

LCQ16: Statistics on production activities of HK-owned enterprises in Mainland

Following is a written reply by the Secretary for Commerce and Economic Development, Mrs Rita Lau, to a question by the Hon David Li Kwok-po in the Legislative Council today (January 14):

Question:

Regarding the Hong Kong-owned factories in the Pearl River Delta Region, will the Government inform this Council whether it directly gathers, in a way similar to local factories, from the manufacturers concerned statistics on their production activities; if so, of the respective percentages of their products over the past five years that were sold annually for export to overseas markets and for domestic consumption on the Mainland; if not, whether it will consider defining a set of useful statistics and, either directly or in concert with the relevant mainland authorities or non-government agencies, collecting and developing such data?

Reply:

President,

The Government of the Hong Kong Special Administrative Region does not directly gather statistics from Hong Kong-owned factories in the Mainland regarding their production activities. However, we have been maintaining close contact with the People's Government of Guangdong Province and various trade associations, as well as studying their researches and statistics on Hong Kong-owned enterprises in the Pearl River Delta Region (PRD). Such includes the survey report entitled "Made in PRD: Challenges and Opportunities for HK Industry" published by the Federation of Hong Kong Industries (FHKI) in April 2007 (note). According to the report, there were approximately 55 200 Hong Kong-owned manufacturing enterprises in the PRD and the number of factories was estimated to be 57 500 at the time of the study. The report also revealed that, of the enterprises surveyed, 52.4% were engaged in exports only, 14.1% in domestic sales only, and 21.5% in both businesses. Based on the total value of the products, the ratio of exports to domestic sales of the surveyed enterprises was 7:3.

Apart from the above survey report, the Hong Kong Trade Development Council completed in June 2007 a research on

"Implications of Mainland Processing Trade Policy on Hong Kong" for the Greater PRD Business Council. In March 2008, the Chinese Manufacturers' Association of Hong Kong also conducted a survey with a view to understanding the impact of the changes in the PRD business environment on Hong Kong-owned enterprises and their strategies in tackling the changes. The FHKI also conducted a similar survey during the same period.

We will continue to maintain close liaison with the trade, various trade associations and Mainland authorities, and will consider how to better monitor the operation, production and development of Hong Kong-owned enterprises in the Mainland.

(note) The survey received 2 529 valid questionnaires.

Ends/Wednesday, January 14, 2009