

Construction Output for the Fourth Quarter and the Whole Year of 2020

The total gross value of construction works performed by main contractors in the fourth quarter of 2020 decreased by 7.7% in nominal terms over a year earlier to \$60.0 billion, according to the provisional results of the Quarterly Survey of Construction Output released today (March 12) by the Census and Statistics Department (C&SD).

After discounting the effect of price changes, the provisional results showed that the total gross value of construction works performed by main contractors decreased by 6.3% in real terms over the same period. Gross value of construction works in real terms is derived by deflating the corresponding nominal value with an appropriate price index to the price level in the base period of 2000.

Analysed by type of construction works, the gross value of construction works performed at private sector sites decreased by 25.3% in nominal terms in the fourth quarter of 2020 over a year earlier, while that at public sector sites increased by 14.4%. The gross value of construction works at locations other than construction sites decreased by 8.1% in nominal terms over the same period. Construction works at locations other than construction sites included minor new construction activities and decoration, repair and maintenance for buildings; and electrical equipment installation and maintenance works at locations other than construction sites.

In real terms, the gross value of construction works performed at private sector sites decreased by 24.4% in the fourth quarter of 2020 compared with the same period in 2019, while an increase of 18.3% was recorded for public sector sites. Meanwhile, the gross value of construction works at locations other than construction sites decreased by 7.5% in the fourth quarter of 2020 over the same period.

On a seasonally adjusted quarter-to-quarter basis, the gross value of construction works performed by main contractors decreased by 4.7% in nominal terms and decreased by 3.9% in real terms in the fourth quarter of 2020 compared with the third quarter of 2020.

For 2020 as a whole, the provisional results showed that the total gross value of construction works performed by main contractors decreased by 4.2% in nominal terms compared with 2019 to \$226.4 billion. After discounting the effect of price changes, the total gross value of construction works performed by main contractors in 2020 decreased by 4.5% in real terms over 2019.

Analysed by type of construction works, the gross value of construction works performed at private sector sites totalled \$58.7 billion in 2020, down by 20.0% in nominal terms compared with 2019. In real terms, it decreased by 19.2%. The gross value of construction works performed at public sector sites

amounted to \$70.4 billion in 2020, up by 12.3% in nominal terms compared with 2019. In real terms, it increased by 12.9%.

The gross value of construction works performed by main contractors at locations other than construction sites amounted to \$97.3 billion in 2020, down by 3.1% in nominal terms compared with 2019. In real terms, it decreased by 4.6%.

Analysed by major end-use group, residential buildings projects accounted for the largest share in the total gross value of construction works performed at construction sites in 2020. The gross value of construction works performed in respect of these projects amounted to \$49.8 billion in 2020, down by 22.3% in nominal terms compared with 2019. Transport projects constituted the second largest group of construction site works in 2020. The gross value of construction works performed in respect of these projects totalled \$34.6 billion in 2020, up by 30.6% in nominal terms compared with 2019.

Tables 1 and 2 show the provisional figures on the gross value of construction works performed by main contractors in the fourth quarter and the whole year of 2020 respectively. Table 3 shows the revised figures for the third quarter of 2020.

Owing to the widespread sub-contracting practices in the construction industry, a construction establishment can be a main contractor for one contract and a sub-contractor for another contract at the same time. The gross value of construction works performed by main contractors covers only those projects in which the construction establishment takes the role of a main contractor, but not projects in which it takes only the role of a sub-contractor. However, sub-contractors' contribution to projects should have been included in the gross value of construction works performed by main contractors for whom they worked.

The classification of construction establishments 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 "Report on the Quarterly Survey of Construction Output, 4th Quarter 2020". Users can download this publication at the website of the C&SD (www.censtatd.gov.hk/hkstat/sub/sp330.jsp?productCode=B1090002).

For enquiries about the survey results, please contact the Construction and Miscellaneous Services Statistics Section of the C&SD (Tel: 3903 6965; email: building@censtatd.gov.hk).