



**SUBMISSION
BY THE
HONG KONG MARITIME MUSEUM**

to

**THE HOME AFFAIRS PANEL
OF THE
LEGISLATIVE COUNCIL OF THE HKSAR**

11th January, 2008

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Shanghai's **National Maritime Museum**...is set to open in September 2009. The museum is part of the city's plan to build itself into an international shipping center. ...Shanghai was the first city in the country to develop a modern shipping industry. It is already a world-class international shipping hub. The 500 million yuan (64.7 million U.S. dollars) museum...will be divided into five halls and 12 zones. A theater is also in the plan.”¹

“Genoa’s **Galata Maritime Museum** will design and set up China’s first national maritime museum in Shanghai in collaboration with two Genovese architectural studios. A joint project submitted by the museum, Finenco Architects (with offices in Genoa and Shanghai) and Rosselli Architects (with offices in Genoa) has won an invitation-only international competition for the project.”²



“Friday's successful salvage of a porcelain-laden ship, which sank 800 years ago off the southern China coast, will help fill a blank in Chinese underwater archaeological history, experts say. The wooden wreck, 30.4 metres long and 9.8 metres wide, which dates to the early Southern Song dynasty, has been named the Nanhai No1 or "South China Sea No1" by archaeologists.

It will be placed in a tailor-made glass-walled pool in the **Silk Road on the Sea Museum** in Yangjiang, Guangdong province, where temperature, pressure and other environmental conditions will replicate those at the site from where it was uplifted in a massive steel cradle by crane.

The State Council approved the Nanhai No1 salvage plan last year. The Ministry of Finance and Guangdong's provincial government have allocated almost 300 million yuan to the project, including 160 million yuan for the museum's construction.”³



“The keynote welcoming speech (to the XIIIth International Congress of Maritime Museums Conference) given today by Malta’s Minister of Tourism noted, inter alia, that the **Malta Maritime Museum**, founded in 1988 and now housed in a government provided heritage building on the waterfront of Grand Harbour, is to be the focus of a major additional funding. This is because, as the Minister said, the sea is at the heart of Malta’s story yesterday and today and will continue to be tomorrow. It is thus a critical part of Malta’s identity and ‘cannot and must not be neglected’.”⁴

¹ China Economic Net, http://en.ce.cn/National/culture/200704/13/t20070413_11027374.shtml

² http://www.demaniore.com/opencms/opencms/eng_demaniore/homePageSezione/attualita/news/home/DM01-1195033299287.html?breadCrumb=News%20in%20Detail

³ Minnie Chan, *South China Morning Post*, 23rd December, 2007

⁴ HKMM to the Government Property Agency, Government of the Hong Kong Special Administrative Region, Tuesday, October 9th, 2007

1. THE MISSION OF HKMM

1.1 The Hong Kong Maritime Museum's mission is explicitly stated in our website and in our Office Manual⁵. It reads:

With particular reference to the South China coast and adjacent seas and to the growth of Hong Kong as a major port and shipping centre, the Museum aims to stimulate public interest in the world of ships and the sea. In its galleries it seeks to inform and entertain local and overseas visitors. It highlights major developments in and cross-fertilization between Chinese, Asian and Western naval architecture, maritime trade and exploration, and naval warfare through the centuries.

1.2 The Museum was founded to fulfil this mission on the initiative of the international shipping community in Hong Kong. This initiative was undertaken because, despite suggestions to government for a maritime museum over many years, nothing had happened. The absence of a coherent cultural policy is probably the explanation for this. As the briefest consideration will indicate, any comprehensive review of an appropriate museums mix for an international port city like Hong Kong would inevitably have recommended the creation of a maritime museum. The result of this policy vacuum left Hong Kong uniquely disadvantaged amongst the world's great port cities – hence the initiative of the international shipping community to create the gift for our community that was missing at the heart of our museums world.



1.3 Put simply, we can say that Hong Kong's maritime past is Hong Kong. Few parts of the history of our territory are untouched by the maritime story of which we are all parts. It is the HKMM's rough rule of thumb that two in every three Hong Kong citizens have a direct connection with the sea within two degrees of separation. It is unlikely that the people of any other equivalent territory in the world have so many and so close ties to the sea, ships and port operations. Government statistics disguise this economically and socially crucial fact in a number of ways. A typical example would be how most employees in the shipping industry are effectively omitted from any global accounting of the 'maritime sector'⁶.

1.4 It follows, therefore, that the heart of any 'Hong Kong Story' is the story of what at HKMM we call 'the view from the sea'. For lack of a properly formulated cultural policy by government, this central and fascinating narrative, which simultaneously links Hong Kong into the history of China and the history of China to the

⁵ See www.hkmaritimemuseum.org and Hong Kong Maritime Museum, *Museum and Office Policy & Procedures Manual*, Hong Kong: Hong Kong Maritime Museum, 2006, 81pp., available from the HKMM.

⁶ Many employees, although they work for shipping companies and, if the company did not exist would not have a job, are identified as employed in the IT, accounting, office administration and similar 'sectors'. For any shipping company with, say 100 employees, it follows that government statistics may well show only 10 or so working in the 'shipping sector'. The result is a gross underestimate of the social and economic importance of the shipping world to Hong Kong.

histories of all the other countries with which it has had maritime trading links, has hitherto been, if not ignored, then relegated to a minor aside in the museums of Hong Kong:

1.5 It is HKMM's view that by the time our museum was founded in 2005, on the initiative of the territory's international shipping industry, a maritime museum for Hong Kong was more than merely overdue. The absence of one a generation ago represented a tragically missed opportunity. The result of this delay has been:

- ✱ In the rapid development of the city, Hong Kong's maritime heritage – built, documentary and floating – has largely been lost, sold elsewhere or destroyed
- ✱ in the absence of a maritime museum to act as its guardian and custodian, most of what has not been destroyed has been dispersed to public and private collections overseas⁷
- ✱ without a maritime museum like HKMM, what is left or can be recovered would have been ignored. The HKMM is dedicated, where finances allow, to the important mission of recovery⁸
- ✱ even with HKMM, without adequate funding more of our precious maritime heritage will continue to be lost or sold out of the territory
- ✱ with adequate support, primarily because it is ideally placed to act as the bridge between the wider community of maritime museums and the nascent world of China's maritime museums, HKMM has a chance to be the leading maritime museum in China focused on overseas trade and its effects on China's indigenous maritime world.

1.6 It is HKMM's contention that Hong Kong cannot sensibly claim to be 'Asia's World City' whilst, unlike every equivalent port city in the rest of the world, it has no maritime museum. We believe that HKMM now has a proven track record not only in operating our maritime museum to match international norms, but in establishing it as a focus for quality research in Hong Kong and regional maritime history – a hitherto sorely neglected subject area in Hong Kong.

⁷ In the course of the 1980s, around 20 indigenous craft from the south China coast and Vietnam, in the possession by the Hong Kong government to whom they had been surrendered, were shipped free to the collection of the International Sailing Craft Association in Britain. This unique and today irreplaceable collection of heritage craft – now seriously deteriorating in Britain for want of properly funded, expert conservation – could have been a Hong Kong treasure.

⁸ The museum collection now numbers some 3,000 items of Hong Kong and Chinese maritime heritage. Thanks to a Lord Wilson Heritage Trust grant, the HKMM has managed to buy for the public to see and scholars to consult, several of the earliest modern nautical charts of local waters – pioneering documents in the history of hydrography in China. Our Qing Dynasty scroll, *Pacifying the South China Sea* is a recognized masterpiece chronicling one of the most significant episodes in Hong Kong's maritime story.

2. PREMISES AND LOCATION

2.1 For any museum to prosper, in addition to good governance and organization (see 5 below) and adequate funding (see 6 below), there are two additional and indispensable desiderata:

- ★ Sufficiently spacious and flexible premises
- ★ A fitting location

2.2 Any museum must have sufficient gallery space to tell its story and exhibit the most significant parts of its collection. For example *The Hong Kong Story* in the Hong Kong Museum of History occupies 7,000 m² of gallery space.

2.2.1 Maritime Museum premises have a particular need for spacious premises. That is because they must be able to accommodate large exhibits. For example the HKMM has recently been offered and has accepted (for display at a later date) a late 19th century, clinker built coxed rowing four made for use by foreign oarsmen in Shanghai and brought to Hong Kong in c.1950. It is an integral part of the history of rowing in China and Hong Kong – now a significant participant water sport – and of rowing as both a national and an international sport⁹. However, craft of this type are approximately 12m long and measure some 2m in total width – it follows that to exhibit this fabulous craft in HKMM, we need plenty of space.

2.2.2 The present galleries total 500m², each gallery being a mere 23m long by 10.5m wide with approx. 3m ceiling heights. No maritime museum in the world of a port city equivalent to Hong Kong has a space so derisory for telling its story. The Shanghai National Maritime Museum is to have 20,000m² of gallery space. The Barcelona Maritime Museum has 10,000m².

2.2.3 The HKMM needs at least four times the present gallery area to be able adequately to tell Hong Kong's fascinating and important maritime story and, ideally, at least ten times the area.

2.3 Not only must the museum's physical space be sufficient to the task of exhibiting the collection, it must also be able both to discharge that task and meet the other needs of a well-run museum. These include:

- ☞ Office accommodation for the museum's administration
- ☞ Accommodation for the museum library (already some 350 volumes and growing)
- ☞ Storage (usually >20% of the total available area)¹⁰
- ☞ Additional gallery space for special exhibitions
- ☞ Space for hiring out as an event venue to enhance revenue
- ☞ Space for a museum shop
- ☞ Space for a museum café
- ☞ Room nearby for future expansion

2.4 A maritime museum not only needs spacious and flexible premises. It needs them in the appropriate location. A review of the world's major maritime museums, especially in port cities of Hong Kong's eminence, shows that they are almost all on or very close to the heart of historic harbours in or close to the heart of the historic city. Attachment 1 provides a list of such museums. It follows that the Hong Kong Maritime Museum should be on the waterfront of Victoria Harbour.

2.4.1 The same review of other maritime museums¹¹ also indicates that the overwhelming majority have been provided with their premises, often in heritage buildings, at zero or nugatory cost. The statement of the Maltese government quoted in the epigraph to this submission is indicative of the prevailing sentiment in other societies.

⁹ It is a technically and historically important hull in that in the period when it was first built competitive rowing shells were ceasing to be clinker built and moving towards the modern, smooth surfaced carvel shell construction.

¹⁰ At HKMM, in the context of land in Hong Kong and without the privilege of government to arrogate to itself what it will, we recognize that realism must conquer and that on-site storage will have to be confined to what is needed for the temporary movement of exhibits connected with special exhibitions and changes to the permanent display. Adequate storage for much of the collection will have to be off-site in inexpensive, rented flatbed factory/godown premises.

¹¹ See also section 6 and attachment 4

2.5 In the light of that argument, HKMM has proposed to the Government Property Agency that it be granted the vacant spaces in Pier 8, Star Ferry Piers, which total approximately 2,400m², or some 4.5 times the total space of the present museum galleries, office and Museum Shop. The elements of this proposal¹² are:

2.5.1 That HKMM be permitted to convert the vacant spaces of Pier 8 to museum use, the premises to be provided either as an outright grant, or on a lease sufficiently long to permit effective long term strategic planning (see on this matter also 5.6 below). Our proposal is for a 50 year lease.

2.5.2 We have also proposed that these premises, if not granted outright, be made available free of rent or at a peppercorn rent

2.5.3 In line with government treatment of government museums, and to ensure that there is a level playing field in the provision of museums in Hong Kong¹³, we have proposed that the premises be either exempt from property rates, or that the rateable value be assessed differently to commercial premises¹⁴.

2.5.4 It is our hope that in the future, when pressure on the space afforded by Pier 8 premises grows acute – as it assuredly will – government will be well-disposed to an application for expansion in the immediate area, for we believe that a maritime museum at Pier 8 will occupy an iconic position not only in general terms, but also in relation to the Central Waterfront Development at present in progress.

2.6 Enlarging on the last point, HKMM believes that its incorporation in the Central Waterfront Development will accord to that development a readily accessible, people-friendly, intensely relevant cultural component hitherto lacking in outline plans for the project. More to the point, it connects directly and pertinently to the vision statements of Government and the Town Planning Board with respect to plans for the Central Waterfront development¹⁵. The Hon Rita Lau's speech in September 2005 makes this plain¹⁶:

"To (preserve the inner harbour core for community, recreation, cultural, leisure and tourism use), we will need to build up a strong concentration of attractions such as public places, promenades and recreation facilities to enable people activities to be generated and they should have priority over other uses with top quality design treatment accorded."

2.6.1 HKMM at the new location will also be a significant focus at the western end of the new Central Waterfront development providing added value both to the presently rather isolated, ugly and overlooked central ferry piers complex and to the Central Waterfront. It will thus offer a useful counterpoise to developments in Tsim Sha Tsui and help give Hong Kong Island's Central District the major museum it has hitherto entirely lacked.

2.6.2 Perhaps as important, given that it will be some years before the Central Waterfront is complete, if the HKMM is able to move to Pier 8 on the expiry of the lease on its present premises at the end of August 2010 or earlier if possible, its presence on the waterfront as that is taking shape will do much to help create favourable public attitudes to the development.

¹² The full proposal appears as attachment 2 to this submission.

¹³ Without which no intelligent prospective operator of an independent museum in Hong Kong would be likely to deem it worth proceeding unless funding was sufficiently lavish to redress whatever imbalance the 'tilting' of the playing field had occasioned.

¹⁴ Part of the regulatory matters reviewed in section 5 below would entail revision of the present regulations governing rating and valuation, specifically an addition to Cap 116, *Rating Ordinance*, sect.36, *Exemption of certain tenements from assessment*, para. (1). Although paras (2) and (3) already give the Chief Executive discretionary power to exempt premises, our experience thus far in applying for such an exemption has been for the application to be immediately rejected. It is, in any case, a mistake to leave such matters to the uncertainties of executive discretion. If there is a policy to encourage independent museums, then their exemption from rates should be statutory (as is in any case true for museums and libraries in Housing Authority premises (sect. (2) (h) refers)).

¹⁵ the statement as it appears in Annex 1 of the Panel on Planning and Work of the Legislative Council of the HKSAR, 24th February, 2000 at <http://www.legco.gov.hk/yr99-00/english/panels/plw/papers/a991e04.pdf>, runs: "To make Victoria Harbour attractive, vibrant, accessible and symbolic of Hong Kong - a harbour for the people and a harbour of life." Of the six stated goal envisioned two – "3. To enhance the Harbour as a unique attraction for our people and tourists..." and "4. To create a quality harbour-front through encouraging innovative building design and a variety of tourist, retail, leisure and recreational activities, and providing an integrated network of open space and pedestrian links..." – are obviously goals that HKMM at Pier 8 goes far to meet.

¹⁶ see <http://www.devb-plb.gov.hk/eng/press/2005/200509210173.htm>

3. THE ISSUES

3.1 The urgent issues that confront the Hong Kong Maritime Museum are two:



Long term viability. This entails:



Permanent, larger premises in a viable location with room for expansion



Capital funding assistance for equipping and converting the premises



Financial assistance in meeting the long term shortfall between income and costs



The timeline to closure if we cease being viable

3.2 These two issues are intimately linked. If we do not find a solution to the first the second will immediately begin. It will begin because with no clear future, staff morale will collapse, resignations will follow and the recruitment of replacements will be impossible.

3.3 In any case, with no long term future and commensurate funding, the mismatch between HKMM staff levels and salaries will rapidly widen. The productivity we demand, given our high output levels and the low staff numbers we can afford, means already that a job change into the government sector means very much less stress for >20% more pay! These will become increasingly acute problems as the West Kowloon development gathers momentum and demand for qualified museum professionals increases. Our uncertain future is the slow poison that makes closure more probable the longer we have no permanent home or solid financial basis¹⁷.

3.3 It should therefore be clear that for HKMM deciding when to cease operations has two foci:



HKMM Trust's concerns about available funds



HKMM Ltd decision on the lease on our present, temporary premises

3.4 FUNDS

3.4.1 The HKMM manages at present to meet international benchmarks in recovering 20-25% of its costs from operating revenue despite being sited remote from Hong Kong's population and tourism hearts and in sub-optimal premises. Notwithstanding this excellent performance the museum loses approximately HK\$3.5 million each year. Two successful rounds of fund-raising built and equipped the museum, and *ceteris paribus* would allow the present scale of operations to continue until the end of 2012. However, things will not remain equal. In the absence of a secure future declining staff morale will reduce operational viability to at least 12 months less than financial sustainability.

3.4.2 Our major benefactors, the international shipping community, have two problems.

- First, their industry is beginning to show signs of a softening in the present business cycle. Because of the economics of the industry, at this stage in the cycle prudent managers are husbanding resources in order to outlast any potential downturn. It follows that whilst HKMM may look to them for some modest further assistance, this should not be expected to be of an equivalent munificence as in the first two fund-raising rounds.
- Second, and in any case, given the specific context of Hong Kong, it is hard to convince potential donors of the survivability and credibility of a museum if there is no evident government financial support¹⁸.

It follows from the first point that we cannot hope for another, major successful fund-raising effort at any time in the next 5-7 years. It follows from the second that even at that point, without backing by government, the international shipping community is likely to conclude (as some first round donors already have) that there is no point throwing good money after bad.



3.4.3 Accepting this, at its last meeting on 10th December 2007, the HKMM Trust declared that without additional support, the moment when it would feel obliged to declare itself unable to continue funding the museum to be 31st December 2011. Should the board of HKMM Ltd on that date be unable to assure the

¹⁷ The more HKMM feels the pressure to match government salaries and perks, the higher our gross salary package (already the largest component of our expenditure) and, hence, the shorter the life of our existing funds.

¹⁸ No government support means that government does not think the institution and its mission to be of public, community-wide significance but ONLY, as it were, a 'private' matter of narrow, sectoral interest.

HKMM Trust that a way forward had been found then the Board will be instructed forthwith to wind-up HKMM Ltd.

3.4.4 Given the 2012 date in 1.4.1 above, in theory this 31.12.11 date would leave the museum 6 months to arrange disposal of the collection and 6 months to prepare whatever museum premises there then may be for return to the landlord in accord with the terms of any lease then current. However, in practice the museum's viability is much less than this for two reasons:



-  Premises
-  Staff morale

3.5 PREMISES & STAFF

3.5.1 The Board of Directors of HKMM Ltd, aware of the Trust's judgment on funding, has accordingly had to focus on whether the museum will continue to be viable until 31st December 2011 and for up to twelve months thereafter. A key issue is whether we can be assured of premises and of an operationally viable museum until that date. In addition, given the terms of the present lease, can we continue in Murray House?

3.5.2 The lease on our present premises in Murray House expires on 31st August 2010. At that date, unless an extension has been agreed, the terms of our tenancy agreement require us to 'deliver up vacant possession of the Premises to the Landlord together with all the Landlord's fixtures and fittings therein in good and tenable condition...' There is no grace period. Preparing the present premises ready for handing over to the landlord is, in the view of HKMM management, a matter of between three and six months. Before that however, since the preparation entails the destruction of the gallery furniture, the present collection will need to be relocated, which means the museum would have to close for business at the latest by May 2010.




3.5.3 The critical immediate questions for the HKMM Ltd board are thus two:

-  Whether to renew the lease
-  Whether our landlord (The Link Management Co. Ltd.) will wish to renew the lease and if so, on what terms

3.5.4 The dominant question before the HKMM Ltd board, supposing The Link is disposed to continue accommodating us (see 3.5.6), is thus whether extending our occupancy of Murray House makes sense. ***The board's view is that it will ONLY make sense if there is a clear and guaranteed future for the museum and the collection.*** In default of such a future, the consensus is that the best recourse will be to seek alternative storage for the collection as of 31.08.10 whilst reducing the staff to the few senior members needed to maintain the collection until, on 31.12.11 the Trust gives instruction to wind the museum up.

3.5.5 If there is no guaranteed future, then given the maximum of 6 months required for relocating the collection and preparing the galleries for vacant possession a final decision on the present lease will need to be made >12 months BEFORE it expires. Conservatively it follows that without a guaranteed future for the museum, in May 2009 the board of HKMM Ltd. will have no option but to decide to commend to HKMM Trust at its June 2009 meeting that NO extension of the lease be sought. This would begin a more or less protracted process of closure.

3.5.6 The decision not to extend the present lease may ***in any case*** be forced on HKMM should The Link decide ANY of the following:

-  that in the interests of its shareholders, it should put the ground floor of Murray House to more profitable use
-  that given the HKMM's uncertain future, it was in the interests of its shareholders to seek a more reliable long term tenant
-  that ***EVEN IF*** the HKMM is assured of its future, it is not in the interests of its shareholders to agree to a short (1-2 year) extension of the present lease

3.5.7 It follows that whichever course of action seems most prudent given conditions in mid 2009, there is a high probability that at that point, unless an unequivocal and concrete future has opened up for the museum, HKMM will begin its more or less protracted death throes – a bold initiative that has failed.

3.6 TIMELINE

A summary of this complex set of closely interlinked decisions and, depending on the major imponderables of a future permanent home and funding, where they may lead when, is all but impossible to show in succinct and

comprehensible form. Briefly we can say that if no decision on a permanent new home and the means of funding and operating it is made by spring 2009, the following will apply:

Date	Action
May 2009	HKMM board of directors decides to recommend to HKMM Trust that Murray House lease is not renewed and that the collection should be moved into storage with a skeleton staff as of 31.08.10
Jun 2009	HKMM Trust meets and endorses HKMM Ltd decision – <i>a major crisis in staff morale and hence the actual viability of the museum will inevitably follow this decision</i>
Autumn 2009	HKMM Ltd. seeks temporary storage for collection
March 2010	Final contractual date for all bar skeleton members of professional staff to be given notice
April 2010	Museum Shop closing down sale
May 2010	HKMM Ltd releases most staff, closes museum and moves collection to new, temporary storage
Jun-Aug 2010	Murray House premises restored to original condition
31.8.10-31.12.11	HKMM 'in limbo', in theory revivable if a permanent home is secured
31.12.11	HKMM Trust gives instructions to wind up HKMM Ltd and dispose of collection
1.1.12-30.6.12	Collection returned to donors/lenders, transferred or sold.
c.30.6.12	HKMM Ltd winding up proceedings complete, all staff redundant
Post 30.6.12	HKMM Trust dissolved

Table 1: Timeline for closure of HKMM

3.7 SUMMARY

If it is not to suffer a critical collapse of confidence, with all the concomitant effects on staff morale and hence the museum's dynamism and business performance, HKMM Ltd needs to know that it has a guaranteed future at the latest by May 2009 – that is, within 18 months. Table 1 shows that there is *in principle* some 'fudge' room during the last half of 2010 and 2011 when the collection and a nucleus of professional staff will theoretically still exist. However, the loss of 'brand image', confidence and many other unquantifiable benefits of an actually operating museum will follow immediately on closure of the public galleries, if not well beforehand, with the loss steadily harder to recover as the months go by.

We are of course sensible that this is an unconscionably short time for government action. After all, 7 years have already passed since the issue of improved governance of the government museums was first raised and a further 5 years, possibly more, are expected to pass before any significant results are expected.

Meanwhile, the question of effective policy on independent museums has been deferred, perhaps to be considered once the matter of the government museums has been resolved.

In the harsher world of the private sector, we do not have the government's privileged luxury of taking half a generation and more to act. For those not insulated from the normal business cycle a period two years longer than such a cycle can literally be longer than a lifetime!

In 18 months time – that is, in May 2009 – if government has declared explicitly or by default that Hong Kong's maritime story is not of public significance and does not merit concrete public support, the future of our museum will have been decided.

4. REGULATORY FRAMEWORK

4.1 HKMM recognizes that for it to be accepted as a viable, properly run, publicly accountable museum, more than our present track record of efficient, cost-effective and responsible management is expected. We recognize that, in concert with most communities in the developed world, a society's museums, HKMM amongst them, should expect to fall within the ambit of a well-designed regulatory framework preferably administered by the museums community for itself.





4.2 At present Hong Kong has no such framework, save insofar as the matter is loosely covered by the relevant legislation covering the government museums¹⁹. There is nothing equivalent to the national museums' organizations in places like Europe, USA, Canada and Australia²⁰, nor is there a general policy and regulatory framework provided by national accreditation systems and specific legislation.

4.3 HKMM recognizes that it is to the general advantage of Hong Kong and HKMM that there should be an effective museums policy in Hong Kong embracing both government and independent museums.

4.4 To this end, although it lay outside the strict remit of the Committee on Museums, HKMM submitted a proposal on how we considered an existing Hong Kong institutional model could be adapted to the needs of:

- ✓ Both the museums and heritage sector, whether government or independent.
- ✓ Formulating and subsequently keeping under review an effective museums and heritage policy

4.5 Our suggestion was thought to be too difficult to implement – though this view was unsupported by any substantial reasoning²¹. Our suggested model – based on the tested model of the University Grants Committee – forms Attachment 3 to this submission²². We feel such a body could and should act as a forum for:

-  Decisions as to the preferred museum 'mix' in Hong Kong and hence the strategic aims of government cultural policy, without such arrangements being intended to be or being seen as in any way to be denying or circumscribing private museum initiatives otherwise consonant with the law
-  The creation of an internationally recognized and moderated regulatory framework for the museums sector in Hong Kong including a territory wide accreditation system establishing expected minimum operational standards – preferably voluntary rather than compulsory²³.
-  The allocation of public funds, where available, amongst recognized museums in Hong Kong
-  Centralized museums' service units (for example in conservation, a union catalogue of HK museums' heritage, etc.)²⁴

¹⁹ See Cap 132, *Public Health and Municipal Services Ordinance*.

²⁰ The British Museums Association (www.museumsassociation.org) and Association of Independent Museums (www.aim-museums.co.uk), the USA's American Association of Museums (www.aam-us.org), the Small Museums Association (www.smallmuseum.org), the related Independent Sector (www.independentsector.org an all embracing organization forming a common cause group of charitable organizations) and various State museums' associations, the Network of European Museums Organizations (www.ne-mo.org) and the European Museums' Forum (www.emya.org), as well as the various European national equivalents. See also Museums Australia (www.museumsaustralia.org.au) and the Canadian Museums Association (www.museums.ca) for the Australian and Canadian equivalents

²¹ See *Recommendation Report*, Appendix 14, sub-section E, paras. 15-17 where the totality of the argument such as it is comes down to the unsupported assertion that the proposal would entail a 'huge amount of resources, both in terms of time and cost'. And this, one notes, in a report which seems otherwise happy with a timetable of at least 5 years for any sort of reform at all; five years, furthermore, additional to the more than 7 years that had elapsed since the matter of the reform of museums governance in Hong Kong had first become part of the government's agenda!

²² It should be noted that this submission was written in late 2006 before HKMM research had analysed the shortcomings of a naïve public/private dichotomy in the categorization of museums, hence the terminology used lacked the precision we have now learned to be the wiser course.

²³ That is, museums that felt that in funding or governance terms they could stand alone could choose not to bother with accreditation (a common enough state of affairs in UK and USA), those wishing for government support could reasonably be required to meet minimum accreditation standards.

²⁴ A nation wide conservation network servicing all of Canada's 2,500 museums is, for example, a feature of the Canadian Museums Association's recommendations for national museums' policy, building on the existing Canadian Conservation Institute (see http://www.cci-icc.gc.ca/about-cci/who-we-are/index_e.aspx). For the proposal see *Museums for tomorrow*, Canadian Museums Association, May 2006 (<http://www.museums.ca/media/Pdf/muspol.pdf>) and *The need for a new Canadian museums policy*, Brief to the Standing Committee on Canadian Heritage, 20th June 2006, (http://www.museums.ca/media/Pdf/cma_brief_june_2006final.pdf), p.6.

4.6 Where the supervision and auditing of standards via an accreditation system is concerned, we are wholly in favour of such a system. Our review of the existing accreditation systems at present in operation in the United Kingdom and the USA, and proposed for Australia²⁵, leaves us confident that HKMM could satisfy their requirements with the sole exception – to which much of the rest of this submission is addressed – of our inability to formulate effective forward strategic planning because we have neither security of tenure in our premises nor security of funding²⁶.

That said we are *strongly* of the following views:

- ✍ That any such system in Hong Kong should **NOT** be devised and administered solely by or under the exclusive aegis of the Leisure and Cultural Services Department or the Home Affairs Bureau.
- ✍ That any such system in Hong Kong should apply EQUALLY to ALL museums in the territory, government and independent alike. There should be no privileged enclaves²⁷.
- ✍ That any such system should establish MINIMUM criteria for a museum to be accredited and that these criteria should be realistically devised and flexibly and intelligently applied.
- ✍ That any accreditation system should NOT be used as a tool of bureaucratic control, with the inevitable corollaries of excessive red tape and the system acting as a brake on creativity, adaptability and innovation, as well as running the perennial risk of being seen as an infringement of curatorial independence²⁸.

To our mind the need for an effective, independent, internationally acceptable (and internationally moderated) accreditation system is a further strong argument for the type of overarching museums supervisory and policy authority, independent of direct government control, advocated in Attachment 3.

4.7 HKMM also accepts the need for a clear statement in any government museums policy as to what are and what are not acceptable legal governance models for independent museums. As matters stand, at least the following models would appear to exist:

- 4.7.1 a charitable Trust of a public character and company limited by guarantee (no HK example)
- 4.7.2 a charitable Trust of a public character and company with limited liability owned by the charitable trust (e.g. the Hong Kong Maritime Museum Trust and HKMM Ltd)
- 4.7.2 incorporation (as in any of the incorporated bodies in Cap 1000 series in the *Laws of Hong Kong* – e.g. Cap 1040, *Po Leung Kuk Ordinance*, under the Schedule, 1. Objects, and 2. Powers, for the Po Leung Kuk and its museum)
- 4.7.3 an exempted society under Cap 151, *Societies Ordinance* (e.g. the Hong Kong Museum of Medical Sciences Society and the Hong Kong Museum of Medical Sciences)

HKMM and the HKMM Trust would be eager to comply with whatever legal and regulatory framework might be deemed most fitting within the requirements of acceptable governance structures in a territory-wide accreditation system.

²⁵ See for Britain <http://www.mda.org.uk/accreditation/index.htm>, for the USA see <http://www.aam-us.org/museumresources/accred/index.cfm>, for Australia see Jason George's discussion at <http://www.museumsaustralia.org.au/dbdoc/accred-pref-intro-sec1&2.pdf>

²⁶ For requirements of this sort see, for example, the British *The Accreditation Scheme for Museums in the United Kingdom, Accreditation Standard*, sections 1.4, 1.5 and 1.6, and the American Association of Museums, *A higher standard 2: Museum Accreditation Program Standards*, pp.9, 17-19, 32, 34 & 35

²⁷ It was with some incredulity that we read in the *Recommendation Report* (3.8) "As public museums in Hong Kong are operated by the Government, it is not necessary for them to obtain accreditation status." This extraordinary proposition can only rest on a complete failure to understand the history and nature of existing accreditation schemes overseas in which the staff of the major museums (mostly government supported), who were members in their own right of flourishing professional bodies, were the *leaders* in the devising of the schemes and ensured their institutions were amongst the *first* to submit themselves to the accreditation process. Government museums still form the majority of accredited institutions in both Britain and the USA (see, for example, <http://www.aam-us.org/museumresources/accred/list.cfm?mode=search> for the accredited museums in Washington DC or http://www.scottishmuseums.org.uk/areas_of_work/accreditation_intro.asp for mention of the 290 museums in the Scottish Museums Council that are accredited).

²⁸ The success of such systems in other jurisdictions rests precisely on the extent to which they have been devised by the museums community as a whole (i.e. by professional staff from all kinds of museums, government and independent) and are primarily administered by that community for the betterment of its own institutions.

5. FUNDING

5.1 As we have seen in 1.1 above, funding is at the heart of the future of the HKMM.

5.2 At the behest of the Home Affairs Bureau, HKMM has recently submitted a paper on maritime museums' funding internationally. A slightly expanded version of this appears as Attachment 4 to this submission.

5.3 HKMM at present costs approximately HK\$4.5 million a year to operate. Approximately HK\$1 million is raised in gross revenue leaving a shortfall of HK\$3.5 million. This can be contrasted with the 17 government museums (of varying sizes, many of the smaller of which are 'satellites' of larger 'main' museums) which have an annual budget of HK\$291.747 million, or approximately HK\$17.2 million each. Pertinent here is the footnote to para 5.1 of the Recommendation Report which notes, "The financial provision...should not be interpreted as the gross expenditure of the public museums services given that there are expenses, such as building maintenance, which are provided under other government departments". The following table is indicative of the very different business models of the government museums and HKMM:

Museum	2006/07 Gross Income	2006/07 Gross expenditure	Income as % of revenue
HK Museum of History (and branches)	2,776,000	61,246,000	4.5
HK Museum of Art	5,794,389	66,853,548	8.7
HK Museum of Coastal Defence	690,000	13,983,000	4.9
HK Heritage Museum (and branches)	2,243,000	75,768,000	3.0
HK Museum of Teaware	790,662	7,649,962	10.3
HK Science Museum	5,025,000	63,720,000	7.9
HK Space Museum	9,728,000	36,831,000	26.4
HK Film Archive	590,812	35,829,397	1.6
Averages	3,454,733	45,235,113	7.6
HK Maritime Museum	977,000	4,470,000	21.9

Table 2: Income and Expenditure comparisons Eight LCSD Museums & HKMM²⁹

Were HKMM to be afforded even a fraction of the munificent largesse showered on government museums, with our greater cost efficiency, productivity per dollar spent and percentage of expenditure recovered from operations, our proposals for Pier 8 would be a runaway success.

5.4 Part of the problem is simple. In common with most museums, HKMM is unable to charge an economic cost for tickets since the public would not pay. Should we try to charge them the actual cost of their visit we should be driven into a self-defeating spiral of price increases by declining attendance. In the HKMM case things are made slightly worse by the twin disadvantages of a poor location from the point of view of the 70% of our visitors who are Hong Kong people and their habituation, thanks to government museum practice, of very low entry costs to museums. The following table shows the mismatches with respect to the HKMM and our nearest government equivalent, the Hong Kong Museum of Coastal Defence:

Visitor numbers a month	HKMM Economic ticket price	HKMCD Economic ticket price	Visitor numbers a month	HKMM Economic ticket price	HKMCD Economic ticket price
	Actual ticket price HK\$20	Actual ticket price HK\$10		Actual ticket price HK\$20	Actual ticket price HK\$10
2000	HK\$179	HK\$583	6500	HK\$55	HK\$179
2500	HK\$143	HK\$466	6500	HK\$55	HK\$165
3000	HK\$119	HK\$388	7000	HK\$51	HK\$154
3500	HK\$102	HK\$333	7500	HK\$48	HK\$143
4000	HK\$89	HK\$291	8000	HK\$45	HK\$134
4500	HK\$80	HK\$259	8500	HK\$42	HK\$127
5000	HK\$72	HK\$233	9000	HK\$40	HK\$120
5500	HK\$65	HK\$212	9500	HK\$38	HK\$113
6000	HK\$60	HK\$194	10000	HK\$36	HK\$108

Table 3: Economic ticket costs – total expenditure/paying visitor

5.5 A key point here, connected with our short- to medium term viability touched on in Section 1 above, is the mismatch between HKMM salary and productivity levels (basically a crudely quantified museum output divided by the number of professional full time staff) and those of the government museums. Salaries comprise slightly more than 50% of HKMM gross expenditure, museums being 'labour intensive' operations³⁰. Small, full service museums like HKMM have the additional problem of being least able to take advantage of economies of scale

²⁹ From figures for individual museums at http://www.lcsd.gov.hk/en/cs_mus_lcsd.php

³⁰ This may seem a high figure when compared to published staff costs of government museums. Were government figures to include in their staff costs the costs of all staff, including security and maintenance staff, we think HKMM would not appear vastly different.

in the provision of museum services. Whilst the stimulus and early responsibility that go with working for a short-staffed but dynamic and innovative young museum are undoubted attractions to young museum professionals, they are also human. Few are immune to the seduction of 20-50% more pay (and perhaps a 60-65% more generous total package) for less arduous work. The logic of this disparity will be more acutely felt the longer HKMM is under funded and facing an insecure future. The following salaries comparison table shows the problem:

A	B	C	D	E	F	G
Rank	Civil Service Salary Scale Points Monthly Salary (HK\$)	Average for rank	Rank	Monthly Salary Range HK\$*	Average for rank	% F of C
Chief Curator	45 – 49 75,715 – 87,225	81,470	Museum Director	52,000-62,000	57,000	70%
Curator	34 – 44 47,485 – 73,070	60,227	Executive Manager/Curator	31,500-42,000	36,750	61%
Assistant Curator I	28 – 33 34,895 – 45,970	40,432	Senior Assistant Curator	16,000-22,500	19,250	47.6%
Assistant Curator II	11 – 27 15,920 – 34,895	25,407	Assistant Curator	11,200-17,000	14,100	55.5%

Table 4: Comparative salary scales, LCSD Museums/HKMM

*(there is no system of automatic increments at HKMM, pay rises are on merit only)

5.6 In sum what attachment 4 argues are two things:

5.6.1 that HKMM has need for capital funding support for the acquisition of new premises and their adaptation to the functions of the museum. As the attachment shows, such provision by government, either national, regional or municipal, is the norm for major maritime museums throughout the world.

5.6.2 that HKMM has a need for continuing assistance in meeting the inevitable gap between operating costs and operating income, a gap much exacerbated by the principles and practices of the government dominated museums sector in Hong Kong. These have:

- ⊗ habituated Hong Kong people to expect either free entry to museums, or entry at a cost that is a fraction of the economic cost
- ⊗ provided access to schools on terms and conditions that an independent museum cannot match
- ⊗ pushed the cost and conditions of work of qualified professional staff far beyond the point where an independent museum can hope to compete in the same market, keep its staff and stay in business

5.7 We are convinced that our design of a new, larger HKMM in Pier 8 is one that would enable HKMM greatly to improve its present performance. Compared to the average for government museums³¹, our performance is already good. We feel that with increased visitor numbers (we envisage trebling the present c.50,000 a year), with an enlarged shop, a Museum Café and gallery space that could be used for special exhibitions and for hire as an event venue, we could raise our game to recovering over 30% – indeed probably more – of our increased operating costs.

³¹ Present government policy accepts an average of <5% recovery of costs through revenue. The Recommendation Report of the Committee on Museums (5.2) notes that ‘in general 10% of its operational expenditure’ is thought to be normal for a well run museum (this is certainly NOT true for well run maritime museums which expect to raise >20% of their costs from revenue). Whilst the report seems to accept this as a reasonable performance target (5.5) for the future, it also argues for improved revenue generation through more appropriate ticket pricing and a review of the present policy of free admission on Wednesdays (5.12), and enhancing other revenue earning capacities (5.14 & 5.15).

6. KEY TERMS

6.1 In what appears above and what follows certain key terms recur. It should be stressed at the outset that these terms are NOT those which have been commonly used in HK government discussions and documents pertaining to museums. For that reason we shall begin by elucidating the terms we shall be using.

6.2 As members will note from a perusal of the *Committee on Museums: Recommendation Report* and the Administration's response thereto, tabled for discussion by this Panel on 8th June 2007, and actually discussed on 18th June 2007, Government has a specific usage for different kinds of museums³². Its usage agrees with that of the International Council of Museums (ICOM). This usage involves an overly simplistic, dichotomous model dividing the museums' world into 'public' and 'private' museums. The reason for ICOM to opt for such a naïve model is almost certainly a function of the very diverse museum communities within its ambit. For example, it must encompass both legal systems in the Common Law tradition with their tradition of 'trusts of a public character' and those such as the People's Republic of China, without such legal entities³³. Given Hong Kong's Common Law system, there is no reason for the HK government to follow suit.

6.3 That the simple public/private categorization conspicuously fails in jurisdictions like ours is evident. For example the attempt by the British Museums Libraries and Archives Council (MLA) to follow ICOM ran into difficulty when it was invited to categorize its 2500 museums on ICOM lines³⁴. Britain's museums fall into two quite different categories, namely 'public' (by which the MLA evidently means 'government staffed and operated') and 'independent', as can be seen from the two careful definitions detailed:

Public 'An institution with a board of trustees or other policy making body which are (sic) directly controlled by or the direct responsibility of any central government department or local or regional authority or similar political sub-division.'

Independent 'An institution with a board of trustees or other policy making body which are (sic) not directly controlled by or the direct responsibility of any central government department or local or regional authority or similar political sub-division'.

6.4 For such reasons many jurisdictions do not try to follow ICOM, on the reasonable grounds that a more nuanced set of definitions better captures the specific range of museum types³⁵. Nowhere have we found that makes this more obvious than the published Danish response to the same Europe-wide European Museums Information Institute questionnaire that caused problems for the MLA, based on ICOM norms, in which the more complex arrangements in Denmark had the inevitable effect of shoehorning most Danish museums into the 'public' category and emptying the 'private' category altogether³⁶! The reason is simple. Denmark has a system for nationally recognizing museums and those so recognized are thus held to be 'public' no matter how they are funded and operated.

6.5 In what follows for discussing our Hong Kong context therefore, we shall be employing the following definitions:

³² See Administration's response, paras 2, 4, 5, 9, 11, 13, 15, 16, 17, 18, 19, 20, 23 & 25 and the Committee on Museums: Recommendation Report, May 2007, passim, but especially Chapter 1, Background, paras 1.2 and 1.4.

³³ See Tony Honoré, "On Fitting Trusts Into Civil Law Jurisdictions" at <http://users.ox.ac.uk/~alls0079/chinatrusts2.PDF>. See also Maurizio Lupoi, *Trusts: a comparative study*, Cambridge: Cambridge University Press, 2000

³⁴ See <http://www.emii.org/map/uk.htm>

³⁵ see, for example, the British South West Museums Libraries & Archives Council, *Briefing Note on the Museums Accreditation Scheme*, November 2004 with its careful distinctions between national, local authority and independent museums. A similar care can be found in the British Museums and Library Association, *Accreditation Standards: The accreditation scheme for Museums and Libraries in the United Kingdom*, v01(09/04), which distinguishes a number of different sorts of museums. It defines a museum as an institution which 'enable(s) people to explore collections for inspiration, learning and enjoyment... (and)... that collect(s), safeguard(s) and make(s) accessible artefacts and specimens, which they hold in trust for society.' It goes on to define 'hold in trust for society' as 'reflect(ing) the current thinking that museums provide a service to society by holding collections in trust and ensuring that they remain within the public domain.' It also implies that a museum should 'not be a profit-distributing organisation (and that) the museum will be open to the public at appropriate times and for reasonable periods of time.'

³⁶ see <http://www.emii.org/map/dk.htm>

museum	a non-profitmaking, permanent institution in the service of society and of its development, and open to the public, which acquires, conserves, researches, communicates, exhibits, and makes accessible for purposes of study, education and enjoyment, material evidence of humanity and its environment, which it holds in trust for society
government museum	a museum as defined funded by government, staffed by civil servants and run as a department of government (e.g. any LCSD museum).
independent museum	a museum as defined independently operated by a charitable trust, company limited by guarantee or a limited liability company owned by a charitable trust, a registered society or similar legal entity and with some or all of its funding from non-government sources (e.g. HKMM)

7. CONCLUSION

7.1 HKMM management is convinced that now is the moment for Hong Kong to remedy what has been until now a glaring failing in its museums world. No port city of equivalent eminence lacks a maritime museum to relate the story of what lies behind its economic success and has given it its specific and unique culture.

7.2 For over a century Hong Kong has occupied one of the top ten spots in the ranking of global commercial harbours. It is by common consent one of the world's most aesthetically stunning havens – a must for every aficionado of the world's great ports. Its maritime life, whether in terms of naval and hydrographical activity, commercial shipping, fishing, dredging and reclamation, port operations and works, aids to navigation, ferry traffic or recreational water sports, has for over 100 years not only been in step with the cutting edge of worldwide maritime developments, but as such has been a major and significant vector in helping in the modernization of China.

7.3 Hong Kong is a port city. There is nothing in our streets, our daily life, the stories of our families, our languages and their vocabularies and much else besides that has not been and is not touched in some way by the fundamental maritime truth of our existence.

7.4 Over the last fifteen to twenty years government has busily been creating museums. In that time it has steadfastly chosen to ignore the vital and economically central maritime world, its art, its music, its literature, its anthropology and its technology. In 2005 an independent museum was created by the international shipping community to rescue our maritime heritage from neglect and, where possible, repair and recover the abandoned maritime heritage. The Hong Kong Maritime Museum has so far discharged the role with vigour and success, much constrained though it has been by the exigencies imposed by limited funds and unduly small and poorly sited accommodation.

7.5 It is HKMM's contention that it now behoves government to meet with an equally courageous and generous response the initiative of the international shipping community which has created a gift of enormous value and significance for the people of Hong Kong. Hong Kong should have a maritime museum commensurate with its standing as 'Asia's World City', in a location eminently fitted to the museum's role.

HKMM: 2nd January, 2007

Maritime Museums in Port Cities

1. Maritime museums are a fairly new departure in port cities in mainland China, but they are growing in number. They are also gaining ground in Taiwan. HKMM has been consulted by maritime museums, actual or projected, in Shanghai, Wuhan, Dalian and Tianjin and from Kaohsiung in Taiwan. At present in China there are maritime museums actual or planned in the following towns, this list is not exhaustive since there are other naval museums of which we have only the barest details:

Dalian	(Liaoning)
Jiaxing	(Zhejiang)
Qingdao	(Shandong)
Quanzhou	(Fujian)
Shanghai	(Shanghai)
Tianjin	(Tianjin)
Wuhan	(Hubei)
Yangjiang	(Guangdong)

In Taiwan there are maritime museums in:

Keelung
Kaohsiung
Taipei (Tamkang University MM)

2. What follows is a list of international port cities with publicly supported maritime museums or in which a maritime museum is planned. The list is by no means exhaustive. The list is a fraction of the several hundred maritime museums throughout the world – Australia alone has 18. The most authoritative, but by no means complete, list can be found at <http://www.bb62museum.org/wrldnmus.html>. Most of these museums are at or on the main harbour water frontage:

Aberdeen	(UK)	Genoa	(Italy)
Adelaide (Port Adelaide)	(Australia)	Glasgow	(UK)
Amsterdam	(Netherlands)	Goteborg	(Sweden)
Antwerp	(Belgium)	Halifax	(Canada)
Athens (Piraeus)	(Greece)	Hamburg	(Germany)
Auckland	(N Zealand)	Helsinki	(Finland)
Barcelona	(Spain)	Hull	(UK)
Bergen	(Norway)	Istanbul	(Turkey)
Hamilton & St George	(Bermuda)	Karachi	(Pakistan)
Baltimore	(USA)	Kuwait	(Kuwait)
Bilbao	(Spain)	Lisbon	(Portugal)
Bordeaux	(France)	Liverpool	(UK)
Boston	(USA)	London	(UK)
Bremerhaven	(Germany)	Lorient	(France)
Brest	(France)	Macau	(China)
Buenos Aires	(Argentina)	Melaka	(Malaysia)
Cartagena	(Columbia)	Melbourne	(Australia)
Cape Town	(South Africa)	Monte Carlo	(Monaco)
Copenhagen (Helsingor)	(Denmark)	Mumbai	(India)
Den Helder	(Netherlands)	Nantes	(France)
Dubai	(UAR)	Naples	(Italy)
Falmouth	(UK)	Newport	(Va., USA)
Fremantle	(Australia)	New York	(USA)
Gdansk	(Poland)	Oslo	(Norway)

Paris	(France)	Swansea	(Wales, UK)
Portsmouth	(UK)	Sydney	(Australia)
Rio de Janeiro	(Brazil)	Trieste	(Italy)
Rotterdam	(Netherlands)	Valparaiso	(Chile)
San Diego	(USA)	Vancouver	(Canada)
San Francisco	(USA)	Venice	(Italy)
Singapore	(Singapore)	Vittoriosa	(Malta)
Stockholm	(Sweden)	Yokohama	(Japan)
St Petersburg	(Russia)		

3. There are also maritime museums in many small, often historically significant, ports; for example the Korean National Maritime Museum in Mokpo, or the museums in Mystic, Nantucket, New Bedford, or Salem, USA.

The International Congress of Maritime Museums, of which HKMM is a member, has 83 member museums comprising almost all of the world's leading maritime museums. HKMM presented a paper on the foundation and future of HKMM at the ICMM's biennial congress in Malta in October 2007. At that same conference, it is worth noting, papers were given by Helsingor, Glasgow, Amsterdam, Bristol, Portsmouth and Genoa illustrating ongoing developments with budgets of between HK\$400,000,000 and HK\$600,000,000.

4. A useful indicator of what has been achieved elsewhere can be seen in the following images of Major Port Cities' maritime museums. The first seven examples are of recent or on-going initiatives already mentioned to create or refashion major museums:

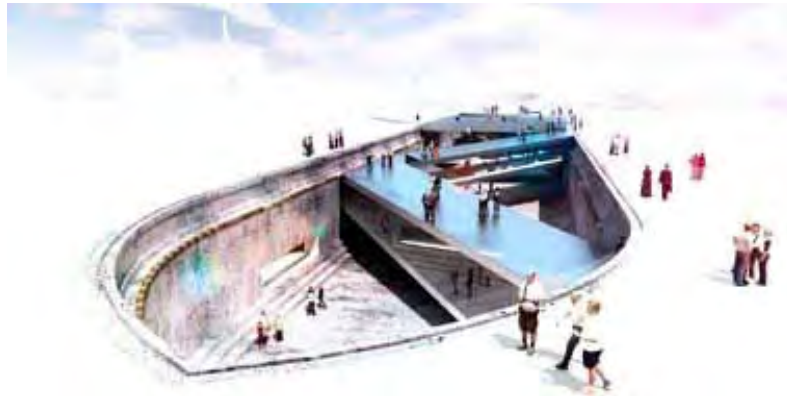
a. The new China Maritime Museum in Shanghai, a RMB5 billion development to be designed and operated by the Galata Maritime Museum (MuMA), Genoa:



b. two proposed designs for the new RMB150,000,000 Silk Road on the Sea Museum at Yangjiang, Guangdong Province:



b. Four views of the stunning new, €40,000,000 maritime museum at Helsingør, Denmark built in and beneath the surrounds of an old drydock



c. Hamburg's amazing conversion of a 19th century warehouse for its new maritime museum in the Magdeburg Hafen.



The museum is No. 40 in this aerial view of the planned conversion of the derelict old harbour area into a world-beating cultural zone.



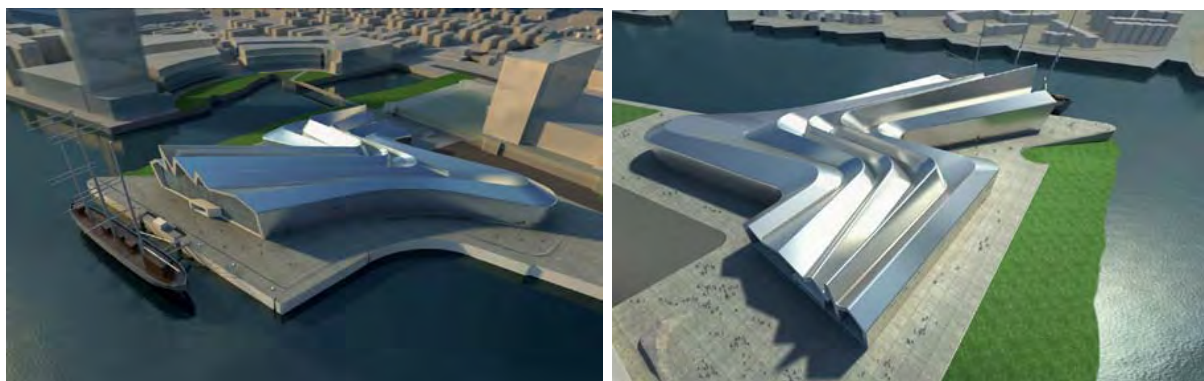
d. The remarkable new Galata Maritime Museum, developed around an old warehouse in the old port area, Genoa, Italy. The museum has won an international competition to design and operate the new China Maritime Museum in Shanghai (see a. above).



e. The amazing £25,000,000 development of Portsmouth Historic Dockyard, UK and the new Mary Rose Trust museum



f. Glasgow's fabulous new, £40,000,000 Riverside Museum on a brownfield site in the old Clydeside shipyards.



g. Amsterdam's wonderful 18th century maritime museum with the replica Indiaman *Amsterdam* moored outside, now being upgraded and completely refashioned in a €50,000,000 project.



h. Two thumbnails of the developments of the *SS Great Britain* in Bristol, UK, with the extensive building developments – residential, hotel and office accommodation, deeded by the City of Bristol to finance the museum and worth some £20,000,000.



i. Already existing maritime museums in port cities around the world:



The elegant Norwegian maritime museum in Oslo Sweden's handsome Karlskrona Naval Museum



The Australian National Maritime Museum, which helped revitalize the old commercial wharves in Darling Harbour, Sydney.



The handsome 18th and 19th century buildings comprising the New York South Street Maritime Museum giving a lift to an old part of Manhattan



The New Zealand National Maritime Museum on a waterfront pier, Auckland enlivening the old commercial waterfront



Two views of the floating and shoreside components of the San Francisco National Maritime Historic Park that give life to the city's old waterfront



Proposal

Pier 8, “Star” Ferry Piers

A Permanent Home for the

HONG KONG maritime museum

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Introduction

1. The mission of the Hong Kong Maritime Museum (HKMM) is to stimulate public interest in the world of ships and the sea with particular reference to the South China coast and adjacent seas and to the growth of Hong Kong as a major port and international maritime centre, and in doing so highlight the major developments in and cross-fertilization between Chinese, Asian and western maritime traditions.

2. The HKMM, like all dynamic Museums, is constantly expanding and enriching its collection thereby fulfilling its mission. In pursuit of that goal, the Museum has already outgrown its temporary home and has need of new, larger and permanent premises. A Museum dedicated to Hong Kong's maritime story – the foundation of modern Hong Kong and the key to its growth and development – should also be where that story unfolded: on the shores of Victoria Harbour.

3. In Part 1 of this proposal the HKMM will:

- ✿ Detail proposals for a new HKMM on Pier 8 including our hopes for the terms of a lease and rental.
- ✿ Describe the Museum's present location, operations and status.
- ✿ Establish the case for a new, larger, permanent home.
- ✿ Justify the case for that home being on Pier 8.

In Part 2, we shall provide all the normal specific details of the Museum and its organization. In Attachment 8 to Part 2 we shall also include more detailed floor plans and concept drawings of how the proposed future Museum at Pier 8 will look.

Part 1: Pier 8 – The Necessary and Obvious Solution

The New Hong Kong Maritime Museum: a proposal

4. PREMISES

The Hong Kong Maritime Museum proposes that it be granted by government a permanent home¹ on Pier 8 in those parts of the Pier at present designated as:

- ***The portion of the Upper Deck*** at present offered for tender as a restaurant, extended to include the lift and staircase to the Public Viewing Deck to comprise the Museum's Maritime History Gallery, which will contain four themed areas²:
 - ✓ *China's Maritime Story from the earliest times to 1872*
 - ✓ *The China Trade: 1600-1900*
 - ✓ *The Pirate Coast*
 - ✓ *The Hong Kong Maritime Story: 1790-1945*
- ***The entire Public Viewing Deck, extended to include the disabled access lift and stairs to the Roof Viewing Deck***, to comprise the Museum Entrance, the Museum Shop and Exit, and the Modern Maritime World Gallery.

The Museum Shop, which following best international practice would also be the exit from the galleries and provide access to the café, would occupy the whole southern end of the Public Viewing Deck surrounding the disabled access lift.

The remainder of the Public Viewing Deck space would be divided into two domains:

A. ***The Special/Visiting Exhibitions and Event Gallery***, which would comprise the area between the Museum Shop and the constriction created by the machinery and services housing for the ferry loading ramps.

¹ Attachment 5 gives a rough schematic. More detail is to be found in Part 2 below.

² The dates are significant in that, with the foundation of the China Merchants SN Co in 1872, China's shipping entered its modern era. The fall of Hong Kong to the Japanese until the reoccupation by the British, represented what one might style of the 'end of the beginning'. Post-war is the story of the development of today's port an international shipping centre.

B. *The Modern Maritime World Gallery* dealing with the maritime world and Hong Kong post-WW2 with at least 4 themed areas:

- ✓ *Steaming ahead:* Hong Kong ships and shipowners and the Hong Kong Register
- ✓ *Safe Waters, Fun Waters* – the Hong Kong Government Fleet and the world of Hong Kong watersports
- ✓ *Moving Cargo* – the port of Hong Kong ashore and afloat
- ✓ *Moving People* – the story of Hong Kong and Pearl River Delta ferry services

There will also be *interactive exhibits* such as:



a real time radar plot-cum-chart of the Central Harbour



a weather station giving real time data



a 3-D 45° real time sonar image of the sub-surface and seabed world between the Star Ferry and Tsim Sha Tsui



a model boat tank to learn the rudiments of sailing



a container loading game



a working scale model lighter and cargo handling derrick for hands-on experience



a bridge simulator



a radio room with Morse code key interlinked with a signal lantern and a flag pole with an International Code flag hoisting game for message passing.

- ***The Museum Library and Office*** – this is envisaged as a ‘ship’s bridge’ or ‘promenade deck’ structure over the machinery and services housing. It would accommodate the office suite and the Museum Library
- ***The Roof Viewing Deck and outdoor viewing deck*** – for development into the *Promenade Deck Café*.

Preliminary thinking suggests linking the two gallery areas with an additional staircase from the *Special Exhibition Gallery* to the *China’s Maritime Story*, or south end of the Upper Deck space. This will enhance visitor flow by allowing circulation from the Public Viewing Deck level, down the stairs and through the historical and Pirate Coast gallery before coming up the second stairs to the *Modern Maritime World*.

5. LEASE AND RENTAL

The Museum would look to these premises being provided as a permanent home and therefore:

- on a lease of at least 50 years, thus enabling long term planning.
- on the same terms as would apply in government owned premises to government owned and operated Museums, namely free of property rates and the costs of licensing as a Place of Public Entertainment (Cap 172).
- for either no rental, or for a nominal rent for the entire premises equivalent to or no more disadvantageous than our present arrangements with The Link Management Limited for the museum galleries at Murray House³.

³ This is HK\$417 a month plus 5% of ticket income.

HKMM today

6. The Museum was founded in October 2003 by a small number of committed members of the international shipping community. Because speed was of the essence, the first steps were taken by the formation of Hong Kong Maritime Museum Limited, a company incorporated under Cap 32, the Companies Ordinance. Subsequently, on 17th December 2003⁴, the Hong Kong Maritime Museum Trust was founded and since that date it has been the governing body of HKMM. The twelve Trustees, chaired at present by Mr Tung Chee-chen, are drawn from senior members of Hong Kong's international shipping community, Hong Kong academia, and government officials in their private capacities.

7. When the HKMM Trust was formed it became the major shareholder and owner of Hong Kong Maritime Museum Limited. HKMM Ltd thus became the management company for the museum, under the HKMM Trust, led a board of volunteer directors. The directors, originally four (now five), are similarly drawn from the shipping community. The company was charged with designing, building and subsequently operating the Museum.

8. Donations in cash and kind provided the funds and exhibits for the Museum and were raised by appeal to Hong Kong's international shipping community. Following the first round of donations, to support the Museum's continuing operations until the expiry of the current Murray House lease in August 2010, in early 2005 the shipping community contributed to a second round of fund-raising.

9. All the Museum collection and its gallery furniture, and all funds raised in support of the Museum belong to and are administered by the Hong Kong Maritime Museum Trust⁵.

10. In 2004 the Museum succeeded in winning nomination for a 6-year lease at a nominal rent on the ground floor of Murray House, Stanley Plaza, Stanley. This expires in August 2010. The lease could probably be renewed, but since the rest of Murray House is occupied by commercial restaurants, there is no feasible possibility for the expansion of gallery space. This is already a pressing issue and by 2010 will be

⁴ see Attachment 1, IRD recognition of the HKMM Trust's charitable status

⁵ See Attachment 2 for a summary statement of the capital funding of HKMM and of operating income and expenses.

essential.

11. Opened by the Chief Executive of the HKSAR, the Hon. Donald Tsang Yam-kuen on 8th September 2005, the Museum has two galleries each of approximately 250 m². The Ancient Gallery covers the period from 1000BCE to c.1870CE. The Modern Gallery covers from c.1870 CE to the present day. Office space for the six professional staff, the museum's files, collection management systems and library is a totally insufficient 35 m² in area. There is a small, c.50m² Museum Shop cum ticket counter for which HKMM pays full commercial rent⁶. It is staffed by two employees working both shop and ticket counter, and can double as a lecture room. The two Museum attendants who supervise the galleries have only a small and very full storage room for changing and rest. Completely inadequate storage is only available in the small room just described and beneath display cabinets. Necessarily, therefore, additional storage space, now full, has had to be sought off-site in commercially rented premises thus additionally impacting adversely on the Museum's costs.

12. The Museum collection, including both loans and owned objects, at present numbers more than 3,000 items with a gross value of approximately HK\$20 million. This includes ship models, fine art paintings and prints, ceramics, objets d'art, nauticalia, archival documents, photographs, fabrics and historic marine charts as well as a number of hi-tech interactive and other electronic exhibits. There is a library of approximately 400 books and serials. Both collection and library are growing by purchase and donation at a rate of some 100 objects and books a year⁷.

13. The Museum costs approximately HK\$4.5 million a year to operate⁸. Revenue, gained from ticket sales, shop sales and the provision of professional services (guided tours, research, use of Museum images, venue hire, etc.) succeeds in matching international benchmarks of approximately 25%-30% of costs. Unlike the government owned and operated Museums, HKMM pays full property rates and must pay for an operating licence under Cap 172, Places of Public Entertainment

⁶ The rent in October 2007 was HK\$9,500 a month or 5% of gross receipts if that sum is the greater.

⁷ The HKMM is becoming recognized as the appropriate repository for Hong Kong maritime memorabilia. In the last 12 months we have accepted five collections of memorabilia from the estate of the retired ship's captain, from a retired member of the Hong Kong locally enlisted personnel of the Royal Navy, from a retired Chief Mate of the Swire salvage tug *Taikoo III* and from the owners of one of Hong Kong's early fuel oil barges.

⁸ See Attachments 2 & 3

Ordinance⁹.

14. As of 31st August 2007 the Museum had welcomed 100,000 visitors since it opened, 99% of them paying for a ticket. According to our visitor surveys:

Visitor composition							
<70%		HK Residents					
<26%		Overseas visitors					
<4%		Visitors from mainland China					
Visitor profiles							
15%	under 18	45%	18-40	35%	41-64	5%	over 64
55-65%		are graduate or postgraduate educated					
30%		earn <HK\$12,000 a month					
25%		earn HK\$12,001-HK\$29,999 a month					
45%		earn >HK\$30,000 a month					
Visitor motivation							
50%		come as a family or with relatives					
60%		visit for entertainment					
25%		come to learn about the maritime world					
Visit duration							
<70%		spend over 30 minutes with us					
<33.5%		spend over an hour					
Repeat visits							
15%		have visited at least once before					
80%		say they wish to visit again					
Visitor satisfaction							
97%		are either satisfied or have no complaints					
>65%		like the Ancient Gallery most					
<85%		express great satisfaction from the interactive and infotainment exhibits					
95%		think highly of HKMM staff					
0%		complaint rate					

This visitor profile indicates a shortcoming in the HKMM's present location in Stanley and thereby an additional justification for a new home in Pier 8, to which we shall revert in para.21 below. In brief, the problem with Stanley is its lack of ready accessibility that is inexpensive in time and cost to the majority of the population of a territory the demographic centre of gravity of which lies approximately in Shek Kip Mei.

⁹ The FEHD has accepted the HKMM's non-profit status in setting the licence fee and the museum accordingly pays the reduced fee of HK\$140 a year.

HKMM tomorrow

15. We have noted how the HKMM has already outgrown its present premises. That is one reason why the Museum needs a new home. But there are other, more significant reasons.

16. First, and pre-eminently, no Museum can survive and prosper without a permanent home. There are two reasons why:

- ✓ A lease renewal time horizon of 5-10 years is too insecure to provide a basis for the sort of long-term strategic planning essential to growth and development, to attract significant philanthropic backing, or to hope for commitment from quality professional staff of the kind needed by a dynamic Museum.
- ✓ Even with a benign landlord, the inevitable truth that Museums are not commercially viable profit centres renders a Museum in rented premises on relatively short-term leases always vulnerable to ousting in favour of lessees who can pay higher rents. The consequences of this compound with the previous reason.

17. Second, Hong Kong's story is in many important ways its maritime story. The origins of this can be traced to the fishermen-gatherers who first populated our shores five or six thousand years ago. But in addition to the length of our maritime story, there is also its extraordinary cultural richness and diversity. The Pearl River Estuary has been for some 2,000 years the place where the diverse maritime traditions of the Old World have met and traded. In that sense, Hong Kong's maritime story is the maritime story of the world – the true and fitting story of Asia's World City.


18. When one includes, as is implicit in our mission, the stories of other ports on the South China coast involved in the China, *nanhai* and *nanyang* trades, it follows that this is a story far too rich, diverse and integral to what Hong Kong has been, is and will become, to be confined to a mere 500m². The maritime sector – as the joint Maritime Industry Council/Hong Kong Maritime Museum exhibition "*Hong Kong – Maritime Focus*" shows¹⁰ – is both large and diversified. At present the HKMM covers only the development of merchant shipping in ocean trade. Other areas integral


¹⁰ The exhibition opened on 2nd October 2007 at The Rotunda, Exchange Square, moves to HKMM on 9th October, City Hall on 27th December and the Central Library on 14th January through 31st January. The diverse nature of the modern Hong Kong maritime industry is covered in the 44 page exhibition booklet, *Hong Kong – Maritime Focus* (Hong Kong: HKMM, 2007, ISBN 978-988-98611-5-5)


to the Hong Kong maritime story that a Hong Kong maritime museum should cover include, though not exhaustively:

- The junk and river trades
- Port works and port services
- Maritime security and naval warfare
- Fisheries and marine life
- Ferries
- Navigation, hydrography and maritime meteorology
- Marine communications
- Historic shipwrecks and marine archaeology

19. From the brief list above it is evident that 500m² is grossly inadequate to the task of the HKMM. Should that be doubted, and accepting that maritime museums are much enhanced and enlivened by ‘real’ exhibits, the following dimensional data are worth bearing in mind:

 A small sampan occupies a floor area of approx. 70m²

 A small, model boat tank (for a ‘how sails work’ or a ‘hands-on learn to control a power boat’ exhibit) occupies >25m²

 Present museum norms are for any ONE exhibit to absorb 2.4m² of floor area

We think it thus evident both that HKMM merits a permanent home and that this should be large enough to accommodate a modern, forward looking museum that can showcase all the major highlights of the Hong Kong and South China maritime story.

Pier 8 – the obvious home

20. Why is Pier 8 the place for the Hong Kong Maritime Museum?
21. First Pier 8, with flexible re-designation of the <2,000m² of floor area at present not used for ferry traffic, provides seven critical benefits to our independent Museum:
- ★ It provides a location immeasurably more suited to the population distribution of Hong Kong than in Stanley. As the visitor profile in para. 14 above suggests, our present visitor mix is skewed towards the affluent and highly educated. For the less affluent and overwhelming majority of Hong Kong's population from Kowloon and the New Territories, public transport links to Stanley are few, slow and comparatively expensive. For schools in Kowloon and the NT a visit entails the loss of an entire day. Pier 8's central location solves these dilemmas and will help both increase and broaden our visitor base¹¹.
 - ★ On what is described as the Upper Deck, and at present designated for a restaurant, a potential gallery space of 820m² readily adaptable to protect light-vulnerable and extremely valuable historic exhibits.
 - ★ A visitor-friendly and very attractive gallery space of approx. 700m² on the north end of the present Public Viewing Deck level for modern and hands-on, interactive displays.
 - ★ A c. 400m² space on the south end of the present Public Viewing Deck level for mounting special and visiting exhibitions, which can also double as a venue for hire to raise revenue¹².
 - ★ Space on the present Public Viewing Deck level for a Museum Shop, proven by the present HKMM track record to be a useful revenue centre¹³.

¹¹ See Attachment 3

¹² This is today seen as an essential feature of a properly run, cost and revenue conscious museum. We note the recent stress by government on Hong Kong's government museums more energetically marketing their available spaces as function venues for hire. For the possible revenue benefits at Pier 8 see Attachment 3.

¹³ Again, this is a crucial feature of all effectively managed independent and public museums elsewhere in the world. For the implications for HKMM at Pier 8, see Attachment 3 as above.

- ★ A 141m² space, plus the external roof area of approximately the same size on the presently designated roof viewing deck for a Museum Café which can also serve as a revenue centre¹⁴.
- ★ Possible water frontage between Pier 8 and Pier 9 for dynamic, sea-related displays and exhibits.

In short there are sufficient gallery spaces and sufficient potential sources of additional revenue to enable HKMM to continue to match best international benchmark revenue-to-cost ratios.

22. Second, placing an iconic maritime museum in the heart of Victoria Harbour and at a central location on the Hong Kong Island waterfront redolent of both past and present is good policy in two senses. It affirms government commitment to a new, heritage-friendly, people-friendly waterfront. It will act as a beacon to harbour-focussed, visitor friendly, environmentally responsible, culturally sensitive development for which Hong Kong people so earnestly hope; a significant contrast to the multilane highways, shopping malls and wall-effect megatowers at present associated with waterfront development.

23. Third, a pier as the Museum location gives us what, in our present location we lack, dedicated water frontage. This would make possible hosting visiting historic ships – for example the *Não Victoria* and the *Gotheborg* – in a suitable setting¹⁵. In time, finances and the appropriate vessel being present, the waterfront site also makes it possible to envisage a home for an historic vessel of the kind that is so important a feature of most of the world's leading port city maritime museums.

24. Fourth, the Museum in Pier 8 will affirm, in the way nothing else can, that the long history of neglect of the central waterfront areas of Hong Kong's world famous harbour has now definitively ended. This will be symbolized by Hong Kong's maritime memory being given its proper, central home. In the swift and unequivocal support we have had from the Home Affairs Bureau and the Hong Kong Tourism Commission with respect to this project, we are sure that this vision is shared by our government.

¹⁴ This too is now a typical feature of a well-managed museum designed to enhance ticket income, which thanks to public expectations, especially in Hong Kong where low benchmarks are set by the public sector museums, are always a fraction of economic cost. See again Attachment 3.

¹⁵ See Attachment 4: Recent Historic Ship Visits

25. Fifth, for the “Star” Ferry Co. Ltd., which has suffered from the extra distance now entailed in reaching the ferry from the central business district, and for the Central Ferry Piers in general, the HKMM will act as a ‘node’, both bringing in tourists and visitors and, as a result of that, creating a positive stimulus to attract other attractions and services thus kick-starting a positive feedback cascade. For “Star” Ferry and the other ferry operators, HKMM will be a partner that will add value in a way that more retail outlets alone cannot. The proactive initiative shown by the “Star” Ferry Company in drawing Pier 8 to the HKMM’s attention, and the swift and committed support the company has given to this proposal is evidence of this.

26. Finally, every major port city in the world – and it needs to be recalled that for over 120 years Hong Kong has been one of the world’s top ten – has a significant maritime museum¹⁶. More to the point, almost all these museums are actually or in concept on or close to the waterfront, usually in port or shipping related historic buildings – for example warehouses, naval hospitals, fleet bakeries, dockyards, piers and marine offices. The Hong Kong Maritime Museum is convinced that finding a permanent home in Pier 8 presents a win-win solution for all involved. For the Museum Pier 8 offers a permanent home that is close to ideal. For the people of Hong Kong, *HKMM at Pier 8* will be beacon for their maritime history in an icon in the heart of the harbour that is the territory’s heart.

¹⁶ Attachment 5 lists those port cities covered by this description.

Part 2: The Hong Kong Maritime Museum

Museum details

27. The details of the Hong Kong Maritime Museum, including the organization chart shown in Attachment 7, are as in the following table:

Parent organization	Hong Kong Maritime Museum Trust
Address	c/o Hong Kong Maritime Museum, g/f Murray House, Stanley Plaza, Stanley
Date of foundation	17 th December 2003
Status	Charitable institution or trust of a public character ¹⁷
Operating arm	Hong Kong Maritime Museum Ltd
Address	Hong Kong Maritime Museum, g/f Murray House, Stanley Plaza, Stanley
Date of incorporation	29 th October 2003
Business registration cert. No.	34088393
Certificate of Incorporation No.	868104
Telephone No.	2813 2322
Fax No.	2813 8033
e-mail address	info@hkmaritimemuseum.org
website	www.hkmaritimeMuseum.org
Contact person	Dr Stephen Davies
Position	Museum Director
HK ID Card No.	XD280321(I)
Telephone No.	2813 2616 (Direct Line)
e-mail address	stephendavies@hkmaritimemuseum.org

¹⁷ See Attachment 1

28. More detailed plans, drawings and sketches have been prepared by Richards Basmajian, 20th Floor, Tai Sang Commercial Building, 24-34 Hennessy Road, Hong Kong (Telephone: (852) 2529 1388, Facsimile: (852) 2529 9561). These appear as attachment 8.

Hong Kong Maritime Museum
1st October, 2007

Company chop:



稅務局
香港灣仔告士打道5號
稅務大樓

INLAND REVENUE DEPARTMENT

REVENUE TOWER
5 GLOUCESTER ROAD, WAN CHAI,
HONG KONG.

網址 Web site: <http://www.ird.gov.hk/ird>

來函請寄「香港郵政總局信箱132號稅務局局長收」
ALL CORRESPONDENCE SHOULD BE ADDRESSED TO:-
COMMISSIONER OF INLAND REVENUE
G.P.O. BOX 132, HONG KONG.

來函編號:

Your Ref.: DB/GW(03.8435)

來函請敘明本局檔案號碼

IN ANY COMMUNICATION PLEASE QUOTE OUR FILE NO.

檔案號碼:

IR File No.: 91/7124

Hong Kong Maritime Museum Trust
c/o INCE & Co
Room 3801-6 38/F Asia Pacific
Finance Tower Citibank Plaza
3 Garden Road Hong Kong

電話 :

Tel.No. : 2594 5300

圖文傳真 :

Faxline No. : 2802 7625

電郵 :

E-mail : taxinfo@ird.gov.hk

先生/小姐:

Dear Sir/Madam,

現 證 實 由 2 0 0 3 年 1 2 月 1 7 日 起

This is to confirm that with effect from 17 December 2003

HONG KONG MARITIME MUSEUM TRUST

因 屬 公 共 性 質 的 慈 善 機 構 或 信 託 團 體 ,
being a charitable institution or trust of a public character,

故 可 根 據 稅 務 條 例 第 八 十 八 條 獲 豁 免 繳 稅 。
is exempt from tax under Section 88 of the Inland Revenue Ordinance.

稅務局局長

(黎池麗明代行)

(Mrs LAI CHI Lai-ming)

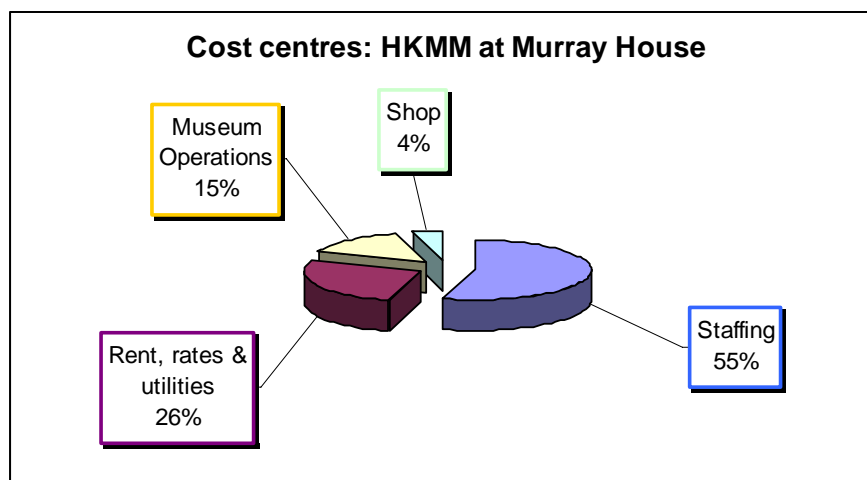
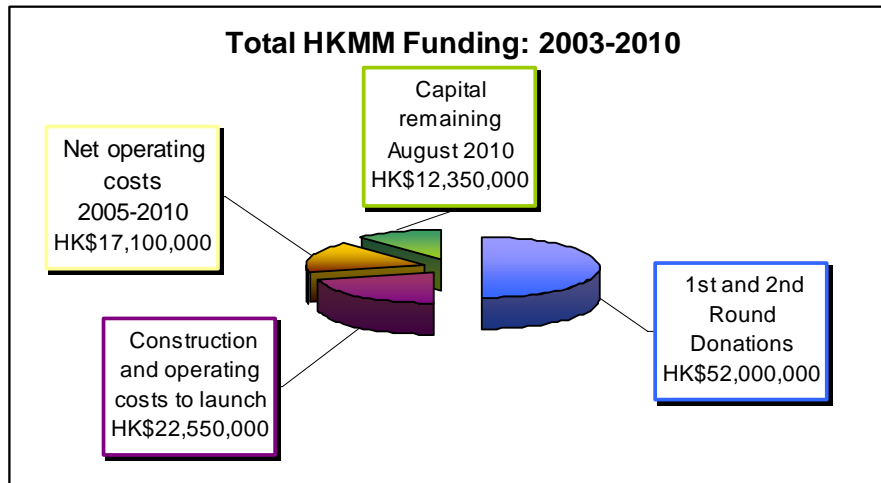
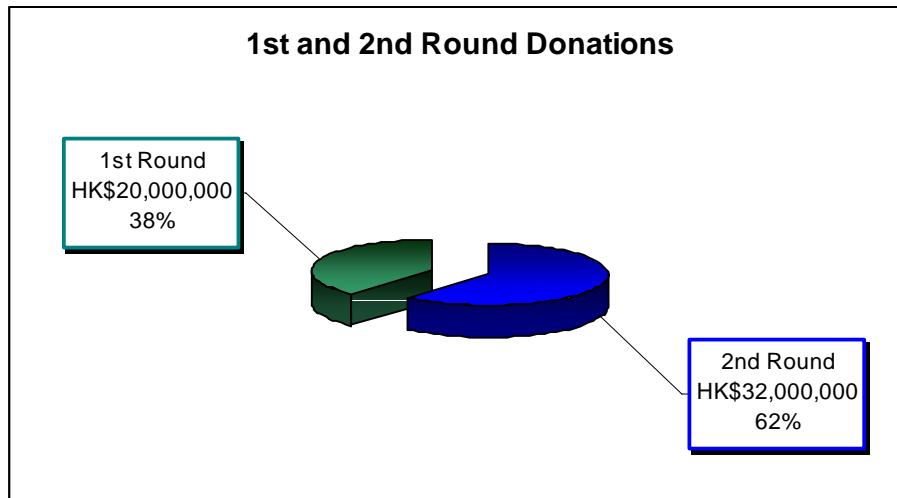
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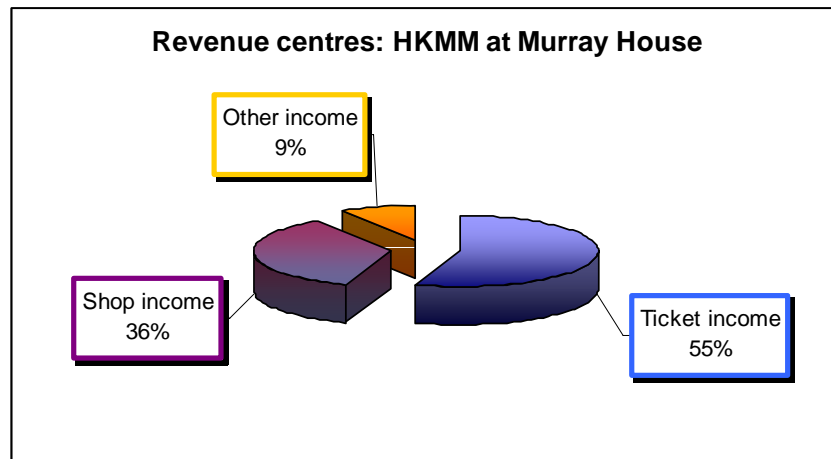
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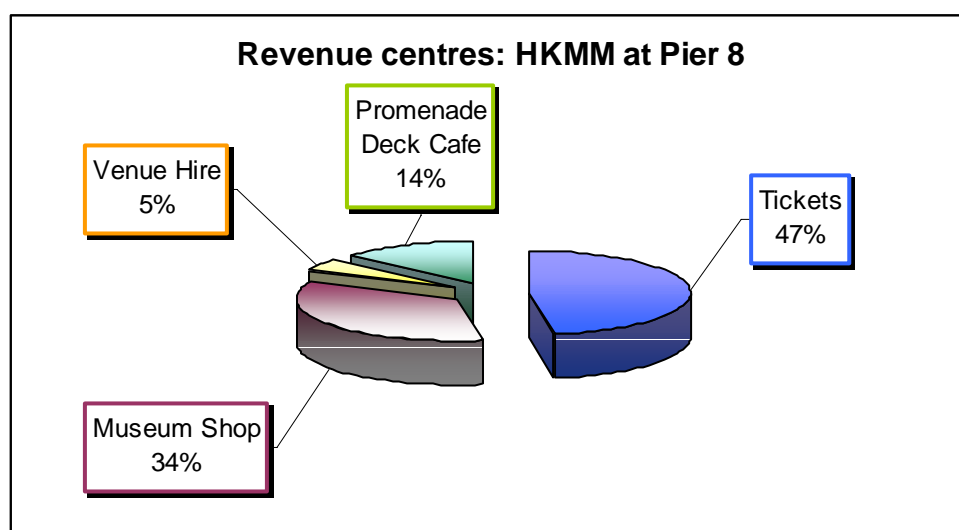
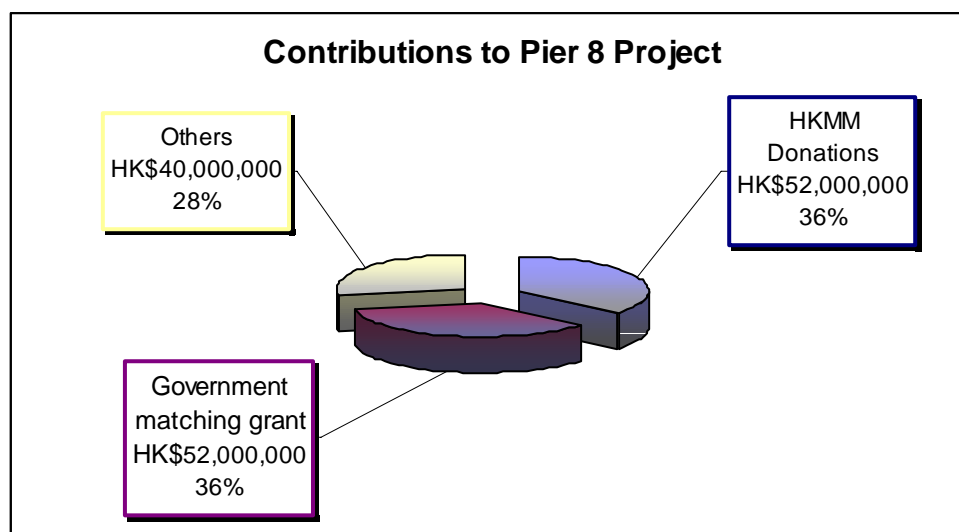
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For HKMM at Murray House





For HKMM at Pier 8:



Income:

	HKMM at Murray House			HKMM at Pier 8 (estimate)		
Visitors annually	45,000			100,000-150,000		
Visitor mix	Adults	Child/Pensioner/Disabled	Tour	Adults	Child/Pensioner/Disabled	Tour
	49%	28%	23%	44.5%	25.5%	30%
Ticket price	HK\$20	HK\$10	Av.HK\$12	HK\$25-30	HK\$12.50-15	Av.HK\$18
Average annual ticket income	HK\$691,000			HK\$1,971,250-HK\$3,396,250		
Shop income per visitor	HK\$12.50			HK\$15.00		
Average gross annual shop income	HK\$562,000			HK\$1,500,000-HK\$2,250,000		
Venue Hire income ¹⁸	HK\$75,000			HK\$250,000		
Café income ¹⁹	-			HK\$750,000		
Gross annual income	HK\$1.32 million			HK\$4.47 million-HK\$6.65 million		

Recurrent Expenditure:

	HKMM at Murray House	HKMM at Pier 8 (estimate)
Staff	HK\$2,430,000	HK\$3,500,000-4,000,000
Utilities ²⁰	HK\$1,170,000	HK\$4,000,000-5,000,000
Museum operations ²¹	HK\$675,000	HK\$2,000,000-3,000,000
Shop	HK\$225,000	HK\$750,000-1,000,000
Cafe	-	HK\$500,000-650,000
Totals	HK\$4,550,000	HK\$10,750,000-13,650,000

HKMM estimates that the central venue, larger and more diversified gallery space and increased sources of revenue should enable the museum to make an income of up to 40% of costs, on the assumptions that Pier 8 was rent and rates free, that costs for off-site storage were around HK\$100,000 a year, and that HKMM was able to retain all income from operations.

¹⁸ HKMM venue hire is much constrained in Murray House by the design and small size of the galleries. This also impacts on the fee that can be asked. The result has been only two or three events a year. Pier 8 will suffer from neither of the drawbacks. It has in addition the advantage of the stunning view of the harbour. We envisage up to ten bookings a year (we hope for more) at market rates.

¹⁹ <http://www.marketresearch.com/product/display.asp?productid=1512888&g=1> indicates that Hong Kong's 20,000 outlets have an annual gross income of HK\$11 billion, with the top 50 companies making 70% of sales. http://www.hoovers.com/coffee-shops/-ID_264--/free-ind-fr-profile-basic.xhtml notes that "Independent coffee shops generate about C\$200,000 in coffee beverage and bean sales, according to the 2005 *Specialty Coffee Association/Gourmet Retailer Specialty Coffee Survey*." We have assumed our 'Promenade Deck Café' can match a slightly above average performance.

²⁰ In Murray House this figure includes rent and rates. The numbers here assume Pier 8 is free of rent and rates but include off-site storage

²¹ This includes HKMM's low cost exhibitions, website, advertising, etc.

Attachment 4

Recent historic ships visits to Hong Kong

The HKMM had hoped to be able to host both the visiting Spanish, historic replica of the *Não Victoria*, the only vessel of Fernão Magelhaes fleet to complete the 15th century circumnavigation, the world's first. It did manage to host a small, R&R component of the visit by the historic, replica Swedish East Indiaman the *Gotheborg*. In the end both ships chose to spend all or the majority of their stays at Ocean Terminal, which was very generously offered by the HK & Kowloon Wharf Co., but where the vessels tended to be 'lost' against the medium rise backdrop of the terminal and Harbour City, and lacked the relevant association a maritime museum can offer. Both had wished to make their visits at the HKMM, feeling that HKMM would be the best partner with the optimum added value. The lack of water frontage and a pier was the key handicap. Fortunately Ocean Terminal could help out instead.



The *Não Victoria* lost against the Ocean Terminal





The Indiaman *Gotheborg*



Lost against buildings



Gloriously moored – but lost to visitors

The Hong Kong Maritime Museum at Pier 8

Attachment 5: Possible Layout and Themes

Contents

 The Building

 The Museum Experience

 External Views

 Internal Sketches

Pier 8



The Hong Kong Maritime Museum at Pier 8

Pier 8



Proposed Leased Areas

The Hong Kong Maritime Museum proposes to take the space available for their new permanent home on three floors of Pier 8, namely:

⚓ The Upper Deck

⚓ The Viewing Deck

⚓ The Mezzanine

The boundaries of the proposed leased areas are shown within this document

The Upper Deck

The space available on this floor is the Eastern side as the West section is currently in use for ferry purposes. This is the lowest floor of the three available and is currently open to the elements on the North and East sides. This will need to be enclosed. It is covered by the concrete slab to the floor above and as such makes it the most suitable space to house the more delicate exhibits which need comprehensive protection from Ultra-Violet light.

There is an existing fire escape stair located towards the Northern end of the floor which connects this level with the Viewing Deck above. It is proposed that a second stair is built nearer the Southern end providing another connection between these two floors in order to provide a linear flow of visitors through the galleries.

The Viewing Deck

The available space on Viewing Deck floor extends to all exterior boundaries, North, East and West and is a tall space with natural light from the roof above. Again the floor is currently fully open to the elements and will require enclosure.

Subject to investigation of further options, the intention is that this floor would be the main point of access to and egress from the new museum. A disabled lift rises up to this level also and offers an ideal opportunity for disabled access to the museum.

Internally, full use of the space and height will be made to convey the message of the museum experience.

The Mezzanine

There is at present a small interior space at the level above the Viewing deck, leading out into an external deck area. It is proposed that these areas will house the Museum Café.

At the same level and built above existing structures (plant and machine rooms), the Museum proposes to build its offices and archive library. Some of the space above plant rooms will also be used to house chiller plant necessary to maintain temperatures and humidity within narrow bands.

Enclosure

All of the available space is currently open to the elements and will need to be enclosed. The HKMM plan to construct glazed walls where such walls face over the water to provide such enclosure. However, much of this daylight will still need to be modulated to protect exhibits and to this end, screens will need to be introduced behind the glass panels. Parts of the museum and their exhibits will, however, still be visible from the outside.

External Identity

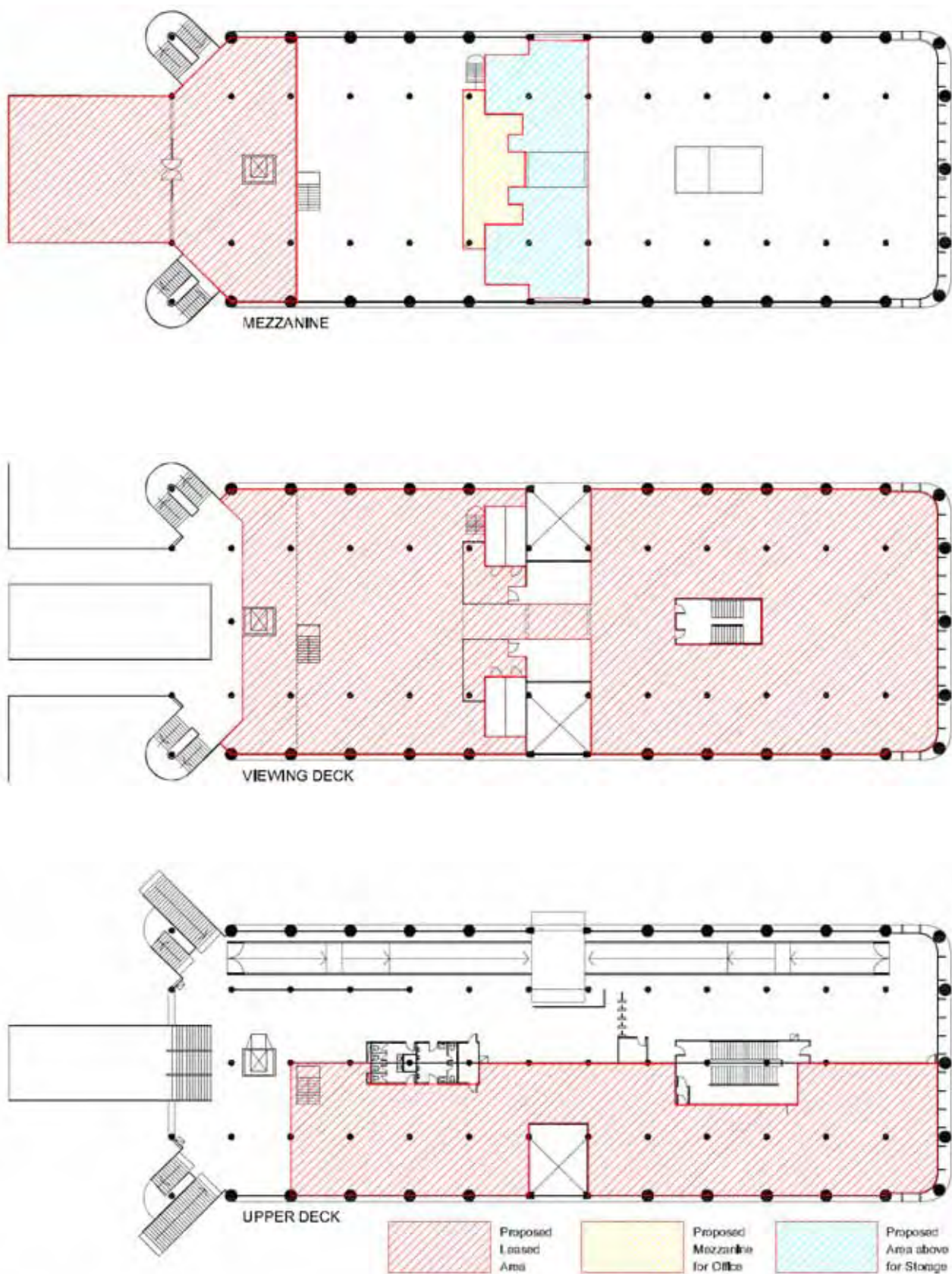
The HKMM propose to make the Museum's presence felt within the immediate surroundings with the use of logos, banners, flags and signage. However, this will be done with restraint so as not to alter the external nature of the building to any significant degree.

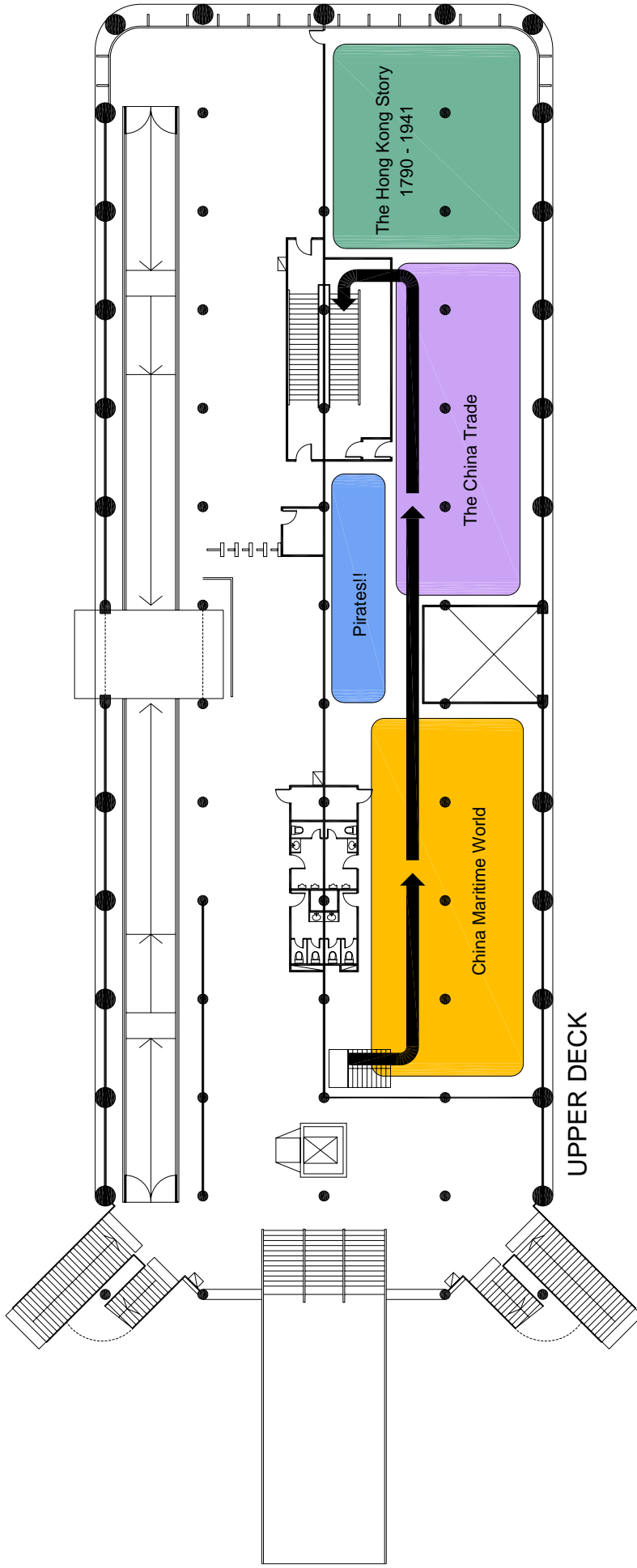
Building Services

At present, the spaces are neither fire protected nor air-conditioned. Modulating the interior environment will be a major element of the work as museum exhibits need to be kept in an environment of narrow tolerance for heat and humidity. Space for primary chiller plant will need to be found. Additional washroom facilities will also be necessary and we will need to investigate options for servicing a food and beverage area on the mezzanine.

The Hong Kong Maritime Museum at Pier 8

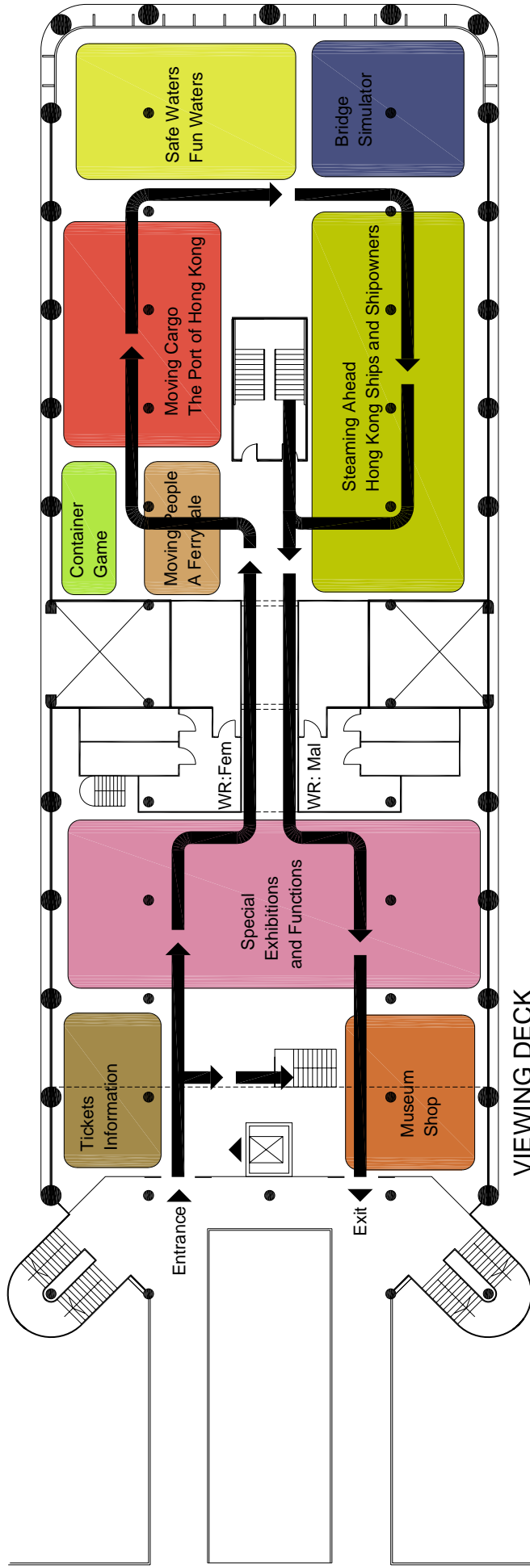
Leased Areas

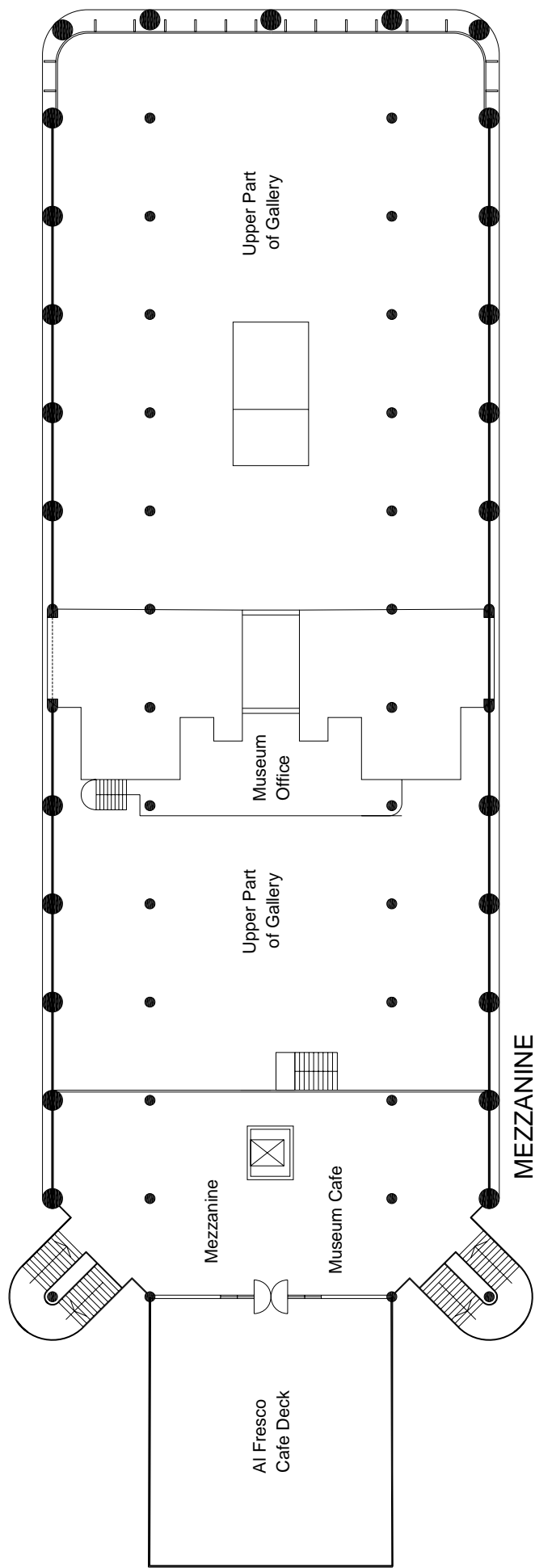




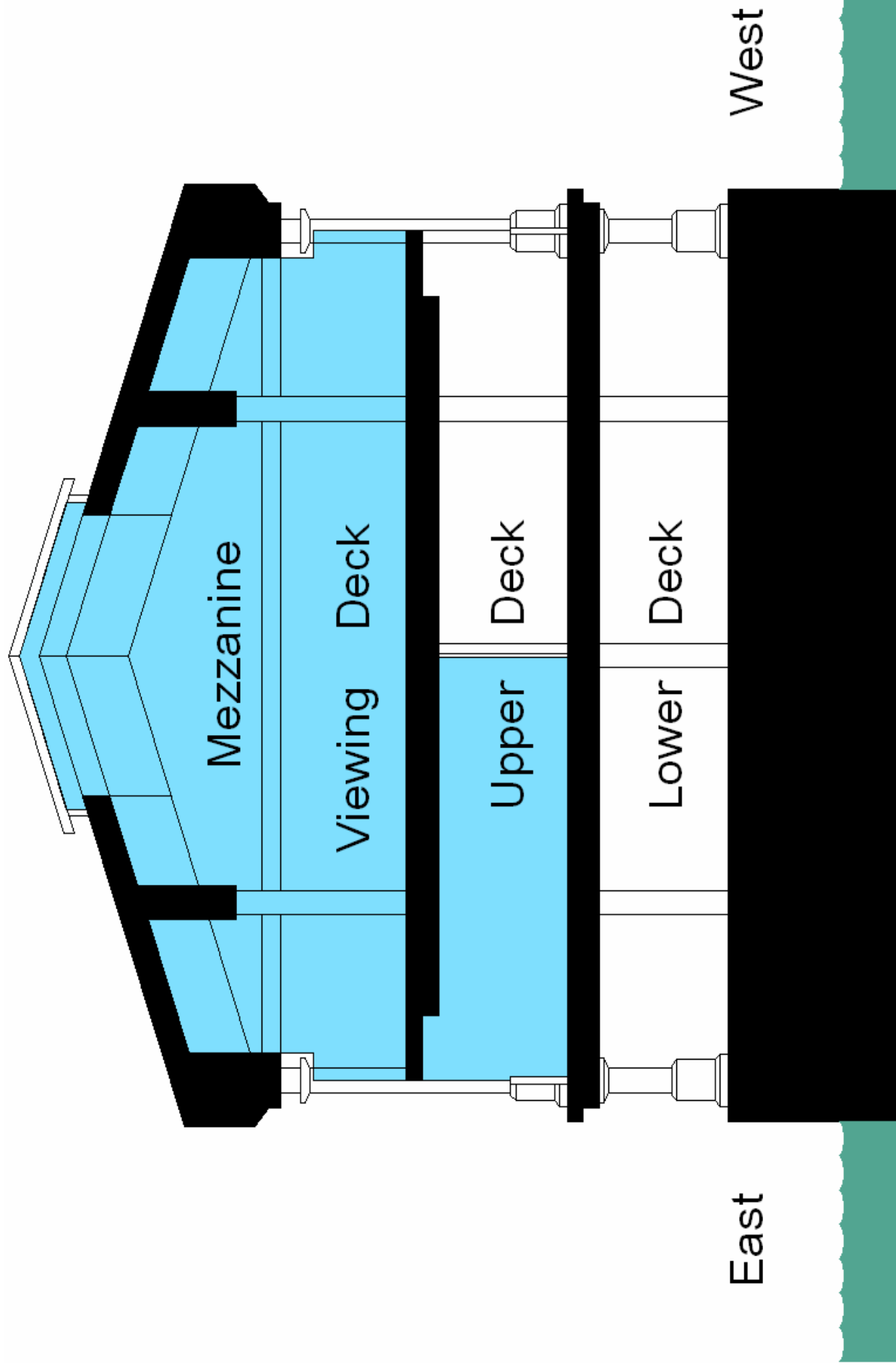


Viewing Deck Plan





The Hong Kong Maritime Museum at Pier 8



The Museum Experience

The Museum Experience is communicated through a variety of media and each provides a differing degree of participation from the passive reading of texts and viewing of exhibits to the interactive experience of simulators and games. The following pages illustrate some of these types of media with examples drawn from the current Maritime Museum in Stanley as well as illustrations of other exhibits that Pier 8 will be able to accommodate:

- ⚓ The Storyline
- ⚓ Ship and Boat Models
- ⚓ Scale Replicas
- ⚓ Reconstructions
- ⚓ Maritime Art
- ⚓ Artifacts
- ⚓ Components
- ⚓ Maritime Documents
- ⚓ Simulators
- ⚓ Learning to Sail
- ⚓ Audio Visual Presentations
- ⚓ Stage Sets
- ⚓ Naval Instruments
- ⚓ Navigation Technology
- ⚓ Flags and Banners
- ⚓ Materials and Finishes
- ⚓ Lighting
- ⚓ Graphics and Signage
- ⚓ Large Scale Exhibits

The Hong Kong Maritime Museum at Pier 8

The Storyline



Each section of the museum will be accompanied by a comprehensively researched storyline, linking together groups of exhibits and relating each to Hong Kong's Maritime story.

The Hong Kong Maritime Museum at Pier 8

Ship Models



Ship Models are a major component of all maritime museums and will be a mix of custom made, historical, and commercial items, owned by the museum, purchased, on loan or commissioned



The Hong Kong Maritime Museum at Pier 8

Replicas



Larger scale Custom made replicas of all or part of sailing vessels have more impact than smaller scale models



The Hong Kong Maritime Museum at Pier 8

Reconstructions



For those who have not been aboard a ship, full scale reconstructions of major areas provide an opportunity for a first hand experience.



The Hong Kong Maritime Museum at Pier 8

Maritime Art



Hong Kong's maritime history as well as that of the South China region features large in many paintings of the day

The Hong Kong Maritime Museum at Pier 8

Artifacts

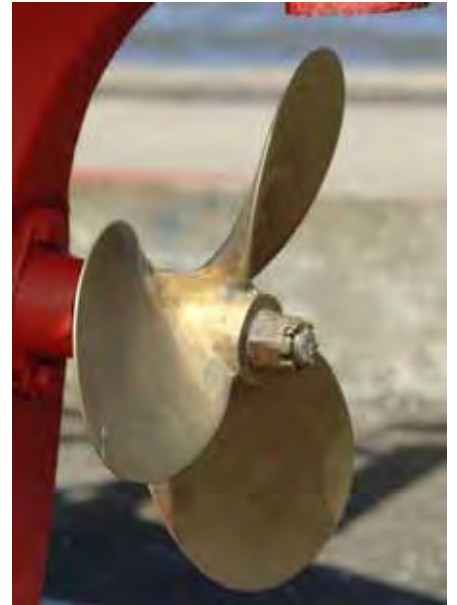


Historical artifacts bring a human experience to the maritime world and its many aspects.



The Hong Kong Maritime Museum at Pier 8

Components



Actual components from ship's maritime structures bring to life the sometimes breath-taking scale of naval engineering.



The Hong Kong Maritime Museum at Pier 8

Documents



Historical documents tell us much about the importance that shipping played in the development of civilization as well as an understanding of the nature and hardships of life at sea.



The Hong Kong Maritime Museum at Pier 8

Simulators



Computer based interactive simulators,, afford participants the opportunity to experience a wide variety of maritime situations.

Learning to Sail



Radio controlled sailing boats can be a useful tool to teach the principles of sail. Model motor boats can demonstrate principles of navigation, maneuvering and the laws of the sea.



The Hong Kong Maritime Museum at Pier 8

Audio-Visual



Video and film shows can be highly informative and offer a chance to rest from the more demanding activities on offer while sound recordings can evoke images of many maritime themes

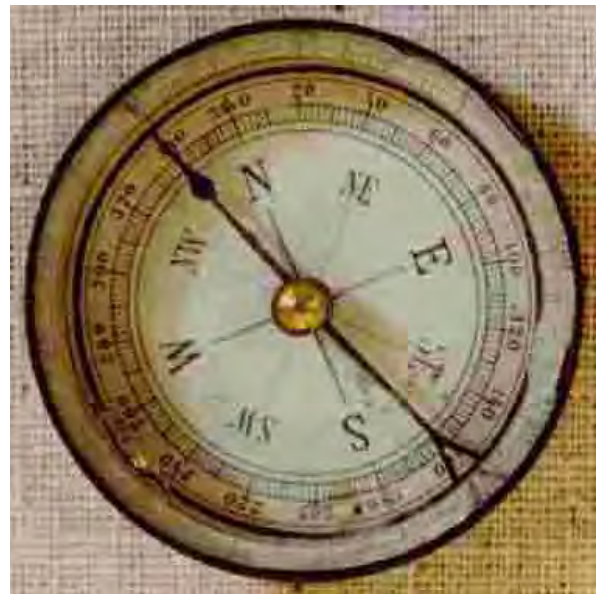
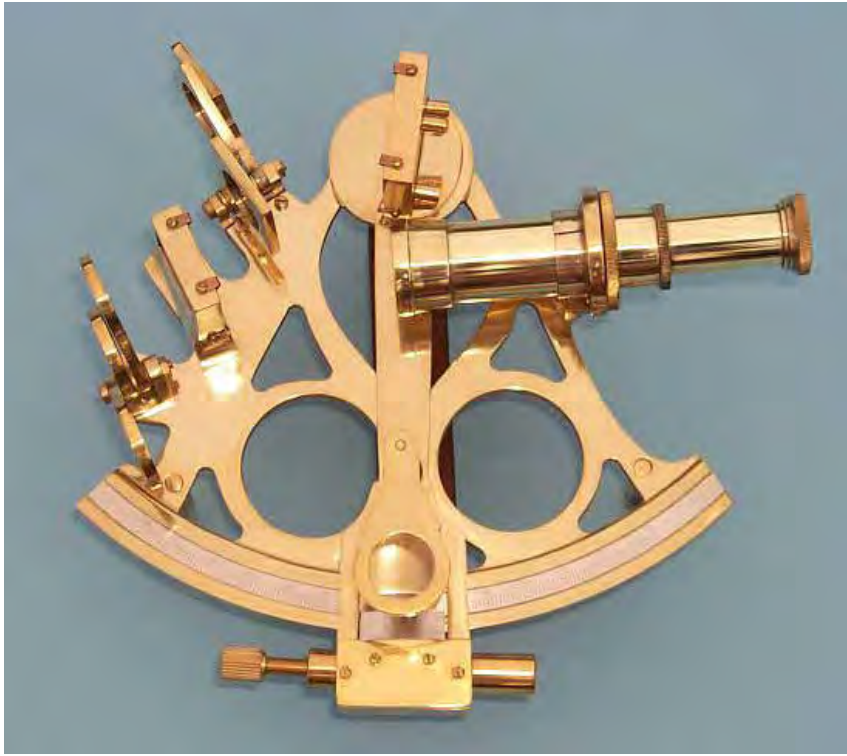


The Hong Kong Maritime Museum at Pier 8



Special areas will be designed to create a specific atmosphere or situation reflecting a number of maritime themes such as the pirate's cave shown

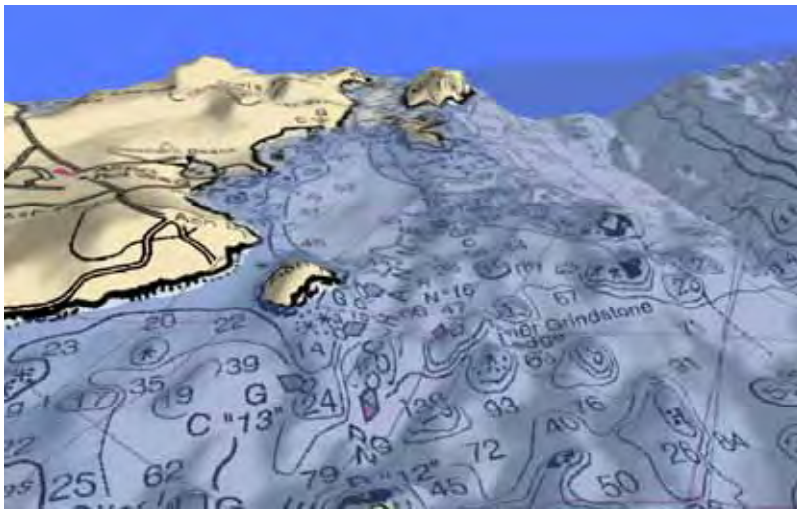
Navigation Instruments



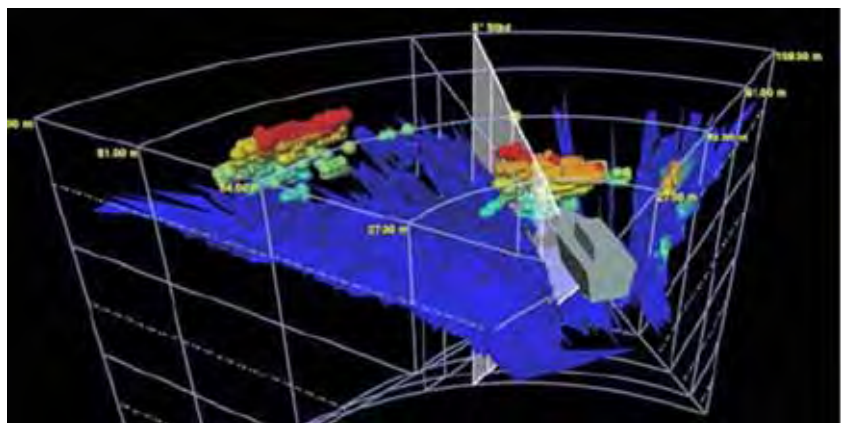
In this age of technology we take much for granted when it comes to navigating on land, sea and air but up until fairly recently, pinpointing position and navigating from one location to another was often a highly hazardous affair



Navigation Technology



Modern navigation relies heavily on computer technology and despite the availability of such tools, disasters can still occur which means that there is still scope for continuing evolution of safety systems.



The Hong Kong Maritime Museum at Pier 8



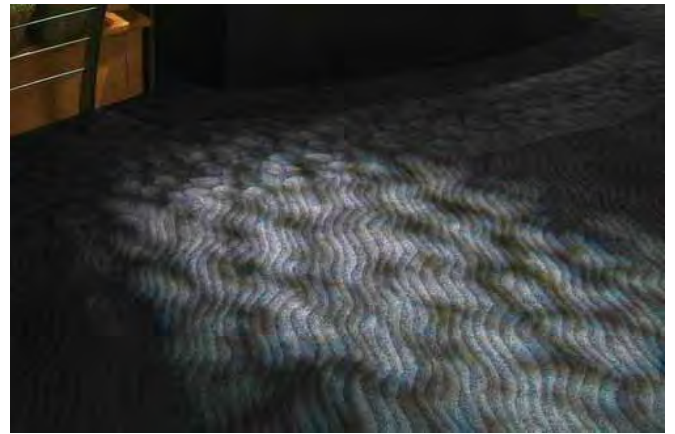
Flags and banners

Flags and banners, which were once a primary means of communication between vessels and with land, offer many opportunities for communicating the identity of the museum and for learning.



The Hong Kong Maritime Museum at Pier 8

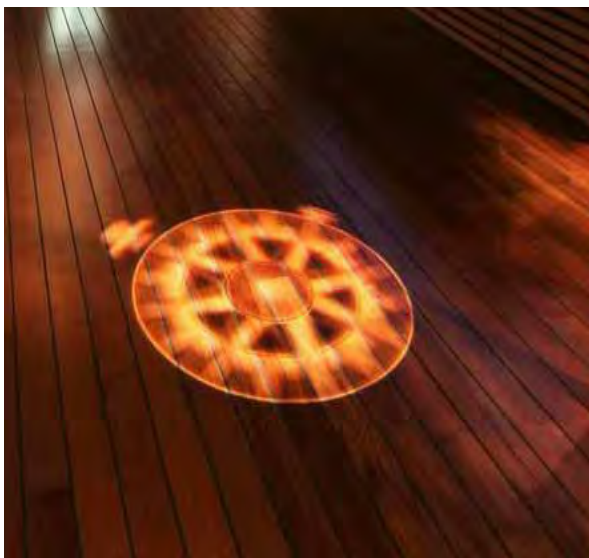
Materials and Finishes



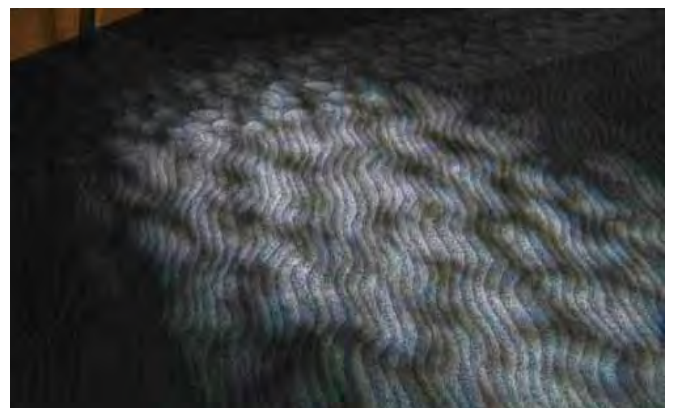
Colours & finishes, by referring to maritime themes, add depth to the experience of the museum.

The Hong Kong Maritime Museum at Pier 8

Lighting



Lighting plays a very important role in the maritime museum. As well as illuminating exhibits, it creates atmosphere and must be carefully designed to protect aging documents and exhibits.



The Hong Kong Maritime Museum at Pier 8

Graphics and Signage



The Hong Kong Maritime Museum has already developed a graphic identity which will continue within the new museum.

The Hong Kong Maritime Museum at Pier 8

Large Scale Exhibits



The size and form of Pier 8 will offer great opportunities for larger scale special exhibits

External Treatment

The three views shown overleaf illustrate the impact of the proposed museum on the external fabric of the building and how the museum will make its presence known. The major elements comprise:

- ⚓ Enclosure of the Viewing Deck and part of the Upper Deck
- ⚓ Placing of the Hong Kong Maritime Museum logo on the centre of the two long facades and the gable end facing Tsimshatsui.
- ⚓ Introduction of banners and flags on the roof of the building
- ⚓ New signage identifying the Museum at entrances to the building

The Hong Kong Maritime Museum at Pier 8



The Hong Kong Maritime Museum at Pier 8



The Hong Kong Maritime Museum at Pier 8



The following pages include preliminary sketches which offer some suggestion of the use of space for the major areas.

The Hong Kong Maritime Museum at Pier 8



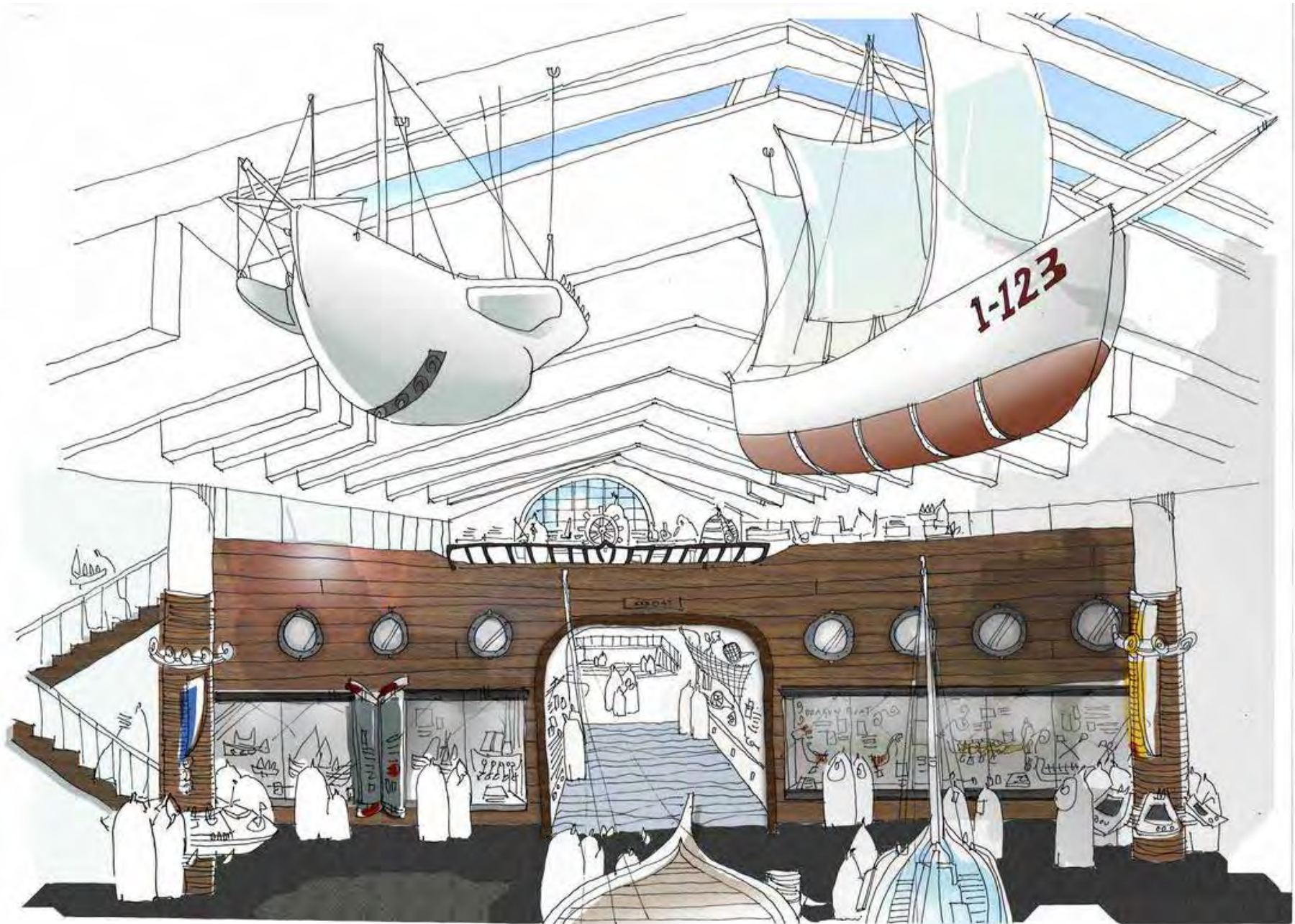
Entrance at Viewing Deck

The Hong Kong Maritime Museum at Pier 8



Museum at Viewing Deck

The Hong Kong Maritime Museum at Pier 8



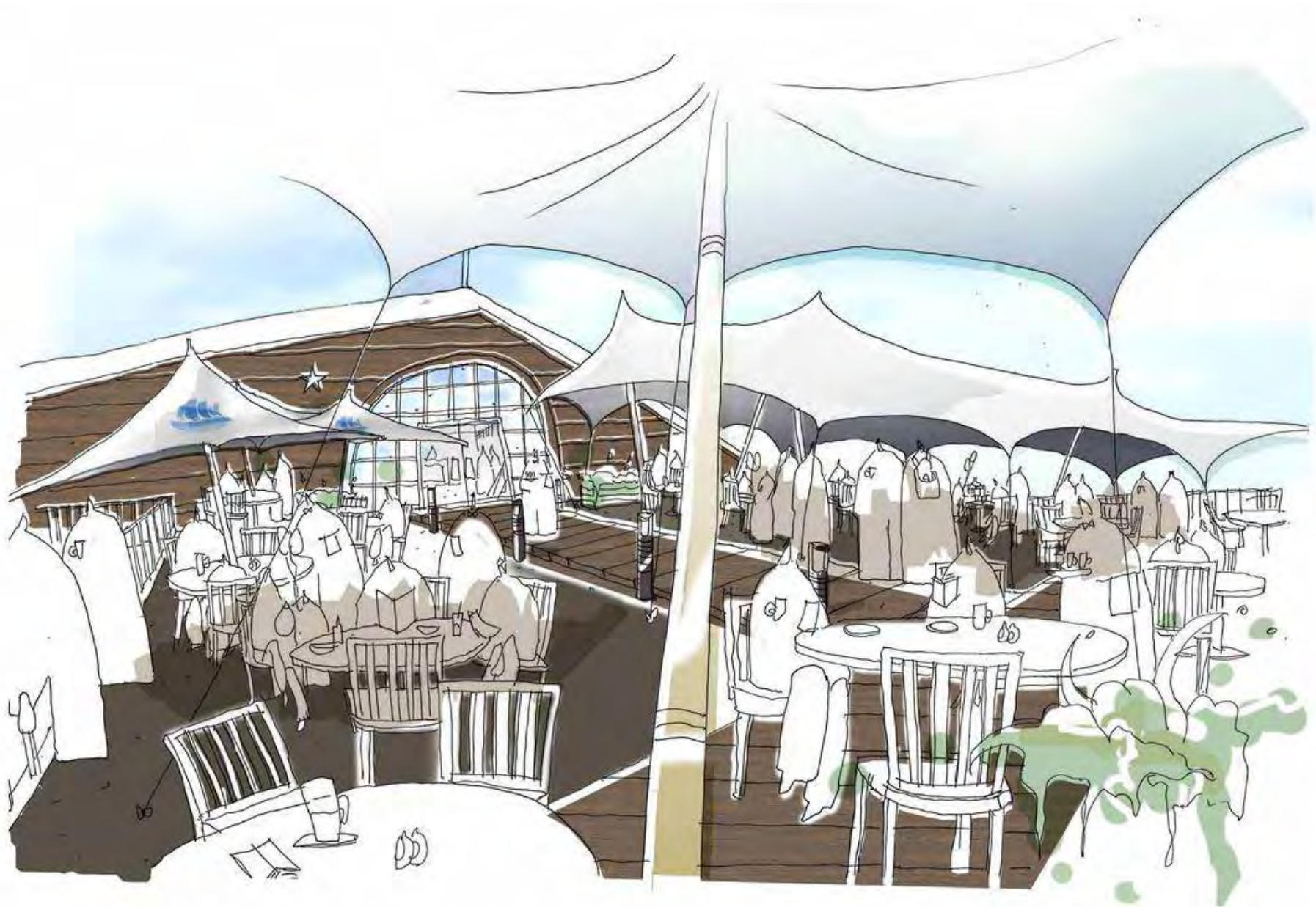
Museum at Viewing Deck

The Hong Kong Maritime Museum at Pier 8



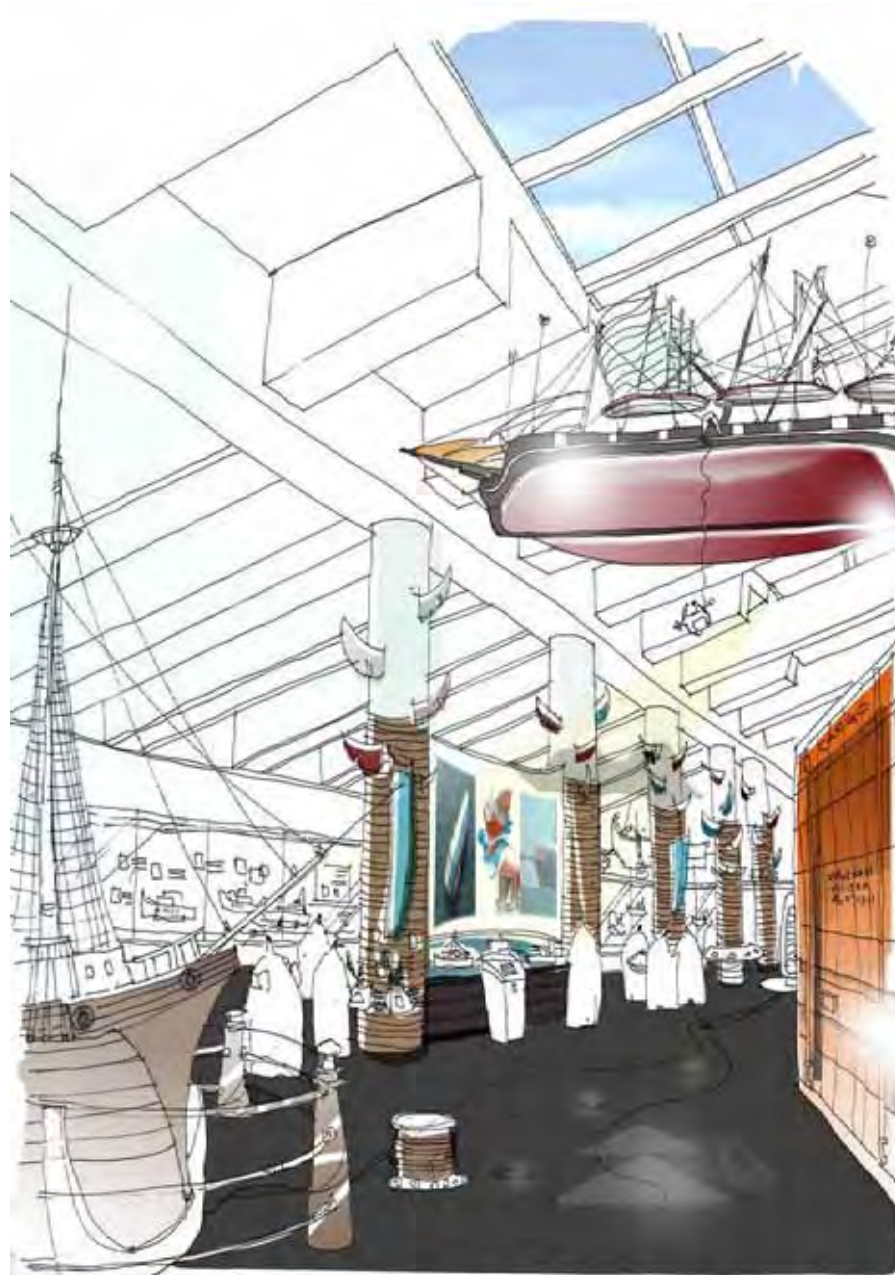
Museum at Upper Deck

The Hong Kong Maritime Museum at Pier 8



Museum Al Fresco Café at Mezzanine

The Hong Kong Maritime Museum at Pier 8



Museum at Viewing Deck

Attachment 6

Port cities with Maritime Museums

Maritime museums are a new departure in mainland port cities in China, but they are growing in number. They are also gaining ground in Taiwan. HKMM has been consulted by maritime museums, actual or projected, in Shanghai, Wuhan, Dalian and Tianjin and from Kaohsiung in Taiwan. At present in China there are maritime museums actual or planned in:

Dalian	(Liaoning)
Jiaying	(Zhejiang)
Qingdao	(Shandong)
Quanzhou	(Fujian)
Shanghai	(Shanghai)
Tianjin	(Tianjin)
Wuhan	(Hubei)
Yangjiang	(Guangdong)

In Taiwan there are maritime museums in:

Keelung
Kaohsiung
Taipei (Tamkang University MM)

The following is a list of international port cities with publicly supported maritime museums or in which a maritime museum is planned. Most of these museums are at or on the main harbour water frontage:

Aberdeen	(UK)	Boston	(USA)
Adelaide (Port Adelaide)	(Australia)	Bremerhaven	(Germany)
Amsterdam	(Netherlands)	Brest	(France)
Antwerp	(Belgium)	Buenos Aires	(Argentina)
Athens (Piraeus)	(Greece)	Cartagena	(Columbia)
Auckland	(N Zealand)	Cape Town	(South Africa)
Barcelona	(Spain)	Copenhagen (Helsingor)	(Denmark)
Bergen	(Norway)	Den Helder	(Netherlands)
Hamilton & St George	(Bermuda)	Dubai	(UAR)
Baltimore	(USA)	Falmouth	(UK)
Bilbao	(Spain)	Fremantle	(Australia)
Bordeaux	(France)	Gdansk	(Poland)

Genoa	(Italy)	Vittoriosa	(Malta)
Glasgow	(UK)	Melaka	(Malaysia)
Goteborg	(Sweden)	Melbourne	(Australia)
Halifax	(Canada)	Monte Carlo	(Monaco)
Hamburg	(Germany)	New York	(USA)
Helsinki	(Finland)	Oslo	(Norway)
Hull	(UK)	Paris	(France)
Istanbul	(Turkey)	Portsmouth	(UK)
Karachi	(Pakistan)	Rio de Janeiro	(Brazil)
Kuwait	(Kuwait)	Rotterdam	(Netherlands)
Lisbon	(Portugal)	San Diego	(USA)
Liverpool	(UK)	San Francisco	(USA)
London	(UK)	Singapore	(Singapore)
Lorient	(France)	Stockholm	(Sweden)
Macau	(China)	St Petersburg	(Russia)
Mumbai	(India)	Sydney	(Australia)
Nantes	(France)	Trieste	(Italy)
Naples	(Italy)	Valparaiso	(Chile)
Newport	(Va., USA)	Vancouver	(Canada)
Venice	(Italy)	Yokohama	(Japan)

There are also maritime museums in many small, often historically significant, ports. For example the Korean National Maritime Museum in Mokpo, or the museums in Mystic, Nantucket or New Bedford, USA. The list above is a fraction of the several hundred maritime museums of which the most authoritative list can be found at

<http://www.bb62museum.org/wrldnmus.html>

The International Congress of Maritime Museums, of which HKMM is a member, has 83 member museums comprising almost all of the world's leading maritime museums. HKMM presented a paper on the foundation and future of HKMM at the ICMM's biennial congress in Malta in October 2007.

Hong Kong Maritime Museum Organization Charts

(personnel for present 500m² museum)

**Hong Kong Maritime Museum Trust
(12 Trustees: Chairman Mr CC Tung)**

Board of Directors
Chairman: Mr Anthony Hardy
Mr MH Liang, Mr YK Chan, Mr Andrew Chen, Mr Justice William Waung

Museum Director
Dr Stephen Davies

Curator & Executive Manager
Ms Catalina Chor

Professional Staff
3 x Assistant Curators

AC Registrar: Ms Moody Tang

AC Public Relations: Ms Dorothy Kwong

AC Designer: Ms Elisa Pang

Executive Assistant
Ms Maria Ng

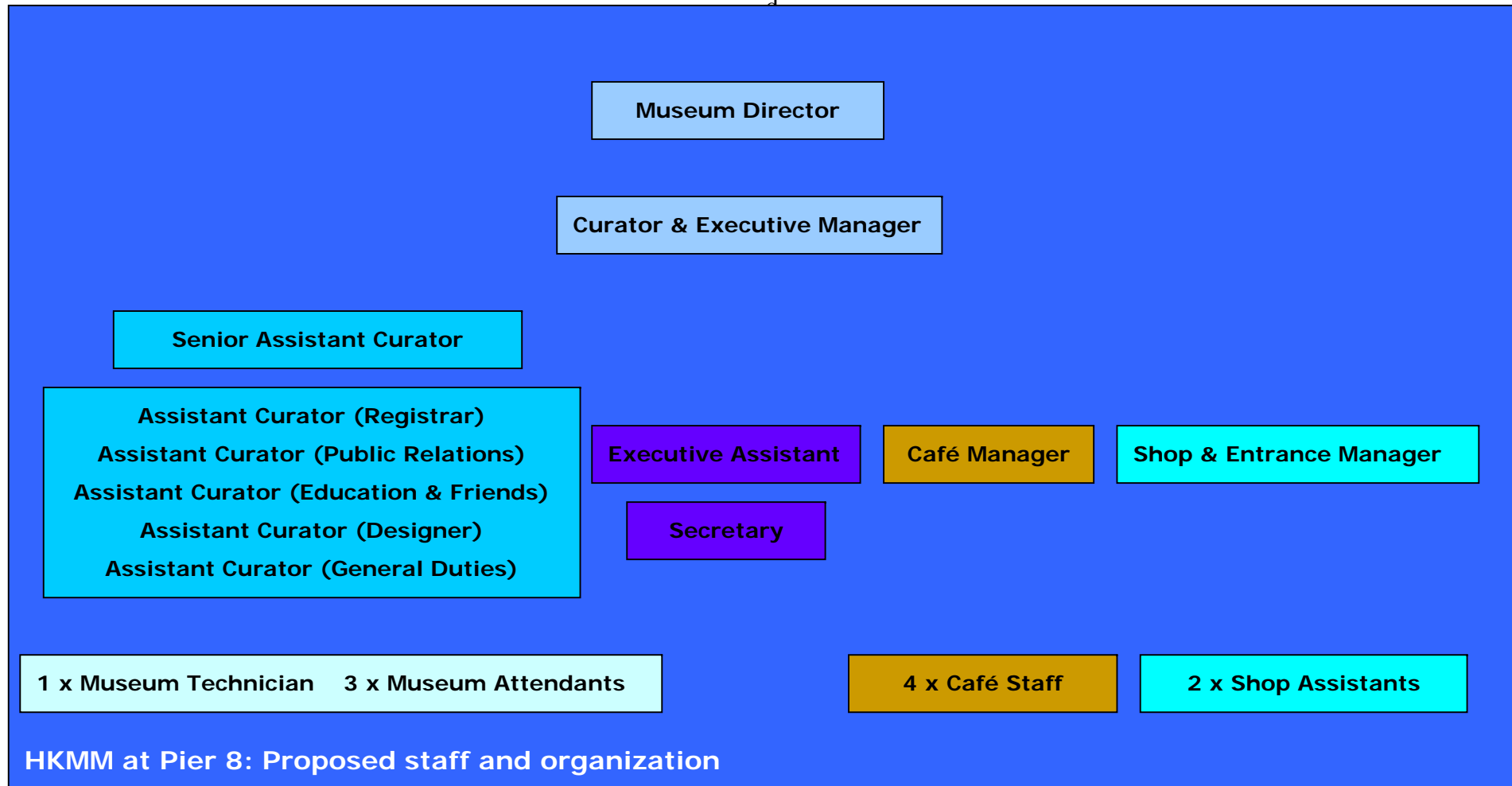
Shop Supervisor
Ms Kendi Tong

Museum Technician & Museum Attendant
Mr Louis Wong & Mr Raymond Law

Shop Assistant
Ms Yumei Lui

Hong Kong Maritime Museum Ltd.

Staffing at Pier 8





Museum Governance in Hong Kong

A position paper

1. The Present Situation

1.1 From the point of view of governance and funding, at present in Hong Kong there are four broad kinds of museums and a fifth, related but quite separate heritage preservation entity, thus:

- a. publicly funded, government managed museums
- b. publicly funded museums, managed by independent, publicly funded institutions
- c. privately funded, privately managed museums
- d. privately/publicly funded, privately/publicly managed museums not open to the public
- e. *a related but separate publicly funded, publicly managed Heritage Discovery Centre*

The total of 26 + 1 institutions in November 2006 fell into each category as follows:

a.*	b.	c.	d.	e.
Law Uk Folk Museum	HKU Museum and Art Gallery	HK Racing Museum	Cathay Pacific Museum	HK Heritage Discovery Centre
Sam Tung Uk Museum	CUHK Art Museum	HK Museum of Medical Sciences	Marine Police Museum	
Sheung Yiu Folk Museum	Immigration Department Museum	HK Maritime Museum		
Lei Cheng Uk Han Tomb Museum	Correctional Services Department Museum			
Hong Kong Museum of Art	Police Museum			
Hong Kong Railway Museum	HK Planning and Infrastructure Exhibition Gallery			
Hong Kong Space Museum				
Hong Kong Heritage Museum				
Hong Kong Science Museum				
Hong Kong Museum of Coastal Defence				
Hong Kong Film Archive				
Hong Kong Museum of History				
Flagstaff House Museum of Tea				
Sun Yat Sen Museum**				
Sea Rescue/Alexander Grantham Museum**				
* some of these are branch museums ** opening 2007				

1.2 Of the 27 institutions, 21 are directly funded and operated by HK Government departments, 2 are indirectly provided for by public funds and 4 are private institutions.

Of the 21 government run museums, 16 are operated by the Leisure and Cultural Services Department, 15 as museums by the relevant section of LCSD and one by the Antiquities and Monuments Office. The remaining 5 are run as part of other government departments and are outside the scope of this paper although, on more general grounds, should the proposals of this paper in sections 2 through 7 below find favour, there would be arguments in favour of all government funded museums to be brought within the proposed new system.

Of the private museums the following can be considered to be beyond the scope of this position paper since their management and funding lie wholly in adequately funded private sector hands and it is unlikely that there would be any interest by those responsible for the museums in joining any proposed new structure.

HK Racing Museum, Cathay Pacific Museum

The other two private museums, the Hong Kong Museum of Medical Sciences and the Hong Kong Maritime Museum, each in its several ways, would be interested in joining the proposed new structure for the unquestioned advantages it would bring them. This not least because some sort of absorption into or support by publicly provided heritage funding is part of the future wish list of both institutions.

1.3 The government museums are run, in effect, as part of the general civil service, subject to the panoply of civil service systems, structures and regulations and staffed, at management level at least, by career civil servants some with relevant museological or arts/cultural management qualifications.

Private museums are similarly staffed in terms of the quality and skills of the personnel. However, and insofar as the opaque nature of government museum statistics allows any effective comparison, the numbers of staff per service-provision-equivalent are 50-60% of those found in public museums. In addition, the salaries and benefits packages are markedly inferior to those in the public service (in the bracket 35-50% for equivalent jobs).

1.4 There has been a general sense that the governance structure of the LCSD museums is not entirely satisfactory. This in at least three senses:

- a. the existing structure is seen to trammel innovation and inhibit the capacity speedily to respond to opportunity, changing markets/perceptions, etc.
- b. the existing system leads to a markedly sub-optimal allocation and disbursement of public funds dedicated to Hong Kong's cultural heritage
- c. the existing system is seen to fail to ensure adequate curatorial independence in decision making as to what to exhibit, how and when

1.5 The question has thus arisen what better governance structure might be devised and the Committee on Museums has recently invited representatives from Hong Kong's museum world in general to contribute ideas to this end. This paper is the HK Maritime Museum's contribution to that debate.

2. Possible governance structures

2.1 Two broad avenues of advance have been suggested:

- a. corporatization – in a manner and form otherwise unspecified
- b. preservation of the status-quo with, presumably, some improvements aimed at diminishing the present imperfections

2.2 In recent meetings the consensus would appear to have been that 2.1.b is not a viable option if Hong Kong's public museums are to attain the best international standards. It follows that the salient issue thus becomes the modality of corporatizing the museums.

2.3 The model of corporatization chosen must be designed to achieve the maximum future flexibility. Boutique museums, more closely focussed and, possibly, therefore more appealing to the public than large traditional museums, are likely to increase in number. It follows that the chosen model of corporatization must be one which allows for the creation and absorption of ever more museum nodes and clusters, rather than being 'locked' to some set or subset of the museums presently existing in Hong Kong.

2.4 Possible types of corporatization would include, though not exhaustively:

- a. the creation of a private corporation to which the museums would be 'hived off', which would be subvented by public funds, though also able to and expected to seek private funding and to operate as a business by structuring the museums into some larger business model (*the original proposals for the West Kowloon Cultural District would offer an example*)
- b. the creation of a public corporation charged with the management of all public museums (*the ideas being mooted for the future of RTHK would be pertinent here*)
- c. the 'hiving off' into independent museums or museum clusters all existing LCSD (and possibly all government funded) museums and the creation of a public supervisory body with neither statutory nor executive powers but required:
 - i. to act as a "buffer", safeguarding curatorial freedom and institutional autonomy
 - ii. to ensure value for money for the taxpayers

2.5 This paper argues that 2.4.c is the most fitting way forward. It proposes as a model the tried and tested format of the territory's universities and the University Grants Committee. Each museum or museum cluster would find, devise or be given a corporate status, probably via a Private Bill and the

resulting ordinance and choose its own name (probably that which it has at present). The proposed public supervisory entity would be called the Museums and Heritage Committee.

This proposal has the following advantages:

- a. it follows an established model that has been seen to work
- b. it follows a model specifically designed to guarantee institutional autonomy
- c. as the example of the UGC since its creation in 1965 shows, it is flexible both in terms of:
 - i. adaptability to changing priorities
 - ii. adjustability to accommodate more institutions as these emerge in response to changing times
- d. it is designed to make the optimal use of both local and international expertise from every relevant domain
- e. it retains for government, through the nomination of Committee members and the central role of a Museums and Heritage Committee Secretariat, strategic direction of the system
- f. in making each museum or museum cluster an independent institution with its own management structure funded both by public funds and its own fund-raising, an environment is created in which different museum management systems and structures can exist, thus:
 - i. enabling optimal solutions to museum management to be tested and evolve in a suitable competitive environment
 - ii. making space for the variety of such solutions necessary to each museum or museum cluster in response to its particular collection, mission, audience, location, etc.

The proposed structure has the disadvantage, at least in terms of the time and complexity costs of implementation, of requiring the affected museums and heritage institutions to seek appropriate legal status. Specifically and ideally each museum/heritage institution or museum/heritage institution cluster would have to have its own Ordinance or form of incorporation, its appropriate governing council, or Board of Trustees, or otherwise agreed and appropriate management structure.

3. Autonomous museums, museum clusters and heritage institutions

3.1 Undoubtedly the most intricate aspect of the above proposal would be operationalizing the idea of independent museums, museum clusters and heritage institutions. Critical issues here would be:

- a. what mode and form would ‘hiving off’ museums from the present government system take?
- b. what would be the ‘critical mass’ for any intended autonomous museum and heritage institutions ?
- c. what would be the timeline necessary for the existing management structure to be changed?
- d. what are the legal implications for such a proposal and the change in the employment status of the existing civil service employees within the present system?
- e. what mode of governance should the newly autonomous museums, museum clusters and heritage institutions take?

3.2 These are not in themselves insuperable obstacles, the major barriers being likely to be institutional inertia and a reluctance to cut a Gordian knot. If government were to decide, as it should (see 7 below), that it was not an appropriate or fitting operator of cultural and heritage institutions, then it can and should act to divest itself off those responsibilities, and there can be no legal argument to the contrary.

3.3 Decisions as to ‘critical mass’ can be determined by comparison with similar overseas institutions, bearing in mind how, in a culturally mature society, private sector provision of many museum services (conservation, design, etc.) can always be found. It follows that ‘critical mass’ for any future Hong Kong museums or museum clusters would be in part determined by the business model adopted. For example the choice might be between:

- a. ‘horizontally diversified’ institutions in which all museum services were provided from sub-departments within the institution
- b. ‘core competence’ institutions focussed solely on collection, display, information and education for which other necessary museum services (conservation, design, etc.) were ‘bought in’ from independent market sources as and when required
- c. a ‘full competence clustered’ model in which ‘core competence’ institutions included common ‘technical services’ units

3.4 The timeline is in the end a function solely of resolve. In the absence of a firm resolve for change of the sort proposed – and/or in the face of determined resistance to change – it would be too easy for action to be infinitely delayed in an infinite regress of consultations, committees, commissions and reports. If this proposal were to be adopted with appropriate resolve, it would be reasonable to look forward to the new system being in place within 5 years at the most.

3.5 A single mode of governance of the autonomous museums envisaged by this paper should not be imposed by fiat. Indeed it would be best to encourage museums, in planning for their independent existences, to adopt whichever amongst a variety of models seemed most suited to their specific circumstances and role. In the USA there is a large variety of governance structures and these could be a ready source of inspiration. Much here might depend on the extent to which each museum, museum cluster or heritage institution thought it would be more or less successful in private fund-raising given its specificities.

For example, and accepting socio-cultural values amongst potential donors as they are, a museum of art (or museums of art cluster) might feel more confident of attracting private finance than, for example, a more narrowly and locally focussed museum. Thus a mode of governance more suited to fund-raising would be appropriate to the former where one otherwise focussed would be more appropriate to the latter.

In general one could conclude that Hong Kong would benefit from a variety of modes of governance in that each would be effectively tested against the other.

4. A Museums and Heritage Committee

4.1 Structure:

A Museums and Heritage Committee (MHC) would meet three or four times a year in Hong Kong. It would work through a system of sub-committees and specialist groups designed to cover the range of its responsibilities. A typical arrangement, following the example of the UGC might include:

- a. General and Management Committee (GMC)¹
- b. Strategy and Future Museums Committee (SFMC)²
- c. Areas of Excellence Specialist Group (AEG)³
- d. Quality Group (QG)⁴
- e. Restructuring and Collaboration Fund Specialist Group (RCSFG)⁵

Other *ad hoc* groups and panels could be convened according to any new task at hand.

In addition there could be an MHC equivalent to the UGC's Research Grant Committee, perhaps styled the Special Grant Committee (see also 4.6.d below)⁶.

4.2 Mission:

The mission of an MHC would be as the non-statutory body to advise the Government of the SAR on the funding and strategic development of museums and heritage institutions in Hong Kong. It would work with Institutions, the Administration and the Community to promote excellence in the museums and heritage sector, with a view to:

- ✓ establishing Hong Kong as a museums and heritage leader of the region,
- ✓ encouraging Hong Kong as a leading cultural interface of East and West,
- ✓ nurturing a locus in which high quality people, banking institutions and public companies would promote cultural development in Hong Kong.

The MHC would: -

- a. oversee the deployment of funds for the strategic development of the museums and heritage sector;
- b. support the continuous development of the museums and heritage sector, characterized by an international and innovative outlook, to achieve greater impact and recognition for Hong Kong internationally and locally as a source of community and national identity;
- c. give steering advice to the museums and heritage sector from a systems perspective and facilitate museum and heritage institutions to fulfill their distinctive roles;
- d. enhance visitor experience and international competitiveness in museology, research and knowledge transfer by museum and heritage institutions in accordance with their agreed roles;

- e. facilitate the sustainable development of museums and heritage institutions to meet the demands of the changing times;
- f. encourage deep collaboration among museum and heritage institutions to develop an interlocking system to increase the international competitiveness of the sector; and
- g. safeguard quality and promote efficiency, cost-effectiveness and accountability in the activities of museum and heritage institutions.

In looking to promote the above, the MHC would seek to preserve institutional autonomy and curatorial freedom, in the context of appropriate financial and public accountability.

4.3 Operation:

Operationally, as stated above and as with the UGC, the MHC would have neither statutory nor executive powers over the institutions in its care. Each of the museums and heritage institutions would be an autonomous body with its own Ordinance and Governing Council or equivalent legal structure. The institutions would retain substantial freedom in the control of museum design, gallery content, story-lines, etc. as well as the selection of staff, organization of docents and Societies of Friends, and over the internal allocation of resources and the planning and design of future development. Nevertheless, because the institutions would largely be supported by public funds and in view of the social, cultural and economic importance of museums and heritage, the Government and the community at large have a legitimate interest in the operation of the institutions to ensure that they are providing the highest possible museological standards in the most cost-effective manner.

As noted above, by acting autonomously between Government, which provides the funding, and the institutions that spend the funds, the MHC would perform two roles. For the museums and heritage institutions it would safeguard their curatorial and business freedom, and their institutional autonomy. Meanwhile for the Government and the taxpayer, it would ensure value for money.

The main function of the MHC, constituted as it would be, and again as with the UGC, of local, regional and international experts, would be to offer impartial and respected advice to the Government on the development and funding of museums and heritage in Hong Kong. Specifically, the MHC would have to determine precise grant recommendations in the light of indications of:

- a. the level of funding that can be made available
- b. overall annual visitor number and income targets proportionally related to the specificities of museum and heritage institutions and institution clusters and their missions
- c. the state of and trends in the related acquisition markets of museums and heritage institutions and institution clusters
- d. related capital works in support of institutional development.

The MHC would also provide the institutions with advice having regard to international standards and practices and would support and assist institutions in quality assurance and enhancement initiatives and processes.

4.4 Policy:

The MHC would be founded on the belief that Hong Kong must have its own strong museum and heritage sector as an integral component of Hong Kong's thrust to sustain its status as a Chinese but internationally orientated city populated by a vibrant, economically powerful, cultured, civilized, socially active and responsible society. Hong Kong can only become Asia's world city, attractive alike to mainland, regional and international visitors, if its cultural life is underpinned by a wide-ranging, deeply penetrating, wholly integrated museums and heritage sector. The MHC would therefore take a proactive role in strategic planning and policy development to advise and steer the museums and heritage sector in satisfying the diverse needs of stakeholders. The MHC would:

- a. see the Hong Kong museums and heritage sector serving as a "regional museums and heritage focus" complementing the economic and social development of Hong Kong, in the context of our unique relationship with Mainland China and the region;
- b. take a strategic approach to Hong Kong's museums and heritage institutions, by developing an interlocking system where the whole sector is viewed as one force, with each institution fulfilling a unique role, based on its strengths;
- c. work with institutions to ensure that each provides excellence in all areas relevant to its role;
- d. aim to promote "international salience" where it may occur in institutions, understanding that all will contribute to this endeavour and that some institutions will have more international salience than others; and
- e. value a role-driven yet strongly collaborative museums and heritage system in which each institution has its own role and purpose, while at the same time being committed to extensive collaboration with other institutions in order that the system can sustain a greater variety of museum and heritage experiences at a high level of quality and with improving efficiency.

5. Funding

a. Public funding

Public funding for MHC-funded institutions would be composed of recurrent grants and capital grants. The former would support museum and heritage institutions in their regular work and related administrative activities. The latter would finance major capital works projects and the related detailed design studies, as well as minor building/gallery alterations and improvements works.

i. Recurrent Grants

The bulk of the recurrent grants would be disbursed to institutions, on a basis to be decided that would tie in with an agreed institutional planning cycle, in the form of block grants to provide institutions with maximum flexibility. Once allocations were approved, institutions would have a high degree of freedom in deciding on how the resources are to be put to the best use.

Determination of the grants would be largely based on a methodology to be developed by the MHC, which could include such elements as: visitor numbers, staffing efficiency, income, profit centres, schools and community outreach, scholarly work, contracts for professional service provision (appraisal, conservation, research and provenance, etc.) and such others as would seem helpful and appropriate on the advice of invited experts.

Nevertheless, the MHC would also take into account the special needs of individual institutions and other factors not captured by the funding formula and would introduce such extra-formulaic adjustments as were required.

ii. Capital Grants

Capital projects carried out by institutions would be supported by capital grants sought from the Government on an annual basis by way of two avenues, namely:

I. the Capital Works Programme, and

II. the Alterations, Additions and Improvements (AA&I) block allocation.

The two avenues could be characterized by a double-approval process through which all projects would have first to be vetted by the MHC before the selected ones would be put forward to the legislature for the seeking of funds. As regards the Capital Works Programme, if thought necessary, there could be an additional process for MHC selected projects to be subjected to a competitive selection process by the Government.

iii. Special Grants

From time to time museum and heritage institutions would obviously seek special and additional funds for projects that were deemed especially important both in terms of the institution's areas of expertise and in the wider interests of Hong Kong's culture and heritage.

These might be, for example, special acquisitions, a major heritage conservation or excavation project, or a major outreach, archival or cataloguing project.

b. Private funding

Institutions would also be encouraged by the MHC to seek private funding for both special costs (acquisitions, special exhibitions) and capital costs (building works, gallery developments) as well as where possible to accumulate endowment funds, which through time could offset the burden on the public purse.

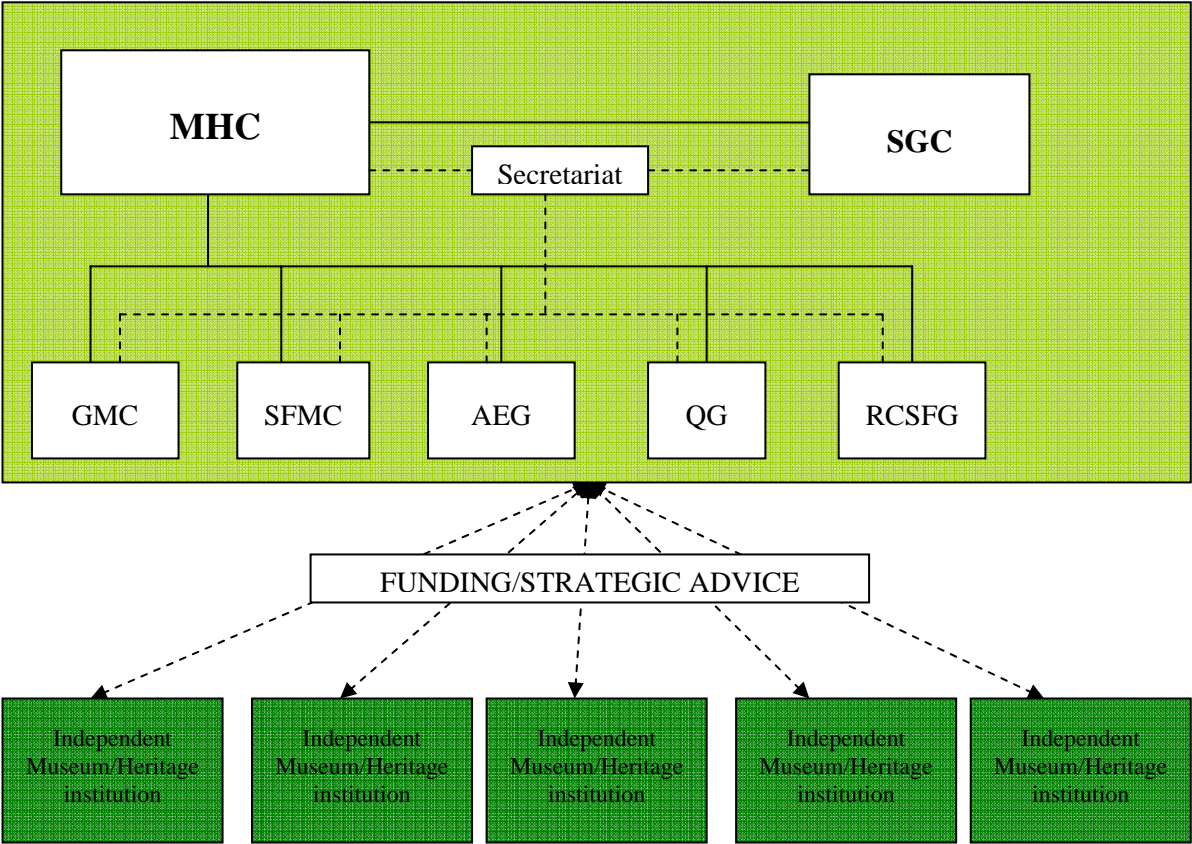
That noted, it should be an entailment in the deliberations of the MHC on funding that there should be a firewall separating the allocation of public funds from the assessment of and encouragement of fundraising from the private sector. Institutions that are successful in such fund raising should not find that their success penalizes them in their claims for public funds. Equally, institutions that, perhaps because of the peculiarities of their subject matter and the known prejudices and agendas of potential benefactors, are less successful in fundraising should not be penalized for their comparative lack of success. A judgment of Solomon will always be entailed.

In this regard thought should be given to amending Hong Kong tax law to encourage donations to museums by private individuals and business corporations. The USA shows the benefits to the provision of culture of a tax regime structured to this end.

Such systems as the US Community Reinvestment Act should also be considered. Whilst this law in no way entails or requires donations or 'soft loans' to museums, in practice it is correlated with the former in that donations may 'count' under the CRA as investments within the meaning of the act. The act itself requires banks (and there is no reason why such a law might not also require the same of public companies) to lend to small businesses and mortgagees to meet the credit needs of their communities.

6. Structure

The structure envisaged would be as in the diagram below:



7. Conclusion

The future of the museums and heritage sector in Hong Kong lies in decoupling it from being a part of, and therefore under the direct control of Government. The existing system does not work, and in a number of ways. It is not cost effective on almost any metric. It is trammelled by bureaucratic red tape. The museums' locus within the civil service nexus is less than ideal for the development of museological and subject specialist expertise. And whilst there is no reason to suppose that the temptations to interfere with curatorial freedom are often, if ever, succumbed to, the risk exists and public perceptions of the possibility of such interference will be ineradicable so long as the risk, however evanescent, remains.

As much to the point, a broad consensus of informed economic and business opinion exists that considers governments to be accomplished devisers and regulators of policy, and the only providers of services necessary to the maintenance of public order, the administration of justice and the raising of revenue, but generally poor providers of other services where the absent virtues of market or quasi-market competition would, if present, help to hold down costs and increase efficiency.

It follows that by creating a structure that frees museums from the risk of public opprobrium (and their displays from the corrosive taint of suspected propaganda), at the same time liberates them the better, more flexibly, swiftly and adaptively to meet community demands for quality cultural provision, and does so in ways more responsive to the exacting rigours of the marketplace but that is shielded from the marketplace's more crass proclivities, Government would be in a win-win position.

Hong Kong Maritime Museum

24th November, 2006-11-24

Endnotes

¹ GMC: Terms of Reference:

Consider matters related to space and accommodation requirements of MHC-funded institutions, including capital and other works projects.

Consider ad hoc proposals requiring funding and monitor progress.

Advise on and improve the MHC management information and statistical systems to meet the strategic, policy and monitoring needs of MHC.

Advise on MHC external and public relations and strategy.

Advise MHC on communication with those bodies relevant to the development of museums and heritage institutions in Hong Kong and overseas.

² SFMC: Terms of Reference

Advise the MHC on emerging policy issues and directions pertaining to the development of the local museum and heritage sector having cognizance of the international dimension.

Advise the MHC on system-wide policy development and strategic planning, including taking into account matters being considered by other MHC sub-entities.

Consider matters related to institutional and specialist development of MHC-funded institutions in a holistic and comprehensive manner.

Devise methodologies to assess the funding requirements of MHC-funded institutions, including the triennial recurrent funding assessment exercise.

Devise measures or mechanisms to assess quality and encourage enhancement within the MHC-funded institutions.

³ AEG: Terms of Reference

To advise the MHC on the strategy, in particular on the specific criteria, for selecting potential areas of excellence (AoE) in the MHC-funded sector, which are expected to attain international excellence in museology, research and other relevant museum related activities;

By applying the criteria as endorsed by the MHC as above, to identify and prioritize such AoE proposals for funding support by the MHC or otherwise, in the light of available resources, the roles and missions of the MHC-funded institutions, the well-being of museums and heritage institutions in Hong Kong, and the needs of Hong Kong and China, and to advise the MHC in this regard; and

To monitor the progress and evaluate the success of AoE initiatives supported with MHC funds.

⁴ QG: Terms of Reference

Advise the MHC on ongoing quality assurance matters within the MHC-funded institutions, including museological practices and standards, language standards of captions and publicity materials, promotion of good quality assurance practices; etc.

Monitor progress made by and give advice on current MHC initiatives that aim to enhance or assure museum quality.

Render advice on funding requirements and allocation of the earmarked grants for promoting quality assurance within the MHC-funded sector.

On a need basis as requested by MHC, undertake initiatives to assure the quality of institutions.

⁵ RCSFG: Terms of Reference

Consider and endorse funding proposals submitted by the institutions using a consistent approach.

Determine the allocations to be made for the proposals and the terms of repayment if applicable.

Note the funding position of the Restructuring and Collaboration Fund and progress of the previously endorsed proposals.

Seek the MHC strategic steer when major policy issues are encountered

⁶ SGC: Terms of Reference

To advise the SAR Government, through the MHC, on the needs of the museums and heritage institutions in Hong Kong in the identification of priority areas for collection development, special acquisitions and programmes in order that museums, collections and expertise adequate for the maintenance and development of communal creativity, cultural breadth and openness and pertinent to the needs of Hong Kong; and

To invite and receive, through the museums and heritage institutions applications for research grants from museum or heritage institution staff and for the award of studentships and post-doctoral fellowships; to approve awards and other disbursements from funds made available by the SAR Government through the MHC for these purposes; to monitor the implementation of such grants and to report at least annually to the SAR Government through the MHC.

Maritime museum funding

Hong Kong Maritime Museum

December 2007

Summary

1. There are three broad models of maritime museum funding:
 - mainly or wholly publicly financed
 - partly publicly/partly privately financed
 - mainly or wholly privately financed
2. Each society tends mainly to use only one of these models to fund its maritime museum/s. Only the USA has many mainly or wholly privately financed maritime museums. Most countries have either mainly or partly publicly financed maritime museums. In those countries using a mainly publicly financed model, there is a trend to shift to partial public financing on the grounds that ***mainly publicly financed models cannot be relied on to return good value for money***
3. For any maritime museum there is often a difference between funding models as applied to capital and as applied to recurrent expenditure. The former may or may not mirror the funding model providing for the latter. Capital funding tends to be a function of the nature of the capital works being funded, the larger the project the greater the likelihood of public sector involvement.
4. Almost all maritime museums have their premises provided free or at nugatory cost/rental by the public authority, whether national/federal, state/regional/provincial, or municipal. Of those not so provided, premises are overwhelmingly the gift of a major individual benefactor or corporation.
5. No maritime museum operates in an environment where the public expects to pay the full economic cost of a ticket, unless the maritime museum is part of a related theme park.
6. Which recurrent (and to a different extent capital) funding model prevails is a function of:
 - dominant social, political and economic values via-à-vis philanthropy and the expected roles of the public and private sectors in cultural provision.
 - size of the museum
 - nature of the museum's coverage (i.e. artefacts illustrating the 150 year history of maritime Podunk are easier to come by and less expensive than artefacts illustrating the 2,500 year history of the China Trade.)
7. Most partially or mainly privately financed maritime museums rely extensively on income derived from:
 - retail outlets like shops and cafes
 - saleable services like marina berths, skills & lecture courses, field trips, boat trips, etc.
 - rentable premises for functions, overnight staysAnd on implicit income derived from:
 - work by enthusiast volunteers in administration, conservation, maintenance and operation of maritime artefacts
8. The viability of any mainly or wholly privately financed funding model for any museum in a given society is critically dependent on 'pricing benchmarks' set by the prevailing funding model for museums in that society.
9. Partial or mainly public funding models take a large variety of forms depending on models of museum governance (most publicly financed maritime museums are independent of direct state control) and include:
 - statutorily mandated, earmarked levies either on the general public (i.e. property rates) or specific economic sectors
 - centrally controlled shares of national, provincial, or municipal defence, educational, cultural, environment/sustainability or heritage budgets
 - state provided endowment funds (e.g. via land banks)

Detailed arguments

1. From HKMM research, and as common sense would suggest, there appear to be three prevailing funding models for maritime museums. The proportional 'cuts' in the following categorization are founded more on a broad impression than precisely quantified empirical research. However, the following funding model categories and quanta of museums following them are based on the hard data in Appendix 1 and a survey of over 200 maritime museum websites. They also, we feel, make intuitive sense:



A. Mostly or wholly public sector financed (Public sector¹ funding >60%)



B. Partly public sector financed (Public sector funding >25% <60%)



C. Mostly or wholly independently financed (Public sector funding <25%)

A very rough estimate would suggest that the proportions of the total of several thousand maritime museums in the world sharing these funding models are of the order of A = >60%, B = 20-40%, C = 10-30%.

The reasons for this are manifest when one looks at the distribution of the funding models. Each funding model is not found similarly distributed in every country with maritime museums. Rather the proportions apply only when the whole international gamut is considered. Within particular countries, for the reasons addressed in para. 3 below, only one model tends to prevail.

Each funding model is not found similarly distributed in every country with maritime museums. Within particular countries only one model tends to prevail

For example, both in total and proportionately, by far the largest number of category C funded maritime museums is in the USA. Independent financing to the extent found in the USA is possible thanks to very active local historical societies, to a certain narrowness of focus in many museum missions, and to generous local contributors large and small where preserving maritime heritage is concerned. Size is also important. Small, locally focussed maritime museums using a category C funding model, which are ubiquitous in the USA, are viable in townships with active, committed local historical societies and a long tradition of civic activism. An additional explanation for this can be found in the artefacts typical to such museums which, precisely because of the local focus, are not (as are the HKMM's) traded in a major, global art market with concomitant price tags. Despite that, even in these cases some level of public funding involvement is also often found.

Whilst the USA is singular in having some of the world's largest, most generously intellectually conceived maritime museums funded on a category C model², many of the largest maritime museums with the widest intellectual scope, usually in littoral or lacustrine states and large cities, are also publicly funded on category A or B lines.

This category A and B funding pattern is more the norm in other countries. In continental Europe category A funding patterns prevail and vanishingly few examples are category C. Similarly in the UK the overwhelming majority is category A or B and only a very small minority is category C. However, that noted, it is worth observing that category B funding is increasingly being looked to by public authorities in a significant and possibly growing number of museums in Europe and Australasia to replace the prevailing category A funding model. In effect the judgment that has been made is simple to express. ***Category A models cannot be relied on to return good value for money.***

¹ This includes central/national/federal agencies, state/regional/provincial agencies and municipal agencies as well as QUANGOS like heritage/museum/culture funds/trusts/foundations or similar quasi-independent bodies financed by public revenue.

² The Mariners' Museum, Mystic Seaport and the Peabody Essex Museum are perhaps the three most salient.

2. In what follows this paper will be primarily concerned with funding of recurrent or operational costs. The issue of capital costs should not, however, be forgotten. Capital costs are catered for in a huge variety of ways depending on needs, which themselves vary hugely over time.

For example, finding and building new premises is often a one-off problem early in a museum's life. The premises of almost all museums reviewed (there are one or two notable exceptions) were originally provided by public authorities.

In like manner major relocations or expansions are also usually funded by major public sector contributions³, whether directly from public revenue or indirectly from something like a heritage fund. Even in the cases where public provision was not the source premises were seldom bought from museum funds, but bequeathed or gifted. In that respect an absolute category C museum in terms of both capital and recurrent funding is a true rarity.

Needs for major funding on a quinquennial or decennial timescale are the second largest call on any museum's capital funding pattern. These include undertaking a major extension or makeover of existing premises, or buying, restoring, docking or significantly overhauling an historic vessel.

The most frequent need – irregular in its incidence – is buying a significant and hugely expensive exhibit. It is in these last two elements of capital funding that the A/B/C funding category difference begins to make its appearance.

However, although in these two medium and short term capital funding cases there is still a public sector/private sector cleavage where the *source* of funds is concerned, there is no neat way of categorizing *which* source is looked to by any museum, whether public sector or independently financed. Maritime Museum Rotterdam, for example, is both from a start-up and an operational point of view exclusively a category A funded museum, yet from a major and significant capital funding point of view it is almost entirely category C!

Most independent museums, led by those in the USA, have what they call an 'Annual Fund' or equivalent, which is in effect the capital works fund. It is kept distinct from the operating budget and has an annual fund-raising target the size of which may either be directly connected with planned capital expenditure, or related only to broad strategic objectives rather than any specific projects. Such annual funds are topped up from fund raising from single major private sector sources, by grants from charitable foundations, by bequests, donations or sponsorship, or by fund-raising drives amongst the museum membership or the general public. Independent museums also solicit public sector funding either directly from national, state or municipal government, or from such entities as heritage funds and national or state lotteries.

The major funding feature that would appear to be common as between both public sector and independent museums is the public or charitable provision of their

The premises of almost all museums reviewed...were originally provided by public authorities...an absolute category

The public sector funded museums obviously solicit capital funding primarily from their main public sector funding source, but as we have indicated – and increasingly as attitudes to public finances have changed over the last thirty years – they also look to the private sector for support for capital projects (q.v. the example of Maritime Museum Rotterdam cited above).









It follows from the above that the major funding feature that would appear to be common as between both public sector and independent museums is the nature of the provision of their largest capital asset, their premises. These are to a very large extent funded by donations of public land and buildings, or by the provision of such premises at nominal rent or cost. A

³ In the last two or three years such major projects have been funded this way in Shanghai, Hamburg, Glasgow, Amsterdam, Helsingor (Copenhagen), Genoa, Bristol, Falmouth, and Portsmouth.

minority acquire this asset by private donation, by bequest, by purchase or some combination of these⁴.

3. It can be inferred from the broad picture sketched in para. 1 above, that which funding model prevails in any given society is not a function of untrammelled choice. It is a spontaneous, negotiated, or enforced outcome of the interplay between:

...which funding model prevails in any given society is not a function of untrammelled choice

-  Prevailing socio-economic values as to:
 -  the proper objects of philanthropy
 -  the proper recipients of philanthropy
 -  presumed rights of public access to educational and cultural institutions
-  The tax regime as this creates advantages or disadvantages to philanthropic giving
-  The prevailing policy regime with respect to the provision of public goods, and its biases with respect to which class of public cultural goods are deemed worthy of funding
-  The prevailing (or enforced) ideology as to the purpose and function of museums⁵
-  The prevailing assumptions as to what a museum is and how it should operate

In Hong Kong none of the above orientations is at present conducive to successful, long term category C funding.

4. HKMM research⁶ has acquired information from museums operating on all three funding models. The information does not constitute a proper random sample, nor one always based on the collection of exact quantitative data. For various reasons most museums do not publish such data or are reluctant to divulge detail. Access to data is at the discretion of each museum and can be acquired only as a result of goodwill. Gathering sufficient data would require a lengthy and probably expensive research programme. The basis of the HKMM research was aimed at completing the following data set (using HKMM as the example) for such museums as HKMM had direct personal connections with:

HKMM Ltd. Source of funding		% of total
Public sector		
	Federal/National	0%
	State/Regional	0%

⁴ For example the history of the North Carolina Maritime Museum is instructive, it having been located (under various names) in the century or so of its history in publicly provided, donated and purchased property, see <http://www.ah.dcr.state.nc.us/sections/maritime/main/history.htm>

⁵ Countries in which museums are seen as vectors of ideological indoctrination (however this might be prettied up for international consumption) rather than for the preservation and presentation of knowledge warts and all favour 100% government funding and government employment for all professional staff in order to ensure government control over display content and interpretation. Obviously there is no relationship of strict entailment between government financing and the lack of curatorial independence, since societies genuinely committed to the principles of the International Bill of Human Rights both formally and in terms of prevailing social and political values can and do publicly fund and staff museums without infringing curatorial freedom.

⁶ This was carried out between 7.12.07 and 15.12.07. It included:

- i. an Internet search for those maritime museums which practise operational transparency. As with most museums and public bodies, these are extremely few. And of the few even fewer publish properly detailed accounts. Most, like HK government museums, if they publish figures at all, do so in a form which disguises rather than reveals the true financial picture.
- ii. a brief questionnaire to known colleagues in the field in 23 maritime museums in 12 different countries. As is sadly usual with such questionnaires, the response rate was low (26%).

	Municipal	0%
	Non-public sector	
	Endowment fund	0%
	Donation	78%
	Sponsorship	0%
	Operations	
	Ticket sales	11.4%
	Retail outlets (shop/café)	9%
	Venue hire	0%
	Other	1.6%

It is necessary to point out that the funding *sources* in the ‘non-public sector’ and ‘operational’ categories are extremely varied.

Some (though very few) museums have lavish endowments the returns on which cover a very high percentage of their recurrent costs (q.v. Mystic Seaport). Others with large, but not very large endowments can, in appropriate cultural environments, depend on non-stop fund raising (q.v. Bermuda Maritime Museum, Peabody Essex Museum, Chesapeake Bay Maritime Museum). Others with facilities geared to such a fund raising pattern, and in hospitable environments like California, rely almost exclusively on operations, especially hiring out facilities for private events (q.v. San Diego Maritime Museum’s 32% income from this source). ***Yet others, in contexts where there is little or nothing by way of a ‘pro-maritime’ cultural attitude, or when trying to sustain some project only the public purse could conceivably afford, exist from hand to mouth and all too often founder*** (q.v. the International Sailing Craft Association/Exeter Maritime Museum of a decade ago or the recent experiences of the Scottish Maritime Museum).

Some museums have extensive retail outlets, others none (q.v. Bermuda, Rotterdam). Here all depends on a large market for relatively expensive, high quality goods reproducing items in the

...Hong Kong simply does not have the ‘critical consumer mass’... for relatively expensive, high quality goods reproducing items in a museum collection. Quality marine art or maritime history books are both large and expensive...with Hong Kong income and expenditure patterns and the small floor area

museum collection, or using museum collection inspired themes, or for high quality scholarly and other catalogues and books relating to the museum’s collection or theme. Hong Kong simply does not have the ‘critical consumer mass’ to make sourcing such goods a viable proposition. The sums of money required to produce such goods at an economical unit cost means large production runs, and hence large and expensive inventories. These make sense only with a lavish and balance sheet ‘blind’ funding source, or with a turnover fast enough to recoup the capital cost in a reasonable time. Quality marine art or maritime history books are both large and expensive⁷. For typical museum shop goods, with Hong Kong income and expenditure patterns and the small floor area of a typical apartment⁸, such a turnover is unlikely. In any event (q.v. the Peabody Essex Museum), the higher the quality of the merchandise often the lower the contribution to the bottom line after the deduction of product development costs and cost of goods sold.

Some maritime museums have space to operate cafes and restaurants. Some have insufficient space. But any museum with the space for a café or restaurant always has one since such outlets always prove both a key visitor attraction and a useful revenue source⁹.

⁷ A quick trawl through the HKMM library, looking at typical books reveals an average retail price of around HK\$400 with half of the books being large format.

⁸ Most middle class Hong Kongers, who elsewhere in the developed world would occupy spacious accommodation, live in flats c.500ft² (46m²) in area. Wall and floor space for extensive libraries, for hanging pictures and posters, or for exhibiting ornaments is noticeably lacking.

⁹ See for example <http://www.mariner.org/visitorinfo/cafe.php>, <http://pem.org/visit/hours.php>, <http://www.nmm.ac.uk/server/show/nav.2853>

Some of the larger museums have alternative attractions – like Bermuda’s dolphinarium or Zeebrugge’s or Cherbourg’s variety of ‘hands on-climb on’ exhibits – others have just the one building, with one or several galleries. Some are many artefact, multi-theme museum (almost theme park) complexes allowing several ticketing points (q.v. Portsmouth’s or Chatham’s Historic Dockyards), others are single theme small buildings or museum ships (q.v. Gloucester, MA’s Schooner *Adventure*). Some have working exhibits – especially water craft, many have none at all.

Many maritime museums in the USA have docks or marinas attached which can act as a profit centre, as an incentive¹⁰ to donate historic craft, as a means of attracting waterborne visitors arriving in private craft and by public ferries and above all as a means of docking historic craft – so critical a ‘visual’ advertisement of the presence of the museum. Others have shipyards and workshops where vessels are built and/or restored, which work both as exhibits and as revenue earning training institutions in what might otherwise be lost techniques and skills. Many have model shops which, likewise, offer revenue earning classes as well as working as exhibits. Many maritime museums run revenue earning navigation and other maritime skills courses – for which they have the lecture room and practical (boat and docking) facilities. The lecture rooms can also be used for revenue earning lecture courses often allied with programmes such as shipyard, maritime historic and waterside life field trips and tours¹¹. Some maritime museums own property – like historic lighthouses – where for a fee visitors can overnight¹².

Most financially viable category B and C museums also have undedicated additional gallery space. This can be used for visiting and special exhibitions – often an important source of funds¹³. More important, if it has been intelligently and flexibly designed, museum space can be used as a venue that can be hired for events – conferences, wedding parties, corporate entertainment, etc (q.v. the Peabody Essex or San Diego). This is proving a critical source of funding for modern maritime museums (note again the 32% of income at San Diego derived from this source).

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In short, fund-raising and income generating models are many and vary according to context, content and mission and there is no simple recipe for fitting a funding model to a museum. The variables – cultural, political and economic – are too many.

5. There is one recent example of UK category C fund-raising model (in both capital and recurrent terms) which illustrates well the singularity of almost any fund raising model and the extent to which it is tightly locked to its local, cultural, societal and political contexts. What is interesting about this example from a Hong Kong point of view is the close resemblance it has, as a fund-raising solution, to plans for WKCD.

The example is the *SS Great Britain* in Bristol, perhaps Britain’s only major Category C funding example. This is a museum ship. It was rescued from being a disintegrating hulk beached in Port

¹⁰ The New Zealand National Maritime Museum uses its marina to solicit gifts of historic small craft by providing owners with a free berth in return for the museum’s right to use the vessel as an exhibit. Owners retain rights to use the vessels privately under various arrangements. The costs of maintenance are split or otherwise agreed on.

¹¹ The paradigm is Mystic Seaport – in effect a small, waterfront village with working stores, workshops, boatyards, docks, historic vessels and much else besides – a complete, late 19th/early 20th century harbour theme park AND a leading academic research museum. See <http://www.mysticseaport.org/>

¹² The Chesapeake Bay Maritime Museum offers an example where all of these revenue earning methods are used – see http://www.cbmm.org/ed_main.html

¹³ For an advanced example of this see the New York South Street Seaport Museum’s privately rentable facilities at <http://www.southstseaport.org/index1.aspx?BD=9127>

Stanley, Falklands Islands and brought back to UK for restoration in 1970 with funds raised by a trust, the major payments for which came from Sir Jack Hayward and Paul Getty. For the original restoration and display project, the Bristol City Council agreed a long lease of the old city-owned but largely derelict Great Western Dock dry dock. There then ensued major tribulations both in funding and conservation with the inevitable result that on a few occasions the future looked most uncertain. Despite this and perhaps in part because of it, by 2005 a vibrant and innovative museum model had been created by the curatorial team. This undoubtedly helped pave the way for the sensible long-term funding arrangement that was finally reached in that year.

The key (apart from the very innovative approach by the curatorial team to the ship as a museum, which has won many awards and assures solid revenue from operations) was a very enlightened approach by the Bristol City Council. By originally leasing the dry dock (a Grade II listed built heritage structure) to the project back in 1970, they had in fact sowed the seeds of what has now become the route forward. It has taken 35 years to get there, but what has been decided is to make the entire Great Western Docks area (a candidate for World Heritage listing) part of the *SS Great Britain* attraction, which now includes the replica *Matthew* (the original ship being the one in which the Genoan John Cabot went to the Americas (Canada) in 1496 for the British crown).

This approach has meant that all the peripheral land around the dry dock (wasteland and semi-ruined old warehouses, sheds, workshops, etc) is now on long and secure lease to the *SS Great Britain* Trust and can be used to finance its future. This £30 million (HK\$480,000,000) scheme will restore the old dockyard buildings and improve the surrounds to create:

- ★ the Brunel Institute (including a research library) for education and research in partnership with the University of Bristol
- ★ a 145 apartment complex for rental income
- ★ a £3.5 million (HK\$56,000,000) trust fund to complement income from the apartment complex and other revenue sources

As the *SS Great Britain* website puts it¹⁴:

“Whilst visitor admissions and venue hire contribute to, they will never meet the full costs of caring for the historic ship – approximately £1 million per annum. And as Brunel’s ss Great Britain receives no financial support from local or national government, her survival as a major national icon in Bristol depends on securing this additional income.

Thanks to land contributed by Bristol City Council, the regeneration of the Great Western Dockyard will allow the Trust to create a £3.5 million endowment fund from which an annual income can be drawn to reinvest in the ship, and secure her future and the enjoyment of future generations.”

Unfortunately we have not been able to source detailed data on funding sources for this very instructive project.

6. The raw percentage data for our sample museums, which helped in the formulation of the relative proportions of categories A, B and C maritime museums in para. 1 above appears in Appendix 1. If required the raw numerical data on which these percentages are based can be provided. Of the additional data employed, amongst the 132 maritime museums and museum ships in Europe reviewed¹⁵, over 95% were in the ‘mostly or wholly’ public sector funded category. That said, like the Åland Maritime Museum (see appendix 1) many European maritime museums, even where public sector funded, look to raising up to 20-30% of their income from ticket and shop sales. Of the roughly 100 maritime museums in the USA we reviewed, most are nominally independent and supervised by a board of governors or trustees and supported as category B or C museums mainly by their local historical society and/or by a state historical or heritage department, board or commission.

¹⁴ <http://www.ssgreatbritain.org/futureplans/>

¹⁵ these are only a part of the several hundred European maritime museums of all kinds that actually exist. For example in a standard weblist for UK, 38 museums appear. On the most authoritative website (see <http://people.pwf.cam.ac.uk/mhe1000/shorturl.htm>) for British museums and museum attractions (including historic vessels) with a nautical, waterlife or connected theme there are 268.

It is worth noting in that regard that average ticket prices, for those European maritime museums that are not free, range from € 12 to € 25 (approx. HK\$120-250) for an adult. In the USA the range is greater, running from US\$3 (HK\$24 for the Victory Ship *Lane Victory*) to US\$15 (HK\$117 for Mystic Seaport), though the average is US\$8-10 (HK\$62-78).

...at PPP the ratio of economic ticket costs USA/UK/HK should be 1.55:1.32:1. It follows that were HKMM ticket prices to follow European

Direct comparisons between these and HK are difficult, though it is worth noting that median household incomes in US\$ PPP terms for the USA, UK and HK (2005) were US\$48,000 (USA), US\$41,000 (UK) and US\$31,000 (HK). We might say therefore that the ratios of economic ticket costs should be 1.55:1.32:1. It follows that were HKMM ticket prices to follow European patterns, they would be HK\$91-189 for an adult.

It is an interesting comment on the rival business models and costs of HKMM and our European peers that we can make 11.4% of our operating costs with a ticket price 10-22% of European PPP price levels. That suggests on fairly strict economic grounds that ticket prices at HKMM ought to be around HK\$40.

However, we must add the rider that in Hong Kong public expectations of museum ticket prices are set by government museums. The HKMM would chronically lose market share were we to price tickets realistically on the argument in the previous paragraphs¹⁶. This explains the imperative to look beyond the pure private sector, category C model for HKMM funding.

in Hong Kong public expectations of museum ticket prices are set by government museums, and the HKMM would chronically lose market share were we to price

7. A further explanation for this imperative is that in Hong Kong the philanthropic tradition, whether for individuals, foundations or businesses, is characterized by three signal characteristics which distinguish it from the USA and make a category C funding model a difficult long term proposition:

- ☞ A preference for home town/province or clan focussed giving
- ☞ A preference for giving to educational, health, disability, age or poverty related causes
- ☞ A preference for giving to 'patriotic' or 'high status' cultural causes (traditional culture, orchestras, ballet, opera, fine art, etc.) which in Hong Kong seems to exclude maritime museums

One example will suffice to make the point about the cultural impediments to effective fund raising

One cannot imagine the only maritime museum in London, New York or Paris being told by a major bank, as the HKMM was by Hong Kong's leading bank when soliciting a donation from its charitable arm, that maritime

for a maritime museum outside the closed circle of the HK international shipping community, the generosity of which has probably been maximally exploited. One cannot imagine the only maritime museum in London, New York or Paris being told by a major bank, as the HKMM was by Hong Kong's leading bank when soliciting a donation from the bank's charitable arm, that maritime museums are 'off message' as far as the bank's corporate charitable image is concerned.

More significantly vis-à-vis maritime museums elsewhere and sources of charitable funding, where Hong Kong differs, and one might observe Chinese tradition in general differs, is the extremely low status – indeed near status invisibility – attached to the sea and seafarers. In the USA much kudos lies in being associated with a significant maritime museum like the Peabody Essex, Mystic Seaport, or the Mariners' Museum and, indeed, any local maritime museum. Much the same is true in Europe. In Hong Kong at present matters maritime are not seen as lying within the ambit of major cultural patronage.

¹⁶ One of our most common complaints, of the very few we receive, is that ticket prices are 'too high'.

There is also the problem that where in the USA and Europe the solicitation of bequests in the wills of people who die is a perfectly normal and expected manner of fund raising, especially for capital works, in Hong Kong there are cultural difficulties with publicly advertising this avenue because of different attitudes to death. For example the Chesapeake Bay Maritime Museum's 'how to give' web page features memorial gifts, bequests and the special provision in the US Tax code which allows those over 70.5 years of age to give from their IRA pension fund "while...living and able to witness the benefits of (their) generosity"! Similarly Mystic Seaport's 'Planned Giving' page reads, "A gift made through one's estate plan or will is a prudent and thoughtful way of providing for the future of Mystic Seaport."¹⁷

Thus with respect to pure private funding models of the sort that work so well in the USA, in Hong Kong there are problems. American attitudes differ so, as one of HKMM's interlocutors remarked (Dr Dan Finamore, Peabody Essex Museum, USA), "there is no doubt less incentive here to go for public funds since we have an endowment and lots of private motivation to donate for taxes reasons etc."

In summary, Hong Kong's is a unique situation for a maritime museum in that there is little or no respect, whether governmental, social, scholarly or cultural for matters maritime even were there a donor culture more geared to one hundred per cent support of a museum, any museum, to best international standards through private contributions. It follows that the funding structures that have been found to succeed in different cultural and political milieus should not be expected to work as well here.

Hong Kong's is a unique situation for a maritime museum in that there is little or no respect, whether governmental, social scholarly

8. It is also worth noting, although the quantified result of it appears in no museum accounts, how social values and regulatory systems in most western countries strongly encourage 'hands on' volunteer activity in maritime museums. This is not only in terms of volunteer 'friends' acting as docents to museum visitors (which is a characteristic of HK's generous society too) but crucially in the maritime museum context, in working as unpaid assistants in maintaining and operating exhibits, particularly historic craft.

The numerous, affluent, educated retired population of countries like the USA, Europe, Australia and New Zealand, allied to an entirely different cultural attitude to matters maritime, offers maritime museums in those countries via the work of volunteers an extremely significant financial bonus, albeit one that is hard to assess in money terms. Nonetheless, given that staffing costs are usually the largest proportion of operating costs, a large corps of volunteers measurably diminishes the weight of salaries. For example the Australian National Maritime Museum spends 34.4% of its outlay on employee salaries and benefits, compared to the HKMM's 50.8%. The ANMM has some 335 volunteers (almost 300% of their permanent staff) who in 2006 contributed 52,070 working hours, some 15% of these (or 3 full-time worker equivalent years!) being in helping museum work in conservation, maintenance and repair, and museum administration.

For the HKMM to enjoy such a bonus would require not only a sea-change in public attitudes to retirement and work, but above all a significant change both in attitudes to ships and the sea and an equally significant shift in the official approach to the regulatory systems that would govern the commercial operation of museum owned and operated small heritage craft in Hong Kong waters were there to be any.

9. An alternative funding source, somewhat to one side of the models so far discussed is a targeted levy on some specific or general activity or mandated payment. In Hong Kong such funding sources exist at present, *inter alia*, for the textile and travel industries as well as for the Stock Exchange¹⁸.

¹⁷ See http://www.cbmm.org/me_giving.html and http://www.mysticseaport.org/index.cfm?fuseaction=home.viewpage&page_id=11E0875C-B0D0-D05E-1A9B49C0A11AC221

¹⁸ See Cap 218, TRAVEL AGENTS ORDINANCE, Sect. 32I, Levy due to Travel Industry Council; Cap 318, INDUSTRIAL TRAINING (CLOTHING INDUSTRY) ORDINANCE, Sect. 21, Imposition of clothing

The only maritime museum equivalents we can find in our research are two, though there may well be more.

An alternative funding source, somewhat to one side of the models so far discussed is a targeted levy on some specific or general activity or mandated payment...this could be a levy on the port facilities and light dues paid by ships using the port and/or a levy on the

One set of examples are three specific museum targeted pieces of legislation. One we have found details of is shortly to apply, *inter alia*, to the New Zealand National Maritime Museum. This will be an earmarked levy on rates on domestic premises. A Private Bill to this effect is at present before the New Zealand Parliament. *The Auckland Regional Amenities Funding Bill*, now in its Select Committee stage, has passed its first reading and is “modelled to a large extent on similar legislation relating to the funding of the Museum of Transport and Technology (Motat) and the Auckland War Memorial Museum a number of years ago”¹⁹. The object of such legislation is to establish “a statutory framework for the secure and sustainable funding of particular organisations that provide arts, educational, rescue or other community facilities or services used or relied on by people throughout the Auckland region, and which have been identified by the public as vital for the Auckland region”²⁰.

A near equivalent can be found in the British Aggregates Levy Sustainability Fund, some of the proceeds of which²¹ have helped out in aspects of maritime museum related funding. The example we have found relates to an education pack funded by the levy for the Hampshire and Wight Trust for Maritime Archeology²². The link is direct – dredging aggregates can damage or destroy marine archaeological sites – the levy is intended to enhance sustainability in the production of aggregates for the construction industry, hence funds from the levy can be used to support maritime heritage.

One possibility for a category B funding model way forward would be for Hong Kong to copy the principle of this bill only targeted not at the average Hong Kong person who enjoys the museum as a facility (user pays), but the shipping community whose larger interests the museum might be held to serve (an alternative *cui bono*). This could entail creating a levy on the port facilities and light dues paid by ships using the port and/or a levy on the tonnage dues of the Hong Kong Shipping Register. Neither of these levies would need to be large in relation to the fees at present paid²³, hence would be a nugatory increase. Either or both would ensure, from the point of view of the public, that insofar as

industry training levy; Cap 351, EXCHANGES (SPECIAL LEVY) ORDINANCE, sect.6, Charge on general revenue.

¹⁹ see <http://www.together.org.nz/bill/default.asp>. It is worth pointing out that the New Zealand National Maritime Museum is an independent museum much as is the HKMM.

²⁰ See the bill’s text at <http://www.together.org.nz/bill/docs/togetherbill.pdf>

²¹ See <http://www.defra.gov.uk/environment/waste/aggregates/moreinfo.htm>

²² See <http://www.hwtma.org.uk/publications/documents/AnnualReport2006FinalVersion.pdf>, p.6

²³ Cap 313A, SHIPPING AND PORT CONTROL REGULATIONS, Sched 13, Port dues and fees, which are HK\$0.23c per 100 tons for river trade cargo vessels and HK\$0.54c per 100 tons for all other vessels. In 2006 346,645,000NRT of ocean shipping and 109,757,000NRT of river trade shipping arrived in HK. At a levy of 0.01c per ton (a 4.3% and 1.85% levy respectively) the levy would have raised HK\$4,564,020 in 2006, comfortably covering the HKMM’s net deficit (HK\$3,051,412). Calculations for HK Register tonnage is more complex. Cap 415A, MERCHANT SHIPPING (REGISTRATION) (FEES AND CHARGES) REGULATIONS, Regulation 4 Part 3, Annual tonnage charges sets out the basis. However the precise implications would depend on an exhaustive analysis of the various Net Tonnages of vessels that compose the 35.91 million Gross Tons on the HK Register, so it is not easy to calculate what sort of a levy would realise similar funding support without the relevant data.

the HKMM was a critical element of Hong Kong's standing as a significant international maritime centre, those who benefited from the museum's contribution to that standing were helping to pay for it.

In a random trawl we have so far failed to find a single maritime museum which has paid more than a nominal sum for the premises it owns or which pays a market rent for premises of which it is a tenant.

10. Finally as touched on in para. 2 above, our trawl of international maritime museums websites – despite covering only a fraction of the thousands of possible examples – suggests that an extremely high proportion of them, probably in excess of 99%, are to be found on land gifted outright or provided at peppercorn rents. This land and buildings has come from national, state, or municipal authorities often to preserve heritage buildings or sites, corporate bodies as an exercise in corporate social responsibility, or wealthy individuals with maritime interests or connections as a gesture of civic commitment. In a random trawl we have so far failed to find more than one or two maritime museums, and those in the USA, which have paid more than a nominal sum for the premises they own, or which pay a market rent for premises of which they are tenants.

Again, this reflects the dramatically different set of attitudes to matters maritime found in the USA, Europe and Australasia, whether in terms of ships, port structures or the intangible cultural and industrial worlds of the sea and seashore, and those that prevail in Hong Kong. Because of this, much of our maritime heritage, especially shoreline heritage has now been irrecoverably lost. There are no built heritage pre-1960s warehouses, docks, dockyards, shipyards or equivalent left because there is no historic waterfront left. Not one single example of the sailing fishing craft that were for so long so important a part of the local economy survives. The last example of the once ubiquitous and unique Hong Kong sampan (an interesting Chinese/western hybrid) disappeared in the 1960s. No wooden vessel of any significant size has been built in Hong Kong in the last decade or more, and the skills and knowledge upon which Hong Kong's maritime world once depended will soon be but a memory.

It is precisely for these attitudes, based as they are in the contemptuous indifference that is the natural child of utter ignorance, that the two most salient, extant maritime heritage buildings – the old Marine Police Headquarters in Tsim Sha Tsui and the old Royal HK Yacht Club in North Point – have already been dedicated to alternative and irrelevant uses. What otherwise by way of artefacts has not been lost by this neglect now reposes in collections throughout the world, mainly in Britain, continental Europe, Canada and the USA.

A maritime museum with adequate funding and appropriate governmental and corporate support half a century ago would have...prevented a very high percentage of the

Much of our maritime heritage, especially shoreline heritage

A maritime museum with adequate funding and appropriate governmental and corporate support half a century ago would have found an appropriate home and prevented a very high percentage of the loss. A maritime museum with generous funding and an adequate home today has at least a fighting chance of recovering something and preventing the loss of what little is left.

HKMM, 19.12.2007

The top cell in the table is colour coded in the following pattern: **Mostly or wholly public sector financed** **Partly public sector financed** **Mostly or wholly independently financed**

Åland Maritime Museum, Finland (2007)		% of total
Source of funding		
Public sector		
	Federal/National	0.0%
	State/Regional	70.9%
	Municipal	1.4%
Non-public sector		
	Endowment fund	3.0%
	Donation	0.8%
	Sponsorship	0.6%
Operations		
	Ticket sales	15.5%
	Retail outlets (shop/café)	7.2%
	Venue hire	0.5%
	Other (including membership)	0.0%

Australian National Maritime Museum, Sydney, Australia (2006/07)		% of total
Source of funding		
Public sector		
	Federal/National	73.3%
	State/Regional	
	Municipal	
Non-public sector		
	Endowment fund	2.7%
	Donation	0%
	Sponsorship	0%
Operations		
	Ticket sales	18.1%
	Retail outlets (shop/café)	
	Venue hire	
	Other (including membership)	

Merseyside Maritime Museum, Liverpool, UK (2006)		% of total
Source of funding		
Public sector		
	Federal/National	94%
	State/Regional	0%
	Municipal	0%
Non-public sector		
	Endowment fund	0%
	Donation	0%
	Sponsorship	1%
Operations		
	Ticket sales	0%
	Retail outlets (shop/café)	0%
	Venue hire	0%
	Other (including membership)	6%

Note: these are figures for the whole Liverpool Museum's system, separate data for the Merseyside Maritime Museum not being available. The assumption is that the proportions are broadly comparable.

National Maritime Museum, Greenwich, UK (2004/5)		% of total
Source of funding		
Public sector		
	Federal/National	71%
	State/Regional	
	Municipal	
Non-public sector		
	Endowment fund	29%
	Donation	
	Sponsorship	
Operations		
	Ticket sales	
	Retail outlets (shop/café)	
	Venue hire	
	Other (including membership)	

Note: the published figures do not break down income by profit centre.

Maritime Museum Rotterdam, Netherlands (2006)		% of total
Source of funding		
Public sector		
	Federal/National	0.0%
	State/Regional	0.0%
	Municipal	92.5%
Non-public sector		
	Endowment fund	0.0%
	Donation	0.0%
	Sponsorship	0.0%
Operations		
	Ticket sales	7.5%
	Retail outlets (shop/café)	0.0%
	Venue hire	0.0%
	Other (including membership)	0.0%

Note: private communication from Frits Loomeijer. Mr Loomeijer points out that sponsorship, which each year is additional to operational income, but equal to 55-75% of its value (i.e. gross income is 155-175% of operational income), pays for special projects.

New Zealand National Maritime Museum, Auckland, NZ (2004/5)		% of total
Source of funding		
Public sector		
	Federal/National	41.7%
	State/Regional	
	Municipal	
Non-public sector		
	Endowment fund	58.3%
	Donation	
	Sponsorship	
Operations		
	Ticket sales	
	Retail outlets (shop/café)	
	Venue hire	
	Other (including membership)	

Note: The operational costs of NZNMM were 121% of this gross income. The annual report does not break down income by profit centre

Vancouver Maritime Museum, Vancouver, Canada (2005)		% of total
Source of funding		
Public sector		
	Federal/National	50%
	State/Regional	
	Municipal	
Non-public sector		
	Endowment fund	50%
	Donation	
	Sponsorship	
Operations		
	Ticket sales	
	Retail outlets (shop/café)	
	Venue hire	
	Other (including membership)	

Note: this table has been derived from a loose narrative account in the museum's annual report

Mystic Seaport, Connecticut, USA (2007)		% of total
Source of funding		
Public sector		
	Federal/National	0%
	State/Regional	0%
	Municipal	0%
Non-public sector		
	Endowment fund	62%
	Donation	
	Sponsorship	
Operations		
	Ticket sales	10.8%
	Retail outlets (shop/café)	13.0%
	Venue hire	0%
	Other (including membership)	14.2%

Peabody Essex Museum, Salem, Massachusetts, USA		% of total
Source of funding		
Public sector		
	Federal/National	0%
	State/Regional	
	Municipal	
Non-public sector		
	Endowment fund	35%
	Donation	30%
	Sponsorship	
Operations		
	Ticket sales	25%
	Retail outlets (shop/café)	5%
	Venue hire	5%
	Other (including membership)	0%

Bermuda Maritime Museum, Bermuda (2007)		% of total
Source of funding		
Public sector		
	Federal/National	0%
	State/Regional	
	Municipal	
Non-public sector		
	Endowment fund	8%
	Donation	16%
	Sponsorship	0%
Operations		
	Ticket sales	50%
	Retail outlets (shop/café)	0%
	Venue hire	16%
	Other (including membership)	10%

Note: figures provided by the BMM Director, Dr Edward Harris, in a private communication. The BMM has very high ticket sales because it incorporates a dolphinarium where visitors may swim with dolphins – a good crowd puller! Adult ticket prices are HK\$79 (B1\$ = HK\$7.9 an adult ticket is B\$10)

Chesapeake Bay Maritime Museum, MD, USA (2005-6)		% of total
Source of funding		
Public sector		
	Federal/National	0%
	State/Regional	
	Municipal	
Non-public sector		
	Endowment fund	31%
	Donation	25%
	Sponsorship	
Operations		
	Ticket sales	16%
	Retail outlets (shop/café)	8%
	Venue hire	0%
	Other (including membership)	20%

Note: the annual accounts declare ‘Grants’ as an income source without specifying whether these are privately or publicly sourced. They have been assumed to be non-public donations/sponsorship.

San Diego Maritime Museum, California, USA (2005)		% of total
Source of funding		
Public sector		
	Federal/National	0%
	State/Regional	0%
	Municipal	
Non-public sector		
	Endowment fund	15%
	Donation	
	Sponsorship	
Operations		
	Ticket sales	24%
	Retail outlets (shop/café)	10%
	Venue hire	32%
	Other (including membership)	19%

Note: figures provided by Mark Montijo in a private communication