

<b>Subject/Title</b>	Comparing the Technical Efficiencies of Taiwan's Manufacturing Two-Digit Industries under the Framework of the Metafrontier Production Function
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<b>Abstract</b>	<p>The main objective of this article is to estimate and compare the technical efficiency (TE) scores for each plant of Taiwan's 23 manufacturing two-digit industries over the period 1992-2005 under the framework of the newly developed metafrontier production function model by Battese et al. (2004) and O'Donnell et al. (2008). The model permits researchers to estimate and compare technical efficiencies and the technology gap ratios (TGRs) for firms operating under different technologies. Evidence is found that the average TGRs and the mean overall efficiency scores against the metafrontier (TE*) of industry 19 (petroleum and coal products) achieves the maximum value, which indicates that the industry's production frontier is closest to the metafrontier among the 23 industries and the plants in industry 19 produce, on average, about 54.99% of the potential output. However, the average TGRs of the other industries are low, suggesting that the remaining industries need to improve their managerial abilities and production technology to catch up with the potential technology.</p>
<b>Keyword(s)</b>	Metafrontier Production Function ; Technical Efficiency ; Technology Gap Ratio ; Overall Efficiency Score