

Quarterly business receipts indices for service industries for second quarter of 2020

Business receipts in value terms of most of major service industries showed decreases of different magnitudes in the second quarter of 2020 when compared with the second quarter of 2019, according to the provisional figures of business receipts indices released today (September 10) by the Census and Statistics Department (C&SD).

Comparing the second quarter of 2020 with the second quarter of 2019, double-digit decreases were recorded in business receipts of the accommodation services (-71.0%), administrative and support services (-35.5%), retail (-31.4%), transportation (-28.6%), food services (-25.9%), information and communications (-13.9%) and wholesale (-11.9%) industries.

On the other hand, the courier industry recorded an increase of 30.2% in business receipts during the same period.

Analysed by service domain, business receipts of the tourism, convention and exhibition services domain decreased by 94.9% year-on-year during the same period, while those of the computer and information technology services domain also decreased by 3.9% year-on-year.

On a seasonally adjusted quarter-to-quarter comparison, business receipts in value terms of around half of the major service industries recorded decreases of different magnitudes in the second quarter of 2020 when compared with the first quarter of 2020. In particular, double-digit decreases were recorded in business receipts of the administrative and support services (-24.8%) and transportation (-13.0%) industries. On the other hand, business receipts of the courier and real estate industries increased by 28.9% and 11.9% respectively during the same period.

Comparing the second quarter of 2020 with the first quarter of 2020 and on a seasonally adjusted basis, business receipts of the tourism, convention and exhibition services domain decreased by 76.1%, whereas those of the computer and information technology services domain increased by 4.9%.

Commentary

A Government spokesman noted that business receipts of many major service industries declined in the second quarter of 2020 from a year earlier as the COVID-19 pandemic led to a deep global recession and continued to weigh on a wide range of local economic activities. Industries related to consumption and tourism were especially hard hit and saw sharp falls in business receipts. The fall in business receipts of the transportation industry enlarged, mainly dragged by a large reduction in cross-boundary

passenger traffic. While business receipts of import/export trade declined further, the fall narrowed as the swift recovery of the Mainland economy provided some support to trade flows. Meanwhile, the performance of such service industries as warehousing and storage, courier, financing (except banking) and insurance was more resilient.

The spokesman further pointed out that despite the stabilisation of the third wave of local infection recently, many service industries are likely to continue to face a difficult business environment in the near term given the evolving global pandemic and weak economic conditions. The Government will continue to monitor the developments closely and roll out further support measures as necessary.

Further information

Table 1 presents the business receipts indices and their corresponding year-on-year rates of change in respect of selected service industries and service domains for the recent five quarters, while Table 2 shows the corresponding quarter-to-quarter rates of change in the business receipts indices for the recent five quarters based on the seasonally adjusted series.

The revised figures of business receipts indices for the second quarter of 2020 will be released at the website of the C&SD (www.censtatd.gov.hk/hkstat/sub/sp70.jsp?subjectID=7&tableID=093&ID=0&productType=8) and relevant publications of the C&SD starting from October 19, 2020.

Data for compiling the business receipts indices are mainly based on the Quarterly Survey of Service Industries conducted by the C&SD, supplemented by relevant data provided by the Hong Kong Monetary Authority and the Hong Kong Tourism Board.

A service domain differs from a service industry in that it comprises those economic activities which straddle different industries but are somehow related to a common theme. It may include all activities carried out by all establishments in a service industry that is closely related to the domain. For a service industry that is less closely related, however, only a portion of the establishments in the industry or even only part of the economic activities of the establishments is related to the domain. Taking the tourism, convention and exhibition services domain as an example, it includes all services of hotels and travel agents, and some (those involving visitors as customers) but not all of the services of restaurants, retailers and transport operators.

The classification of service industries follows the Hong Kong Standard Industrial Classification Version 2.0, which is used in various economic surveys for classifying economic units into different industry classes.

More detailed statistics are given in the report "Quarterly Business Receipts Indices for Service Industries, Second Quarter 2020". Users can download this publication free of charge at the website of the C&SD (www.censtatd.gov.hk/hkstat/sub/sp70.jsp?productCode=B1080006).

Members of the public who have enquiries about the business receipts indices may contact the Business Services Statistics Section of the C&SD (Tel.: 3903 7267 or email : business-receipts@censtatd.gov.hk).