

Key statistics on business performance and operating characteristics of the building, construction and real estate sectors in 2023

According to the results of the 2023 Annual Survey of Economic Activities – Building, Construction and Real Estate Sectors released today (November 28) by the Census and Statistics Department (C&SD), the construction sector's total receipts (comprising gross value of construction works performed and other business receipts) amounted to \$450.9 billion in 2023, representing an increase of 9.7% over 2022; on a per establishment basis, total receipts was \$16.6 million in 2023, increased by 7.1% over 2022.

Operating expenses and compensation of employees of the construction sector altogether amounted to \$415.2 billion in 2023, representing an increase of 10.3% over 2022; on a per establishment basis, they were \$15.3 million in 2023, increased by 7.7% over 2022.

Gross surplus of the construction sector, which is equal to total receipts less operating expenses and compensation of employees, increased by 3.0% over 2022 to \$35.7 billion in 2023; on a per establishment basis, gross surplus increased by 0.5% over 2022, to \$1.3 million in 2023. Gross surplus accounted for 7.9% of total receipts in 2023, down by 0.5 percentage point compared with 2022.

Industry value added of the construction sector, which is a measure of its contribution to Hong Kong's Gross Domestic Product, increased by 9.2% over 2022 to \$133.0 billion in 2023; on a per establishment basis, the industry value added was \$4.9 million in 2023, representing an increase of 6.6% over 2022.

In 2023, there were some 27 200 establishments in the construction sector, which directly engaged about 195 800 persons, or an average of 7.2 persons per establishment.

The survey did not cover labour-only sub-contractors that mainly supplied labour to work on a job-to-job basis, owing to practical consideration in data collection. The employment figures above mainly covered direct employees of the construction establishments and did not reflect the labour input through the sub-contracting activities of labour-only sub-contractors.

Apart from the construction sector, the survey also enumerated establishments engaged in real estate activities; and architectural, surveying and engineering services.

Total receipts (comprising gross margin of real estate development

projects, service and rental income and other business receipts) of establishments engaged in the real estate activities (including real estate development, real estate leasing, real estate brokerage and agency, and real estate maintenance management) amounted to \$180.4 billion in 2023, representing an increase of 3.5% over 2022. Operating expenses and compensation of employees altogether amounted to \$96.3 billion in 2023, representing an increase of 6.2% over 2022. Gross surplus decreased by 5.7% compared with 2022 to \$71.1 billion in 2023. Gross surplus accounted for 39.4% of total receipts in 2023, down by 3.8 percentage points compared with 2022. Industry value added increased by 2.6% over 2022 to \$114.2 billion in 2023.

In 2023, the real estate activities comprised some 11 500 establishments and engaged about 124 500 persons, or an average of 10.9 persons per establishment.

The total number of private real estate projects ever operated in 2023 was 307. As at end-2023, 233 projects, which were expected to provide a total 7.4 million square metres of gross floor area of buildings when completed, were still under construction. Among them, 16% were on Hong Kong Island, 39% in Kowloon and 45% in the New Territories and outlying islands.

The survey excluded establishments which developed real estate projects for their own use as well as those which owned land but had not developed it during the reference year. Real estate leasing and other related activities undertaken by individuals or firms which engaged less than two persons (except for subsidiaries of real estate enterprises) were also not covered in the survey.

Total receipts (comprising service income and other business receipts) of establishments engaged in the architectural, surveying and engineering services amounted to \$27.7 billion in 2023, representing an increase of 3.9% over 2022. Operating expenses and compensation of employees altogether amounted to \$24.0 billion in 2023, representing an increase of 4.8% over 2022. Gross surplus decreased by 1.6% compared with 2022 to \$3.7 billion in 2023. Gross surplus accounted for 13.4% of total receipts in 2023, down by 0.7 percentage point compared with 2022. Industry value added increased by 1.0% over 2022 to \$18.9 billion in 2023.

In 2023, the architectural, surveying and engineering services comprised some 2 400 establishments and engaged about 27 800 persons, or an average of 11.5 persons per establishment.

Selected statistics for the building, construction and real estate sectors, with breakdowns by industry grouping, are shown in the attached table.

More detailed survey results on the building, construction and real estate sectors will be given in the report "Key Statistics on Business Performance and Operating Characteristics of the Building, Construction and Real Estate Sectors in 2023". Users can browse and download this report at the website of C&SD

(www.censtatd.gov.hk/en/EIndexbySubject.html?pcode=B1080011&scode=330) as from end-December 2024.

For enquiries about the key statistics on business performance and operating characteristics of the building, construction and real estate sectors, please contact the Construction and Miscellaneous Services Statistics Section of the C&SD (Tel: 3903 6964; email: building@censtatd.gov.hk).