

# Output by Industry

The following tables give a breakdown of the Pearl River Delta Economic Zone's economies in the secondary and tertiary sectors. As can be seen, telecommunications equipment, computers, and other electronics, and electrical equipment and machinery, account for more than 45 percent of the gross industrial output of the Pearl River Delta region. These numbers are probably understated given the underreporting of the output value of export processing arrangements, many of which are focused on these industries. The 'top ten' is rounded out by materials industries, transportation equipment, and traditional light manufactured goods. The largest single service sector grouping is transportation, storage, post, and telecommunications. This is not surprising given the infrastructural nature of some of the components and the burgeoning transportation and logistics associated with the Pearl River Delta Economic Zone's trade. This grouping is followed by wholesale and retail trade and catering, real estate trade, and finance and insurance.<sup>22</sup>



22 Based on service sector categories reported by the Guangdong Statistical Yearbook 2005.

## Gross Industrial Output for PRD in 2004, Selected Industries

Industry	Gross Industrial Output of Pearl River Delta Economic Zone		Value Added Percentage of Gross Industrial Output (%)
	Billion RMB	Billion US\$	
Telecommunications equipment, computers, and other electronics	726.72	87.77	19.60
Electric equipment and machinery	255.97	30.91	25.66
Raw chemical materials and chemical products	124.85	15.08	37.67
Transport equipment	113.56	13.71	25.53
Metal products	101.36	12.24	25.78
Plastic products	81.57	9.85	22.47
Instruments, metres, and office equipment	78.77	9.51	17.91
Textiles	72.68	8.78	26.56
Garment, footwear, and headgear	68.84	8.31	28.48
Nonmetal mineral products	67.50	8.15	29.74
Sub-total of Top 10	1,691.82	204.33	23.74
Others	623.49	75.30	33.76

Source: Guangdong Statistical Yearbook 2005.

## **Output in the Service Sector, Pearl River Delta Region, 2004\***

Industry	Output	
	Billion RMB	Billion US\$
Transportation, storage, post, and telecommunications	140.38	16.95
Wholesale and retail trade and catering services	117.45	14.18
Real estate trade	66.32	8.01
Finance and insurance	63.86	7.71
Sub-total of top 4	388.01	46.86
Other	186.63	22.54
<b>Total</b>	<b>574.64</b>	<b>69.40</b>

\* Note: Built up from city level statistics, including all of Huizhou and Zhaoqing. Thus, these figures represent a slight overstatement of the Pearl River Delta Economic Zone total.

Source: Calculated from data in the Guangdong Statistical Yearbook 2005.

### **Comments**

One feature of the Pearl River Delta region's economy that receives a great deal of attention is the development of 'high technology' industries. Pearl River Delta region authorities trumpet the development of such industries and claim an increasing proportion of the region's output is in such industries. In reality, the categories of telecommunications equipment, computers, and other electronics, and electrical equipment and machinery are taken to be 'high technology' industries regardless of the actual level of technology in the product or process. Thus simple assembly of electronics products is considered

'high technology' even if the processes employed are labour intensive and no local technology development is carried out. While there are some companies doing significant research and development and other high technology activities in the Pearl River Delta region, the categorisation makes it appear that the Pearl River Delta region's economy is more technology-based than is actually the case.

