

## **Press release**

### **LCQ11: Compilation of statistics on economic activities by the Census and Statistics Department**

Wednesday, November 18, 2009

Following is the question by Dr the Hon David Li Kwok-po and a written reply by the Secretary for Financial Services and the Treasury, Professor K C Chan, in the Legislative Council today (November 18):

Question:

When compiling statistics, the Census and Statistics Department (C&SD) classifies major economic activities, such as retail sales and employment, in accordance with the Hong Kong Standard Industrial Classification (HSIC). Some members of the public have relayed to me that in the reports published by C&SD such as the Monthly Survey of Retail Sales, statistics are normally available in broad categories up to 4-digit HSIC code. Detailed breakdowns using the 6-digit HSIC code are limited and not comprehensive. In this connection, will the Government inform this Council:

- (a) why the Government does not make public comprehensive detailed breakdowns of statistics on economic activities, and whether this is due to technical reasons, cost considerations or other policy concerns; and
- (b) whether the Government will consider making all the available detailed breakdowns of statistics based on the HSIC code accessible to the public in the future?

Reply:

President,

The Census and Statistics Department (C&SD) compiles, analyses and releases statistics on different economic activities by industry according to the statistical classification system, under the Hong Kong Standard Industrial Classification Version 2.0 (HSIC V2.0). The HSIC V2.0 adopts a 5-level hierarchical classification system using different numeric codes, represented by 1-alphabet letter, 2-digit, 3-digit, 4-digit and 6-digit numeric codes, with the 6-digit numeric codes being the most detailed level of industrial classification.

When deciding on the level of details in compiling and releasing statistics on various industries, C&SD will take into account factors such as the sample size, sample design, degree of statistical precision and user requirements of relevant surveys. This is in line with the practices adopted by other advanced economies.

In determining whether to release more detailed statistics at the 6-digit code level, C&SD will carefully consider the following factors:

- (i) as constrained by the sample size, detailed breakdowns of statistics at some of the 6-digit code level are subject to larger margins of sampling errors and hence not all statistics are suitable for use in isolation;
- (ii) releasing statistics at the 6-digit code level may risk breaching the confidentiality of information provided by individual establishments because certain codes at this level only entail a small number of establishments; and
- (iii) the sample size of economic surveys would have to be enlarged if all economic statistics are released at the 6-digit code level. As this will increase responding burden of sampled establishments and incur higher cost, we must carefully consider these factors having regard to the practical needs of data users.

C&SD welcomes suggestions from data users on the selected statistics which would require further breakdowns, and will consider the suggestions in the light of the relevant factors stated above.

Ends