

LEGISLATIVE COUNCIL BRIEF

Census and Statistics Ordinance (Chapter 316)

Census and Statistics (Quarterly Survey of Service Industries) (Amendment) Order 2008

INTRODUCTION

The Secretary for Financial Services and the Treasury (“SFST”) made the Census and Statistics (Quarterly Survey of Service Industries) (Amendment) Order 2008 (“the Amendment Order”) at Annex on 16 October 2008 under Section 11 of the Census and Statistics Ordinance (Cap.316) (“the Ordinance”) to revise the scope of data collected for the purpose of the quarterly survey of service industries, with a view to aligning the classification and definition of service industries with the recently revised international standards.

JUSTIFICATIONS

2. The Census and Statistics Department (“C&SD”) conducts a quarterly survey of business establishments in service industries as specified in the Census and Statistics (Quarterly Survey of Service Industries) Order (“Survey Order”)¹ to gauge the quarterly changes in their business receipts. The survey results provide useful information to reflect Hong Kong’s economic performance in the relevant service industries.

¹ The service industries specified in the Survey Order include wholesale, import and export, hotel, transport, storage and warehousing, communication, financing, insurance, business services, and community, social and personal services. Each of the above industries is defined in the Survey Order.

3. The current classification and definition of “service industries” in the Survey Order follows the Hong Kong Standard Industrial Classification Version 1.1 (“HSIC Version 1.1”), which is based on the United Nations’ International Standard Industrial Classification (“ISIC”) with appropriate adaptations. HSIC Version 1.1 has been adopted for classifying economic activities of business establishments for the purpose of this quarterly survey since 2001. HSIC Version 1.1 is also adopted for use in all other economic surveys conducted by C&SD.

4. To take into account the changes in development of global economic activities, the United Nations released an updated version of ISIC in August 2008. C&SD has accordingly updated HSIC Version 1.1 to HSIC Version 2.0 to conform to the latest international standards in a way which also reflects changes in the industrial structure of the Hong Kong economy over the past years. C&SD will launch HSIC Version 2.0 in end October 2008, and intends to adopt this version for use in all its economic surveys starting from 2009. In order to introduce corresponding changes to the classification and definition of “service industries” in the present Survey Order in line with HSIC Version 2.0, we propose to make the Amendment Order to implement the changes.

5. On adoption of HSIC Version 2.0 in the Amendment Order, the survey coverage of the quarterly survey of service industries would be expanded to include more industries falling mainly under the categories of “information and communications”, “professional, scientific and technical activities” and “social, personal and miscellaneous services”. Specific examples of industries newly covered include academic tutoring services, beauty and body prettifying treatment activities, and research and development activities. The Amendment Order will enable C&SD to capture data of the emerging economic activities in this quarterly survey and to foster the international comparability of official statistics for use by international organizations and the general public.

THE AMENDMENT ORDER

6. The Amendment Order contains two provisions. Clause 2 amends Section 1 of the Survey Order to –

- (a) revise the categories of industries falling under the definition of “service industries” by repealing “transport”, “storage and warehousing”, “communication”, “business services” and “community, social and personal services”; and adding “administrative and support service activities”, “information and communications”, “professional, scientific and technical activities”, “real estate activities”, “social, personal and miscellaneous services”, and “transportation, storage, postal and courier services”; and
- (b) repeal the definitions of those industries removed as described in (a) and add definitions for the newly added industries.

LEGISLATIVE TIMETABLE

7. The legislative timetable is as follows –

Publication in the Gazette	24 October 2008
Tabling at the Legislative Council for negative vetting	29 October 2008

IMPLICATIONS OF THE PROPOSAL

8. The Amendment Order is in conformity with the Basic Law, including the provisions concerning human rights. It will not affect the current binding effect of the Census and Statistics Ordinance. It has no financial, civil service, productivity, environmental or sustainability implications.

9. With the implementation of the Amendment Order, the quarterly survey of service industries will be able to provide the

Government and the community with more comprehensive statistics to facilitate a better assessment and understanding of the economic performance in those industries.

PUBLIC CONSULTATION

10. C&SD has consulted over 200 organisations on the proposed statistical classification framework in HSIC Version 2.0, including relevant government policy bureaux and departments, industry and trade organizations, academic institutions, etc. and has incorporated their views as appropriate.

PUBLICITY

11. A press release will be issued upon commencement of the Amendment Order.

ENQUIRIES

12. Enquiries can be addressed to Miss Suzanna Leung, Assistant Secretary for Financial Services and the Treasury (Financial Services)(3)1, at 2528 9133.

Financial Services and the Treasury Bureau
22 October 2008

**CENSUS AND STATISTICS (QUARTERLY SURVEY
OF SERVICE INDUSTRIES) (AMENDMENT)
ORDER 2008**

(Made by the Secretary for Financial Services and the Treasury under
section 11 of the Census and Statistics Ordinance (Cap. 316))

1. Commencement

This Order shall come into operation on 2 January 2009.

2. Interpretation

(1) Section 1 of the Census and Statistics (Quarterly Survey of Service Industries) Order (Cap. 316 sub. leg. M) is amended by repealing the definitions of “business services”, “communication”, “community, social and personal services”, “storage and warehousing” and “transport”.

(2) Section 1 is amended, in the definition of “service industries” –

(a) by repealing paragraphs (d), (e), (f), (i) and (j);

(b) by adding –

“(k) administrative and support service activities;

(l) information and communications;

(m) professional, scientific and technical activities;

(n) real estate activities;

(o) social, personal and miscellaneous services;

(p) transportation, storage, postal and courier services;”.

(3) Section 1 is amended by adding –

““administrative and support service activities” (行政及支援服務活動) includes –

(a) rental and leasing activities;

(b) employment service activities;

- (c) travel agency activities, reservation service activities, and related activities;
- (d) security activities, and investigation activities;
- (e) services to buildings, and landscape care activities; and
- (f) office administrative activities, office support activities, and other business support activities;

“information and communications” (資訊及通訊) includes –

- (a) publishing activities;
- (b) motion picture, video and television programme production, sound recording and music publishing activities;
- (c) programming activities, and broadcasting activities;
- (d) telecommunications service activities;
- (e) information technology service activities; and
- (f) information service activities;

“professional, scientific and technical activities” (專業、科學及技術活動) includes –

- (a) legal activities, and accounting activities;
- (b) activities of head offices, management activities, and management consultancy activities;
- (c) architecture activities, engineering activities, and technical testing and analysis activities;

- (d) scientific research and development activities;
- (e) veterinary service activities;
- (f) advertising activities, and market research activities;
- (g) specialized design activities;
- (h) photographic activities; and
- (i) translation and interpretation service activities;

“real estate activities” (地產活動) includes –

- (a) real estate activities with own or leased property; and
- (b) real estate activities on a fee or contract basis;

“social, personal and miscellaneous services” (社會、個人及雜項服務) includes –

- (a) education activities;
- (b) human health activities, and social work activities;
- (c) arts activities, entertainment activities, and recreation activities;
- (d) activities of repair of motor vehicles, motorcycles, computers, personal and household goods; and
- (e) activities of care and training services for pets and animals;

“transportation, storage, postal and courier services” (運輸、倉庫、郵政及速遞服務) includes –

- (a) land transport activities;

- (b) water transport activities;
- (c) air transport activities;
- (d) warehousing service activities, and support activities for transportation; and
- (e) postal activities, and courier activities;”.

Secretary for Financial Services and
the Treasury

2008

Explanatory Note

This Order amends the Census and Statistics (Quarterly Survey of Service Industries) Order (Cap. 316 sub. leg. M) so as to revise the scope of data collected for the purpose of the quarterly survey of service industries.