

Presentation to the Finance Committee of Legislative Council
by the Secretary for Home Affairs
on 27 March 2003 at 4:45 pm

Mr Chairman,

Introduction

The Home Affairs Bureau (HAB) oversees a wide range of policy responsibilities including arts, culture and sports, community building and youth development, and the rights of the individual. It steers the work of Home Affairs Department and Leisure and Cultural Services Department whilst facilitating the work of many non-governmental organizations under its purview with the aim to improving the quality of life of people in Hong Kong and building a vibrant, caring and harmonious community. Owing to the constraint of time, I will specifically talk about several subjects which are our priority areas in the new financial year. The subjects include gambling, creative industries, private sector participation in leisure and cultural services projects, and local community economy.

Gambling

2. Last November, we announced the decision to authorize football betting in Hong Kong as a means to combat the illegal football gambling problem. We plan to grant a licence to the Hong Kong Jockey Club to operate football betting for an initial period of five years. In the budget speech of the Financial Secretary, he has also announced that an agreement has been reached between the Government and the Jockey Club that the betting duty rate for football betting would be set at 50% of the gross profit. On the assumption that the annual

turnover for authorized football betting is \$30 billion, it is estimated that this would bring about \$1.5 billion of additional recurrent revenue for the Government each year. We are now finalizing the relevant enabling legislation and plan to introduce a bill into this Council next month. We hope that the authorized football betting could be implemented in August this year.

3. The main objective of authorization of football betting is to combat illegal gambling activities. There has been a persistent and large demand for football betting in Hong Kong and the authorization of football betting could divert the demand for illegal gambling into authorized channel. This could reduce the financial resources for triad activities and therefore alleviate the law and order problem associated with illegal gambling; and since there are measures such as prohibition of credit betting and underage betting for authorized football betting, the new policy could also alleviate the problems associated with illegal gambling.

4. This year, we would also implement preventive and remedial measures for gambling-related problems. We believe the best way to tackle such problem starts with prevention. In this connection, we will launch a public education campaign to enhance public understanding about the nature of gambling and how to prevent the problems associated with gambling. We will also launch an education campaign targeting the adolescents to enhance the understanding of young people, school students, teachers and parents of nature and inherent risk of gambling and learn how to exercise self-control. We will also invite universities to conduct gambling-related research. To assist those who are already facing gambling-related problems, we also plan to provide counseling and treatment services for problem and pathological gamblers in cooperation with non-governmental organizations. The Hong Kong Jockey Club has already agreed to

contribute \$24 million for setting up a dedicated fund for implementing these preventive and remedial measures during the next two years.

Creative Industries

5. Hong Kong is an open society with free-flow of talents, information and capital, and good record in enforcement of intellectual property rights. Our infrastructure is well placed to support the further growth of creative industries in Hong Kong.

6. The Government's role in the promotion of creative industries is mainly in improving the business environment and encouraging investment. We plan to—

- organize focused groups to meet people in the creative sectors to see in what ways they could make their work commercially more viable;
- conduct basic business mapping for the trade in general. The Central Policy Unit is already doing it and the interim report will come out shortly;
- promote the products of creative industries by organizing exhibitions and granting awards;
- provide a platform to bring creative people and investors together, so they can react in an open platform;
- encourage Chambers of Commerce to consider whether venture capital can be provided to certain trades;

- examine the offer of vacant factory buildings for creative workshops, to create a clustering effect to establish a critical mass for a certain creative trade; and
- consider pooling the training resources together to see if we need to upgrade or reorganize our artistic training.

Private Sector Participation in Leisure and Cultural Services Projects

7. We will be inviting the private sector to participate in the development of leisure and cultural facilities. We hope that the initiative will expedite the delivery of these projects, and enable us to tap the creative ideas of the private sector in the design, and their expertise in the construction and management of these facilities. We would also welcome private sector financing of these projects where appropriate. We hope that the Private Sector Involvement approach would not only promote business through new opportunities for the private sector, but also reduce the costs of design, construction and operation of these facilities.

8. We have selected about 10 pilot projects, with an estimated total construction cost of about \$2.5 billion. These projects include facilities such as parks and playgrounds, soccer pitches and sports centers. We are actively consulting the relevant bureaux and departments on this new approach, and should be able to announce the details in about 2-3 months' time.

Local Community Economy

9. In early 2002, Government pledged to promote the development of the local community economy (LCE) with a view to stimulating domestic

consumption and creating job opportunities. Through the concerted efforts of the community, we have already implemented a number of LCE initiatives proposed by the community, including a gala point, a temporary bazaar, a computer festival, arts corners, promenades, alfresco dining and recreational fishing in mariculture areas. Such initiatives also highlight district characteristics and provide the public with more choices for entertainment.

10. In the coming year, we will step up efforts to promote the development of LCE and continue to assume the role of a facilitator. We will launch a variety of new LCE initiatives, including Sha Tin Park Revelry and park-to-park bicycle ride from Sha Tin to Tai Po, enhancement and clustering of attractions in Sheung Wan, promotion of beach activities and water sports on the five beaches in Tuen Mun, revitalisation of Lau Fau Shan, etc. To enhance publicity, we will promote LCE through different media channels and provide local residents and tourists alike with information on interesting places to go. In this regard, we have earmarked \$2 million for implementation of a series of territory-side LCE marketing campaign. We believe that the promotion of LCE will not only stimulate domestic economy, but will also lift community mood and enhance people's understanding of Hong Kong, thus strengthening their sense of belonging.

Conclusion

11. Mr Chairman, I have just briefly gone through the several major tasks of HAB and its departments in the coming year. My colleagues and I will be pleased to answer any questions Members may have on these or other areas of our work. Thank you.