

**Panel on Financial Affairs**  
**Follow-up actions arising from the meeting on 5 June 2017 on**  
**Agenda Item III**

Based on the statistics of the Census and Statistics Department's Annual Survey of Economic Activities, the proportions of rental costs to the total operating expenses in respective industries during 2010 – 2015 are listed as follows –

Industry	Rental costs <sup>(1)</sup> as a share in total operating expenses <sup>(2)</sup> (%)					
	2010	2011	2012	2013	2014	2015
Manufacturing	6.0%	7.7%	7.9%	7.9%	8.3%	9.2%
Electricity and gas supply, sewerage, waste management and remediation activities	7.5%	6.5%	6.6%	6.5%	6.5%	6.5%
Construction, real estates and related architectural, surveying and engineering services	2.3%	3.0%	2.2%	2.7%	2.4%	2.1%
Import/export and wholesale trades	5.9%	5.9%	6.2%	6.6%	6.7%	7.4%
Retail trade	40.2%	38.9%	37.8%	38.3%	39.5%	40.4%
Transportation, storage and courier services	1.9%	2.0%	2.1%	2.2%	2.3%	2.6%
Accommodation services	6.9%	6.0%	6.7%	7.3%	8.8%	8.6%
Food services	24.4%	22.9%	23.5%	24.2%	24.9%	25.3%
Information and communications	4.5%	4.3%	4.5%	4.9%	5.0%	5.3%
Financing and insurance <sup>(3)</sup>	5.0%	4.9%	5.4%	5.3%	5.3%	5.3%
Professional and business services	5.3%	5.1%	5.3%	5.2%	5.0%	5.3%

Notes: (1) Rental costs refer to rent, rates and government rent for land and buildings.

(2) Total operating expenses include compensation of employees, rent, rates and government rent for land and buildings, and other operating expenses, but exclude cost of goods sold. Starting from the reference year of 2010, the Census and Statistics Department collected data on depreciation through the Annual Survey of Economic Activities with a view to enhancing the coverage of the statistics on operating cost. Furthermore, starting from the reference year of 2011, amortisation data were also collected together with depreciation data. Statistics on total operating expenses therein included depreciation and/or amortisation starting from the corresponding years. Depreciation refers to the amount by which the value of fixed assets has declined during the reference period owing to utilisation and obsolescence. Amortisation refers to the amount by which the depreciable value of an intangible asset is allocated over its useful life.

(3) Excluding local representative offices of foreign banks.

Source: Annual Survey of Economic Activities, Census and Statistics Department