in 2018, accounting for 2.3% of total receipts in 2018. Value added increased by 4.2% compared with 2017 to \$9.2 billion.

In the chemicals, rubber, plastics and non-metallic mineral products industry, total receipts amounted to \$24.7 billion while operating expenses and compensation of employees totalled \$21.1 billion in 2018. Gross surplus amounted to \$3.6 billion in 2018, accounting for 14.5% of total receipts in 2018. Value added increased by 3.5% compared with 2017 to \$6.3 billion.

In the paper products, printing and reproduction of recorded media industry, total receipts amounted to \$12.5 billion while operating expenses and compensation of employees totalled \$11.5 billion in 2018. Gross surplus amounted to \$1.0 billion in 2018, accounting for 7.9% of total receipts in 2018. Value added decreased by 3.2% compared with 2017 to \$3.6 billion.

In addition to manufacturing establishments, the industrial sector also includes establishments engaged in mining and quarrying; electricity and gas supply; and sewerage, waste management and remediation activities. Selected statistics for the industrial sector (except mining and quarrying) in 2018 are shown in the attached table.

More detailed survey results on the industrial sector will be given in the report "Key Statistics on Business Performance and Operating Characteristics of the Industrial Sector 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/sp310.jsp?productCode=B1080012) as from end-December 2019.

For enquiries about the key statistics on business performance and operating characteristics of the industrial sector, please contact the Industrial Production Statistics Section of the C&SD (Tel: 3903 7246; email: manufacturing@censtatd.gov.hk).