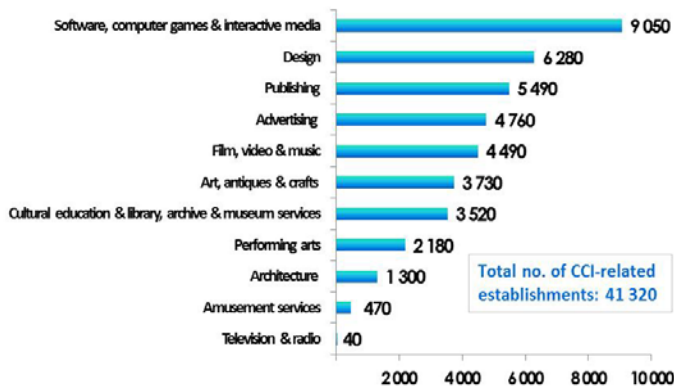




Hong Kong's cultural and creative industries

Figure 1 – Number of establishments* in the cultural and creative industries (2015)



Note: (*) Figures rounded to the nearest ten.

Figure 2 – GDP contribution and employment shares of CCI from 2005 to 2015

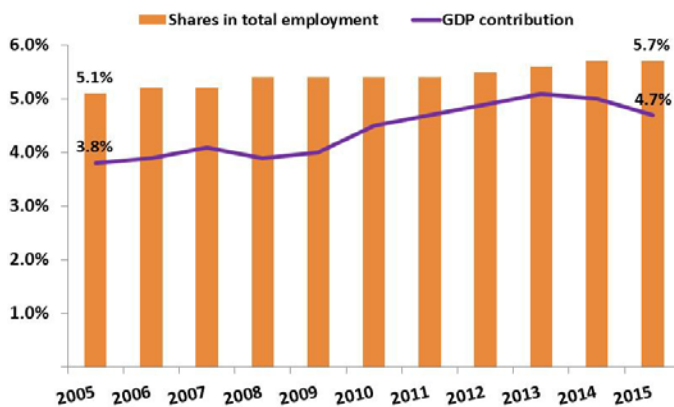
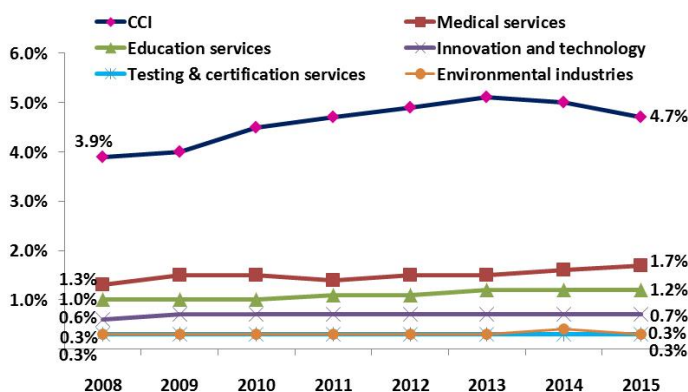


Figure 3 – GDP contribution of the Six Industries



Highlights

- In Hong Kong, the cultural and creative industries ("CCI") comprise a set of knowledge-based activities that make use of creativity and intellectual capital in producing goods and services with cultural, artistic and creative contents. Specifically, CCI encompassed 11 segments with about 41 320 industry-related establishments in 2015 (**Figure 1**).

- The economic contribution of CCI can be measured by the value added generated. During 2005-2015, the value added of CCI increased by an average annual rate of 7.6%, faster than the 5.4% average growth of nominal Gross Domestic Product ("GDP") during the same period. Accordingly, the value added of CCI as a percentage of GDP increased from 3.8% in 2005 to 4.7% in 2015 (**Figure 2**).

- As another indicator of its economic contribution, employment in CCI increased by an annual average of 2.2% during 2005-2015 and reached 213 880 persons in 2015. The increase was faster than the average annual growth rate of the total employment in Hong Kong, at 1.2%. This resulted in the increase in the share of CCI in total employment from 5.1% in 2005 to 5.7% in 2015 (**Figure 2**).

- The economic contribution of CCI has been the largest among the Six Industries, which were identified in the 2009 Policy Address where Hong Kong has clear advantages for diversifying the local economic structure (**Figure 3**). It is even comparable to that of the tourism industry, one of the four pillar industries in Hong Kong, which generated value added equivalent to 5% of GDP and employed 266 500 persons in 2015.

Hong Kong's cultural and creative industries (cont'd)

Figure 4 – Individual component domains as a percentage of total value added (2015)

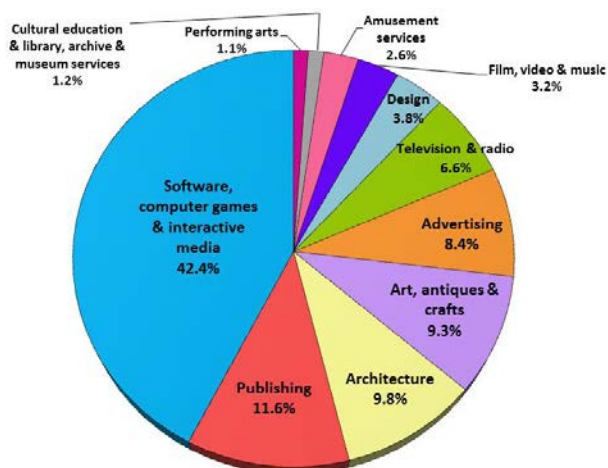


Figure 5 – Growth of individual component domains

Component domains	Value added (HK\$ million)		Average annual growth
	2005	2015	2005-2015
Design	1,001	4,146	15.3%
Architecture	3,161	10,724	13.0%
Amusement services	904	2,840	12.1%
Software, computer games & interactive media	16,508	46,141	10.8%
Art, antiques & crafts	4,223	10,157	9.2%
Advertising	3,869	9,182	9.0%
Performing arts	661	1,196	6.1%
Film, video & music	2,243	3,469	4.5%
Television & radio	5,543	7,174	2.6%
Publishing	14,145	12,602	-1.1%
Cultural education & library, archive & museum services	-	1,289	-
Overall	52,258	108,920	7.6%

Figure 6 – CCI manpower requirements[^]

Education level	Manpower requirements		Projected change
	Actual no. (2011)	Projected no. (2022)	(2011-2022)
Lower secondary & below	26 200	18 500	-7 800
Upper secondary	61 300	59 600	-1 700
Diploma	11 400	15 100	+3 700
Sub-degree	16 500	22 100	+5 600
First-degree	64 800	87 800	+23 000
Post-graduate	16 800	24 000	+7 200
All levels	197 100	227 200	+30 100

Note: (^) Individual figures may not add up to the totals due to rounding.

Highlights

- Nevertheless, the development of CCI is not without challenges and constraints, as it has been concentrated on a few component domains. Among the 11 component domains of CCI, the domains of (a) software, computer games and interactive media; (b) publishing; (c) architecture; and (d) art, antiques and crafts accounted for 73% of the total value added of CCI in 2015 (**Figure 4**).
- In addition, the performance of individual component domains also varied markedly over the past decade. While some component domains grew impressively with double-digit annual growth (e.g. design and architecture) (**Figure 5**), there were still others which recorded below-average sluggish growth (e.g. television and radio) during 2005-2015. Worse still, the value added of the publishing domain (the second largest component domain of CCI) even declined during the period.
- The projected manpower demand for CCI will be 227 200 in 2022, representing an increase of 30 100 from 2011 to 2022 (**Figure 6**). The increase would lean towards the better-educated with post-graduate, first-degree or sub-degree qualifications. This is generally in line with the projected manpower supply from graduates of CCI-related disciplines in the years ahead. In order to attract and retain local talents, post-school incubation with the necessary training support remains important for the long-term sustainability of CCI.

Data sources: Latest data from the Labour and Welfare Bureau and the Census and Statistics Department.

Research Office
Information Services Division
Legislative Council Secretariat
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Tel: 2871 2122

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