

For Discussion on 9 November 2007

**Legislative Council Panel on Home Affairs
Strengthening the Software and Humanware
for Culture and the Arts**

Purpose

This paper seeks Members' views on measures to strengthen the development of cultural software and humanware in Hong Kong in the light of the vision and objectives of the West Kowloon Cultural District (WKCD) project.

Our Cultural Policy

2. Hong Kong's cultural policy refers to the policy on culture and the arts. Our policy objective is to create an environment which is conducive to the freedom of artistic expression and creation, and the wider participation in cultural activities. The policy comprises the following four major elements:

- respect for freedom of creation and expression
- provision of opportunities for participation
- encourage diversified and balanced development
- support environment and conditions (venues, funding, education and administration)

This policy is in line with the core values of Hong Kong as a free, diversified and open society.

3. Our existing cultural policy is generally in line with the six principles and strategies put forward by the Culture and Heritage Commission in its Policy Recommendation Report issued in April 2003, which was generally accepted by the Government. The six principles are "people-oriented", "pluralism", "freedom of expression and protection of intellectual property", "holistic approach", "partnership" and "community-driven".

Existing measures on development of cultural software

4. The Government's annual recurrent expenditure on culture and the arts is around \$2.5 billion, which amounts to around 1% of the Government's total operating expenditure for the year. The broad breakdown is as follows :

Area	Provision in 2007/08 Estimates
Funding support for building a cultural network with the Mainland and with other countries, including funding for the annual Asia Cultural Cooperation Forum, exchange activities under the framework of the Greater Pearl River Cooperation, activities arising from the signing of Memoranda of Understanding on Cultural Cooperation and staffing and administrative expenses	\$ 55.4 M
Venue management and programming expenses relating to performing arts venues, public libraries and museums under the Leisure and Cultural Services Department, as well as associated staffing and administrative expenses*	\$ 1,985.3 M
Subvention for the Hong Kong Academy for Performing Arts	\$ 173.4 M
Subvention for the Hong Kong Arts Development Council	\$ 70.1 M
Subvention for major professional performing arts groups	\$ 223.7 M
Total	\$ 2.5 Billion

* Of this total, around 30% is on staffing and administrative expenses and 70% is mainly on venue management and programming expenses relating to performing arts venues, libraries and museums.

5. The Government has been supporting the development of software and humanware of culture and the arts mainly through the work of the Leisure and Cultural Services Department (LCSD), the Hong Kong Arts Development Council (HKADC), the Hong Kong Academy for Performing Arts (HKAPA), providing subvention to the major professional performing arts groups, supporting the development of alternative arts space in Hong Kong, and facilitating cultural exchange.

Work of the Leisure and Cultural Services Department (LCSD)

6. LCSD is responsible for the management of performance venues, museums and archives, visual arts and heritage centres, public libraries, and music centres. It has been providing established and budding local artists/arts groups with performance and exhibition opportunities by featuring them in :

- a) Cultural programmes presented at LCSD venues year-round and in festivals organized by LCSD;
- b) Audience building and arts education activities at schools, in the community, in museum and civic centre facilities including foyers and open spaces under various schemes, namely the Cultural Ambassador Scheme, District Cantonese Opera Parade, School Arts Animateur Scheme and School Culture Day Scheme etc.;
- c) Free entertainment programmes at outdoor and indoor venues in the districts and during festive carnivals;
- d) Exhibition programmes at LCSD museum venues to promote visual arts and design by engaging guest curators and designers, such as the Hong Kong Design Series and the Hong Kong Art: Open Dialogue Exhibitions;
- e) Public and community art programmes organised by the Art Promotion Office in collaboration with local artists and

cultural organisations to promote visual arts in Hong Kong, such as the Artists in Neighbourhood Scheme;

- f) Exhibitions and public programmes on film culture organised by the Film Programmes Office to enable local audiences to appreciate cinematic arts and film culture, including screening of films and videos, workshops, seminars, and thematic exhibitions; and
- g) A wide range of extension activities are organised by the public libraries to instill in the public an interest in literature and to encourage creative writing and the appreciation of literary arts. Competition awards on literary arts are being regularly held for people of different age groups in the community and at schools.

In 2006-07, a total of about \$160 million was spent by LCSD for organising around 4,000 cultural activities (inclusive of paid and admission-free performances and audience building activities), commanding a total audience of around 2.5 million. Among these, there were 632 free entertainment programmes for the 18 districts and 27 territory-wide carnivals and family entertainment events were presented on festive occasions. Taking into account also those programmes performed by hirers at the venues managed by LCSD, the total audience was around 3.3 million. About 130 permanent and special exhibitions were staged at public museums, drawing a total audience of around 4.5 million

7. LCSD is responsible for providing subvention to the Hong Kong Arts Festival Society. The subvention stood at \$15.734 million in 2007-08.

Subvention for the major professional performing arts groups

8. As from 1 April 2007, HAB is providing annual subvention to 10 major professional performing arts groups in the form of consolidated cash grants. The total subvention for 2007-08 amounts to \$223.6 million with breakdown as follows :

	Subvention Amount (\$)
Hong Kong Chinese Orchestra	48,178,000
Hong Kong Dance Company	27,270,000
Hong Kong Repertory Theatre	26,640,000
Hong Kong Philharmonic Society	56,538,000
Hong Kong Ballet	24,918,000
City Contemporary Dance Company	12,110,000
Theatre Ensemble	4,600,000
Hong Kong Sinfonietta	13,507,000
Chung Ying Theatre Company	5,059,000
Zuni Icosahedron	4,844,000
Total	223,664,000

9. We are conducting a review in consultation with the Funding Committee on Performing Arts - a dedicated committee appointed by the Government to advise the Home Affairs Bureau on funding matters for the major professional performing arts groups, with a view to devising a new funding and assessment mechanism for supporting these major performing arts groups, which will include a set of assessment criteria taking into account the artistic quality of the performing arts groups and their impact on the community, their quantifiable deliverables as well as their performance in governance and management. The review is expected to be completed in 2009-10.

Work of the Hong Kong Arts Development Council (HKADC)

10. HKADC is a statutory organization set up in 1995 to promote culture and the arts in Hong Kong. It is fully funded by the Government in the form of an annual recurrent subvention of around \$70 million in 2007-08. HKADC supports the diversified development of local artists and arts groups mainly through its Three-year Grant, One-Year Grant, Devolved Grant and Project Grant schemes. The total amount of funding on the arts provided by HKADC in the past three years is as follows :

Year Grant Scheme	2004-05 (\$M)	2005-06 (\$M)	2006-07 (\$M)
Three-year Grant	42.9	41.1	41.1

One-year Grant	15.6	14.3	14.1
Devolved Grant	1.9	0.3	-
Project Grant	9.1	7.9	8.3
Total	69.5	63.6	63.5

11. Apart from the annual recurrent subvention, HKADC has been funding non-recurrent projects from the Arts and Sport Development Fund (ASDF) administered by HAB. Since 1997, a total of 1,156 applications with a total amount of \$236.4 million were approved. In January 2007, the Finance Committee of this Council approved an injection of \$40 million to the arts portion of the ASDF specifically for new schemes drawn up by HKADC to support new and budding artists, as well as small/medium sized performing arts groups.

12. HKADC also takes a pro-active role in promoting the arts through partnership projects with various sectors of the community such as TV programmes and arts projects with public transport operators.

13. In conjunction with local artists and arts groups, HKADC participates in many international cultural exchange programmes such as the world-renowned arts exhibition-the Venice Biennale and the China (Shenzhen) International Cultural Industry Fair in order to forge links between the local arts community in Hong Kong with the Mainland and neighbouring regions.

Work of the Hong Kong Academy for Performing Arts (HKAPA)

14. The HKAPA was set up in 1984 under the Hong Kong Academy for Performing Arts Ordinance. It is the only degree-granting institution in Hong Kong that provides professional education, training and research facilities in the performing arts, theatre and technical arts, and film and television. Every year, HKAPA enrolls about 750 students for its full-time programmes and around 770 students for the junior programmes.

15. HKAPA has a self-funding extra-mural studies unit, EXCEL (Extension and Continuing Education for Life Ltd) which offers part-time personal enrichment courses and in-service professional training on the performing arts, technical arts, film and TV for persons of all ages. In 2006, it enrolled some 7,400 participants in 404 courses on the arts spectrum.

16. HKAPA has set up a Performing Arts Education Centre in the 2007-08 academic year to focus on performing arts education curriculum design as well as teacher-training of performing arts educators for Hong Kong's primary and secondary schools. The Centre will also coordinate education-related activities in the context of the Academy's community engagement strategy for socially inclusive arts and cultural enhancement.

17. HKAPA receives a substantial portion of its income from Government's recurrent subvention of around \$150 million.

Creation and cultivation of alternative arts spaces in the community

18. The Home Affairs Bureau has facilitated the initiative of the HK Baptist University in converting the decommissioned Shek Kip Mei Flatted Factory Estate into a creative arts centre for adaptive re-use to provide creative arts space for arts workers. The creative arts centre will have studio space for over 100 individual arts workers, space for rental by some four institutional tenants, space for commercial tenants operating cafes or arts supplies, three galleries and one black box theatre. The Centre is expected to come into operation in February 2008.

Cantonese Opera

19. The Government set up the Cantonese Opera Advisory Committee in 2004 and the Cantonese Opera Development Fund in 2005 for the promotion, preservation and development of Cantonese Opera as a unique indigenous art form in Hong Kong. Since it was established, the Cantonese Opera Development Fund (CODF) provided a total of more than \$9 million in support of 123 projects for performances, education and promotion, research and archive, cultural exchange and venue support.

20. The Fund is planning to provide \$3 million over a period of three years to set up a Hong Kong New Talent Cantonese Opera Troupe to facilitate the professional development of the sector. In 2007-08, a total of around \$40 million will be spent on measures to support the development of Cantonese Opera as an art form, including LCSD's Cantonese Opera presentation programmes, HKADC's subvented projects relating to Cantonese Opera, subvention to HKAPA to run Cantonese Opera training courses, and funding from the CODF.

Cultural Exchange and Co-operation

21. It is part of our cultural policy to foster cultural links with different countries to facilitate the development of Hong Kong's culture and the arts. We consider such linkages and exchanges useful in enabling cross-fertilization of ideas and sharing of experiences, which are conducive to the diversity and vibrancy of the arts and cultural scene in Hong Kong.

22. Through the work of HAB, LCSD, and HKADC, we have been facilitating and promoting cultural exchange and co-operation mainly through the following means :

- a) Memorandum of Understanding on Cultural Co-operation - MoU provides a broad framework for the promotion of cultural co-operation initiatives and the establishment of a collaboration mechanism. So far, the HKSAR Government has signed MoUs with 11 foreign countries.
- b) In November 2002, the Guangdong, Hong Kong and Macao cultural authorities held the First Greater Pearl River Delta Cultural Summit and signed the Agreement on Greater Pearl River Delta Cultural Cooperation in August 2003. Under the Agreement, Guangdong, Hong Kong and Macao would take turn to host the Summit. Eight Summits have since then been held. Six working groups have been formed to strengthen collaborations and exchanges in the following areas –
 - Development and exchange of performing arts talents and programme presentation
 - Exchange of cultural information and collaboration in inter-region ticketing service
 - Development of museum network and excavation, conservation and promotion of heritage
 - Digital libraries network
 - Promotion of Cantonese opera
 - Study on the development of cultural and creative industries

- c) In November 2005, the Government signed an Agreement on Closer Cultural Partnership Arrangement with the Ministry of Culture of the Central Government to further promote cultural exchange and co-operation with the Mainland.
- d) We have been supporting outbound cultural exchange activities through the Arts Development Fund. Between November 2001 and April 2007, 114 funding applications were approved with a total grant of \$14 million. In January 2007, we sought the approval of the Finance Committee of the Legislative Council to inject \$20 million into the Fund.
- e) We are exploring with interested local offices of overseas cultural institutions (such as the British Council) possibilities of organising short fellowship or internship programmes for local arts administrators and curators at renowned arts and cultural institutions in their home countries. To reciprocate, we would also explore arranging inbound cultural exchange activities by sponsoring arts administrators from overseas institutions to attach to local institutions for sharing of expertise and experience.
- f) For the past five years, HAB has been organizing the Asia Cultural Co-operation Forum involving official delegations from the Ministry of Culture and most cultural officials from provinces and municipalities in the Mainland. The objective is to foster regional cultural co-operation, share good practices and promote culture, the arts and creative industries.
- g) LCSD, HKADC and HKAPA have also been organising cultural exchange programmes of different kinds every year.

West Kowloon Cultural District

23. The Government has launched a three-month public engagement exercise from mid-September on the recommendations for the West Kowloon Cultural District (WKCD) regarding the core arts and cultural facilities, financing arrangements and related matters. The recommendations were drawn up by the Consultative Committee on Core Arts and Cultural Facilities in WKCD following a series of consultations and deliberations for 15 months. The primary vision and objective of WKCD is to develop an integrated arts and cultural district with world-class arts and cultural facilities, distinguished talents, iconic architectures, and quality programmes with a must-visit appeal, capable of making Hong Kong an international cultural metropolis.

24. Specifically, it is proposed to develop in two phases 15 performance venues, a new forward-looking cultural institution with museum functions entitled M+ and a self-financing exhibition centre in WKCD, with facilities in Phase I coming into operation around 2014-2015. When completed, there will be an increase in total seating capacity of performing arts venues by 37% and an increase in total space provision of existing public museums by 52% in Hong Kong. Taken together, they seek to facilitate and accommodate a substantial increase in both the number of programmes and audience in culture and the arts.

25. To realize the vision and objectives of WKCD in facilitating the long-term development of culture and the arts, there is an imminent need to embark on timely measures to strengthen the software and humanware for culture and the arts.

Measures to Strengthen the Software and Humanware for Culture and the Arts

Immediate and short-term measures

26. In addition to the on-going efforts in developing cultural software being funded by our annual recurrent expenditure commitment, the Government is planning to undertake a series of measures in conjunction with the local arts community to strengthen the development of cultural software and humanware :

a) *A comprehensive manpower mapping survey*

We are planning to launch a comprehensive manpower mapping survey in early 2008 to assess the demand and supply for artists, arts administrators, curators and other arts-related professionals taking into account both the current situation and estimated manpower requirements for WKCD facilities, size up the provision gap, identify the best possible means to provide the necessary manpower training, study the operating environment for the artists and the arts-related professionals and ways to facilitate them. With the results of this baseline study, further tracking surveys will be conducted regularly by the HKADC afterwards at two-year intervals.

b) *Increased support for the arts groups*

We would enhance funding support to augment the capacity and capability of the full spectrum of arts groups and artists, from budding ones to established major professional groups, so that they would be in a better position to nurture and retain talents, to improve their corporate management, and put up a larger number of quality art works and performances which are key to increasing and widening the audience base in the arts.

Specifically, we would increase funding support for the 10 major performing arts groups for 2008-09 and 2009-10 to enable their consolidation and development during the transitional period before a new funding and assessment mechanism is developed and implemented in full in 2010-11 upon completion of a review. We shall review the level and form of funding support upon completion of this review.

This transitional funding for the 10 major performing arts groups serves several purposes –

- (i) Enable the major arts groups to tackle the severe talent drain problem;

- (ii) Facilitate the major arts groups to participate in the Venue Partnership Scheme at LCSD venues as they need to dedicate arts administrators to develop special programmes and marketing plans, and to organise additional audience building activities;
- (iii) Augment the capacity of the major arts groups so that they can consolidate and produce more quality programmes both for talent retention and audience building purposes; and
- (iv) Facilitate the major arts groups to take part in outbound cultural exchange programmes both for promoting local arts and culture outside Hong Kong, and for exposure and brand-building of our professional performing arts groups.

c) *Increasing funding support for HKADC*

We would increase funding support for HKADC to enhance its role in supporting young and budding artists, developing small and medium sized arts groups, in building a cultural network for the Hong Kong artists and arts groups in the Mainland and in conducting baseline researches to support the development of the various art forms.

With the approval of the Legislative Council and as mentioned in paragraph 11 above, we have injected \$40 million in the arts portion of the ASDF mainly for the purpose of providing support for new and budding artists through dedicated funding schemes, as well as for small and medium arts groups through one-off projects.

The additional recurrent funding for HKADC mainly serves the following purposes –

- (i) Enable HKADC to provide additional funding support for the existing small and medium professional arts groups receiving one-year grants, who are second-tier professional arts groups (after the major 10), to fund a number of new grantees with funding support, to allow larger funding support for a few outstanding One-Year Grantees, and to provide more funding support for a larger number of the less established groups. The objective is to put in place a progression and succession ladder for these professional arts groups;
- (ii) Facilitate HKADC to play a more prominent role in supporting local arts groups to present their works in Mainland cities and in building up networks for them to develop the Mainland market; and
- (iii) Facilitate HKADC to conduct more quality researches on topical subjects in culture and the arts, particularly on the development of the 10 art forms covered in the HKADC Ordinance, namely, literary arts, music, dance, drama, visual arts, film arts, arts administration, arts education, arts criticism and Chinese Opera.

d) *Increasing funding to HKAPA*

We will increase funding to HKAPA so that it can operate a Re-skill Programme, a Fundamental Programme and to expand the Foundation Year of its Full-time Programme in Theatre and Entertainment Arts to train manpower for entry into the industry at the basic level, for the purpose of addressing the acute manpower shortage in theatre and entertainment arts now at the basic level and also in the run-up to WKCD.

In the longer term, we shall work in conjunction with the HKAPA to conduct an institutional review in 2008-09, with a view to re-affirming the Academy's role and development directions, taking into account the vision of WKCD.

e) ***Support for performing arts groups participating in Venue Partnership Scheme***

We would provide more support to the performing arts groups to participate in the pilot Venue Partnership Scheme to be launched by LCSD in 2008-09. The Venue Partnership Scheme seeks to allow performing arts groups participating as Venue Partners to make more flexible use of the venues both to enhance artistic development and to help build up the artistic image and character of the venue. The Scheme also aims to foster a closer relationship between LCSD venue management and venue partners in enlarging the audience base of the different art forms and encouraging community involvement in arts development.

To complement the pilot Venue Partnership Scheme, additional programming resources would be provided to LCSD to enhance programme and content support at each performing arts venue.

f) ***Enhancing arts education, programme promotion and audience building, as well as reviewing venue hiring arrangements at existing LCSD venues***

We are currently working closely with the Committee on Performing Arts set up in 2004 to advise the Government on the provision of performing services in Hong Kong on a number of subject areas relating to performing arts. In the current term, the Committee will focus its work on venue hiring policy, arts education and programme promotion policies and audience building.

On venue hiring, we seek to review the venue hiring arrangements for existing LCSD venues with a view to making a better use of the venues to facilitate the further development of the arts.

On arts education, we are planning to conduct a research

study on arts education to cover the following three main areas – to take stock of the provision of arts education in the school sector (after the New Senior Secondary School Curriculum which will have earmarked 5% of the students’ learning time to arts is in place) and in the community, to review the best practices overseas, and to consider how arts education can positively contribute to the nurturing of a creative population to develop Hong Kong into a creative economy. The scope of the research will go beyond performing arts to cover visual arts in order to come up with a more holistic view on arts education.

On programme promotion and audience building, we will be critically reviewing the promotion and marketing strategies of arts and cultural programmes with a view to recommending improvement measures as well as new and effective means and channels of marketing and promotion for the arts.

g) *Exploring new and alternative art spaces in the community*

We would be working closely with the Education Bureau in forging a closer network between schools and arts groups with a view to bringing performance programmes and/or resident artists to schools in order to raise the students’ interest and ability in artistic and cultural appreciation.

We are also working together to explore making use of appropriate facilities within school premises as community-based venues for arts and cultural uses so as to widen the scope of public accessibility and participation in culture and the arts.

We are also exploring how best to organise more district-based arts-related programmes in conjunction with district organisations in the community so that local artists could have more opportunities to showcase their creative works, and arts could take stronger roots in the community.

Medium to Longer Term Measures

27. In the medium to longer term, we shall follow up with the findings of the above-mentioned research studies conducted in the immediate term with a view to mapping out additional measures. These studies mainly include the manpower mapping survey, the arts education study, the study on the new funding and assessment system for major performing arts groups, the recommendations of the Committee on Performing Arts, as well as the institutional review on HKAPA.

28. We shall conduct other topical researches such as the effectiveness of our prevailing cultural exchange policy and strategies and a systematic brand building of our cultural achievements in the Mainland and internationally with a view to realising our vision for WKCD to become a cultural metropolis.

29. We shall continue our dialogue with the cultural sector and the other stakeholders to identify other measures necessary to continue to nurture the cultural ambience in Hong Kong in the light of the WKCD's vision.

Home Affairs Bureau
November 2007