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Panel on Home Affairs

**Background brief prepared by the Legislative Council Secretariat
for the meeting on 12 June 2009**

Strengthening the arts and cultural software of Hong Kong

Purpose

This paper provides background information on the Administration's policy and initiatives on strengthening the arts and cultural software of Hong Kong and summarises relevant concerns and views of members of the Panel on Home Affairs (the Panel).

Background

2. Established in April 2000, the Culture and Heritage Commission (CHC) advises the Government on policies and funding priorities on culture and the arts. CHC submitted the "Culture and Heritage Commission Policy Recommendation Report" to the Government in April 2003, putting forward over 100 policy recommendations. The Government adopted the Report as the blueprint of Hong Kong's cultural policy which comprises four major elements including: (a) respecting freedom of creation and expression; (b) providing opportunities for participation; (c) encouraging diversified and balanced development; and (d) giving various kinds of support to build up an environment conducive to the development of culture and the arts.

3. The Committee on Performing Arts (CPA), which was established in November 2004 to take forward CHC's policy recommendations on performing arts, issued the CPA Recommendation Report (I) in June 2006 proposing changes in the areas of funding mechanism, venue provision and cultural programme presentation by the Leisure and Cultural Services Department (LCSD). The Administration, in principle, accepted all the recommendations put forward by CPA which mainly included -

- (a) putting the four major performing arts groups funded by LCSD and the six 3-year grantees funded by Hong Kong Arts Development Council (HKADC) under one roof (i.e. the Home Affairs Bureau (HAB)) and setting up a new grant scheme by HKADC to provide funding and venue support for budding artists/arts groups;
- (b) establishing a new funding body (i.e. the Funding Committee for the Performing Arts) to advise the Government on funding major performing arts groups (MPAGs) from April 2007;
- (c) developing a single assessment mechanism for MPAGs with a set of clear and measurable assessment criteria focusing on artistic and community impact, quantifiable outputs and deliverables as well as governance and management; and
- (d) putting forward all 13 performing art venues under LCSD for the Venue Partnership Scheme to enhance partnership between LCSD and performing arts groups.

4. According to the Secretary for Home Affairs' policy briefing on the Chief Executive's 2007 Policy Address at the Panel meeting on 15 October 2007, HAB would implement the following measures starting from 2008-2009 to take forward CPA's recommendations -

- (a) increasing funding support for MPAGs during the transitional period before a new funding and assessment mechanism is put in place;
- (b) increasing funding for HKADC to enhance support for the development of small and medium arts groups (SMAGs), promoting cultural co-operation between Hong Kong and Mainland artists and art groups, and conducting baseline studies to support the development of various arts forms;
- (c) augmenting LCSD's work in audience-building and arts education and encouraging the production of partnership programmes by SMAGs at LCSD venues; and
- (d) conducting a comprehensive survey on the demand and supply of manpower in the arts and cultural sector, with a view to devising appropriate training and educational measures.

Past Discussions

5. In December 2007, the Panel discussed measures proposed by the Administration to strengthen cultural software and humanware. The Panel subsequently held three meetings in the 2007-2008 session to discuss the subject with the Administration and received views from deputations. Major concerns and views expressed by members and deputations together with the Administration's responses are summarised in the ensuing paragraphs.

Funding mechanism for performing arts groups

6. Members generally considered that the Administration should -
- (a) review the existing mode of subsidy for the MPAGs to avoid stifling the development of non-subsided arts groups and provide more funding for HKADC to underpin support for SMAGs and budding artists;
 - (b) ensure a reasonable and fair distribution of funding resources among arts groups and examine the effectiveness of the current funding policy in achieving policy goals, such as encouraging diversified and balanced development of the arts and culture;
 - (c) explore means to minimise staffing and administrative expenses in the operation of arts programmes so that the savings generated could be channelled towards arts development; and
 - (d) increase its overall allocation of funding for culture and the arts, given the imminent need to achieve the vision and objectives of the West Kowloon Cultural District (WKCD) project.

7. As for the deputations, some considered that the outdated funding policy should be reviewed as it had failed to take into account the emergence of new art forms which had proven to be popular in the market and created unfair competition within the arts and culture sector. Others opined that the cumbersome administrative procedures for application of subsidies under the present subvention mechanism should be streamlined to alleviate the heavy administrative workload of MPAGs. Some suggested that tax concession should be offered to corporations which sponsored non-profit making performing arts groups. In general, deputations urged the Administration to increase allocation of resources for the performing arts groups as a whole.

8. The Administration responded that it was committed to promoting the development of culture and arts in Hong Kong, and the total funding allocated for culture and the arts had increased from \$2.5 billion in 2007-2008 to \$2.75 billion in 2008-2009. The Administration further advised that it would

commission a consultancy study before mid-2009 to develop a new set of assessment criteria and funding mechanism for the major arts groups. The study would also examine the establishment of "flagship" companies, an entry and exit mechanism to the league of "majors", an articulation ladder for the second and lower tier arts groups to become majors, as well as complementary measures to support the non-subsidized performing arts sector. The findings and recommendations of the study would be available in mid-2010.

Deployment of resources

9. Some members expressed concern that 80% of the Government's annual recurrent expenditure on culture and the arts was monopolized by LCSD, whereas HKADC, which was tasked to provide funding support for medium and small arts groups and had a high level of community involvement, only received less than 3% of the Government resources. These members considered that this was not conducive to encouraging diversified and balanced development of culture and the arts.

10. The Administration explained that the reason for LCSD taking up a large share was that most of the major cultural facilities including performing arts venues, museums and public libraries were directly managed by LCSD, for which the associated staffing, programming and management expenses were the major cost items. To enhance its role in supporting young and budding artists and developing small and medium sized arts groups, the Administration undertook to increase funding support for HKADC.

Arts education and enhancement of cultural literacy

11. Some members and deputations suggested the provision of a dedicated television channel to broadcast educational programmes on culture and the arts to enhance cultural literacy of young people. Some members considered that funding allocation to the Hong Kong Academy for the Performing Arts (HKAPA) should be increased to complement enhancement in arts education arising from the implementation of the new academic structure of senior secondary education in 2009. The Administration was also urged to widen the audience base and enhance community participation for arts and cultural development.

12. The Administration advised that HKADC had set up a working group to study the proposal for providing an arts channel with a view to advising the Government on the best way forward. In 2008-2009, an additional funding of some \$12.5 million was provided for HKAPA to expand its training programmes to prepare graduates for entry into the theatre and entertainment arts industry. The Administration would work in collaboration with HKAPA to conduct an institutional review with a view to re-affirming the Academy's role and development directions such as in the promotion of arts education.

13. The Administration further advised that the policy on culture and the arts was moving towards the direction of enhancing community participation. For instance, HKADC had launched an Enhanced Community Arts and Cultural Activities Programme to bring the arts closer to the community by supporting closer collaboration between the district arts organisations and professional arts organisations, and District Councils were encouraged to organise cultural activities with local characteristics in their respective districts. For the promotion of arts education, HAB had worked in collaboration with the Education Bureau to organise an Arts Mart to provide a platform for the local artists and arts groups to showcase their arts education programmes to the school sector. Moreover, the Administration was planning to conduct a research study on arts education in 2008-2009 to take stock of the provision of arts education in the school sector and in the community, to review the best practices overseas, and to consider how arts education could contribute to the nurturing of a creative population to develop Hong Kong into a creative economy.

Manpower development and training

14. Some members and deputations expressed concern about the sufficiency of manpower training and provision such as museum professionals and cultural services managers to complement the WKCD project. The Administration was urged to enhance professional training in the arts, arts administration and arts criticism. Some deputations were concerned about the talent drain in the arts and culture sector given that low monetary rewards had deterred entrants to the sector.

15. The Administration advised that a manpower study would be launched in early 2008 to assess the demand and supply for artists, arts administrators, curators and other arts-related professionals taking into account the current situation and estimated manpower requirement for the WKCD facilities, and to plan for the necessary manpower training. For the development of arts professionals, HKADC had administered arts scholarships to support overseas training in culture and the arts for local talents.

Cultural policy development

16. Some members and deputations suggested that the Administration should consider establishing a Cultural Affairs Bureau/Council or an integrated unit to coordinate policies and implement active measures to promote the arts and develop creative industries. These members considered that the Administration should formulate a long-term policy and a clear vision for cultural development in Hong Kong particularly in the light of the WKCD development project.

17. The Administration advised that HAB was the policy bureau responsible for cultural policy. The Bureau was underpinned by LCSD as its executive department and HKADC which advised the Bureau in works related to arts and

culture. The Administration's policy objective was to create an environment conducive to free artistic expression and creation, as well as wider participation in cultural activities through the provision of various arts and cultural programmes, concessionary scheme and free performances.

Development of inclusive arts for persons with disabilities (PWDs)

18. Some members considered that the Administration should take proactive measures to develop inclusive arts as an art form and not as a welfare initiative. Some deputations requested the Administration to provide more funding support for the hiring of teachers/assistants for PWDs and to uphold the right of PWDs to barrier-free participation in arts and cultural activities.

19. The Administration advised that inclusive arts were under the policy purview of HAB. Since 1995, HKADC had approved some 27 projects involving disabled artists and the Arts Development Fund had been supporting cultural exchange activities of such artists. The Rehabilitation Team in the Labour and Welfare Bureau administered the "Jockey Club Arts for the Disabled Scheme" to enhance basic training for PWDs to help them develop a life-long interest in the arts and culture. All LCSD venues built after 1997 were in compliance with the requirements of the Design Manual: Barrier Free Access 1997 issued by the Buildings Department.

Venue provision

20. Some members and deputations considered that the shortage of performance venues had hindered the development of SMAGs and the Administration should develop more performing venues and explore new and alternative art spaces in the community for budding artists. The Administration advised that an additional \$25 million was provided for LCSD in 2008-2009 to support SMAGs participating in the Venue Partnership Scheme to develop venue-based audience-building programmes. Apart from the existing venues, new and alternative spaces for LCSD's cultural activities would be actively explored. These spaces included the Jockey Club Creative Arts Centre and the Drama Theatre of HKAPA.

Latest development

21. During the discussion on the "Governance of major performance arts groups" with MPGAs and the Administration at the Panel meeting on 8 May 2009, members urged the Administration to regulate the administrative expenses of MPGAs such as imposing a cap to avoid the groups' over-reliance on government funding. They also considered that MPGAs should be encouraged to seek sponsorship to enhance its income other than government subvention. In response to the deputations' suggestion for setting up a matching grant, HAB

advised that this issue would be covered in the research study on a new funding mechanism. As requested by a member, HAB would provide information at the June meeting on MPGAs' effort in promoting arts to the local community.

22. Members may wish to note that HAB, upon the recommendation of the Ad Hoc Working Group on support for SMGAs under the CPA, announced on 29 May 2009 that the Government will be launching support measures involving about \$10 million to help SMAGs tide over economic adversity in various aspects, including assistance in publicising their programmes, enhancement of performance opportunities, promotion of community involvement for audience building, as well as relief on cash flow.

Relevant papers

23. A list of relevant papers with their hyperlinks at the LegCo website is in the **Appendix**.

Council Business Division 2
Legislative Council Secretariat
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Relevant documents on strengthening the arts and cultural software of Hong Kong

Meeting	Date of meeting	Paper/Minutes	LC Paper No.
Panel on Home Affairs	3.7.2006	Committee on Performing Arts Recommendation Report (I)	Issued vide LC Paper No. CB(2)2476/05-06 on 20 June 2006 http://www.legco.gov.hk/yr05-06/english/panels/ha/papers/ha0703cb2-report-e.pdf
		Administration's paper on Committee on Performing Arts Recommendation Report (I)	CB(2)2492/05-06(01) http://www.legco.gov.hk/yr05-06/english/panels/ha/papers/ha0703cb2-2492-1e.pdf
		Minutes of meeting	CB(2)3127/05-06 http://www.legco.gov.hk/yr05-06/english/panels/ha/minutes/ha060703.pdf
	14.12.2007	Administration's paper on "Strengthening the software and humanware for culture and the arts"	CB(2)245/07-08(03) http://www.legco.gov.hk/yr07-08/english/panels/ha/papers/ha1109cb2-245-3-e.pdf
		Minutes of meeting	CB(2)1051/07-08 http://www.legco.gov.hk/yr07-08/english/panels/ha/minutes/ha071214.pdf
	15.2.2008	Administration's response to the views of deputations/ individuals at the meeting	CB(2)1805/07-08(03) http://www.legco.gov.hk/yr07-08/english/panels/ha/papers/ha0509cb2-1805-3-e.pdf
		Minutes of meeting	CB(2)2617/07-08 http://www.legco.gov.hk/yr07-08/english/panels/ha/minutes/ha080215.pdf

Meeting	Date of meeting	Paper/Minutes	LC Paper No.
Finance Committee	2.4.2008	Reply Serial No. HAB054 to a member's question on Examination of Estimates of Expenditure 2008-2009 (pages 113-114)	http://www.legco.gov.hk/yr07-08/english/fc/fc/w_q/hab-e.pdf
Panel on Home Affairs	9.5.2008	Minutes of meeting	CB(2)2742/07-08 http://www.legco.gov.hk/yr07-08/english/panels/ha/minutes/ha080509.pdf
House Committee	20.6.2008	Report of the Subcommittee on West Kowloon Cultural District Development on Phase III Study	http://www.legco.gov.hk/yr04-05/english/hc/sub_com/hs02/reports/hs02-rpt080620-e.pdf
Panel on Home Affairs	30.6.2008	Administration's paper on "Funding support for the local performing arts groups, manpower training in culture and the arts and promotion of the participation of persons with disabilities in artistic creation"	CB(2)2416/06-07(01) http://www.legco.gov.hk/yr07-08/english/panels/ha/papers/ha0630cb2-2416-1-e.pdf
		Minutes of meeting	CB(2)2828/07-08 http://www.legco.gov.hk/yr07-08/english/panels/ha/minutes/ha080630.pdf
	6.2.2009	Administration's response to the views of members of the Panel and deputations	CB(2)860/08-09(01) http://www.legco.gov.hk/yr08-09/english/panels/ha/papers/ha0206cb2-860-1-e.pdf
	8.5.2009	Administration's paper on "Governance of major performing arts groups"	CB(2)1464/08-09(01) http://www.legco.gov.hk/yr08-09/english/panels/ha/papers/ha0508cb2-1464-1-e.pdf

Meeting	Date of meeting	Paper/Minutes	LC Paper No.
		Background brief on "Governance of major performing arts groups"	CB(2)1464/08-09(02) http://www.legco.gov.hk/yr08-09/english/papers/ha/papers/ha0508cb2-1464-2-e.pdf
---	29.5.2009	Government press release on support measures for small and medium-sized arts groups	http://www.info.gov.hk/gia/general/200905/29/P200905290256_print.htm

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