

LCQ9: Cultural and creative industries

Following is a question by the Hon Chim Pui-chung and a written reply by the Secretary for Home Affairs, Dr Patrick Ho, in the Legislative Council today (April 6):

Question:

On promoting the development of cultural and creative industries, will the Government inform this Council whether it will:

- (a) draw reference to the Cultural and Creative Industries Development Act to be enacted by the authorities in Taiwan to facilitate the introduction of legislation for cultural and creative industries as a basis for various policies to promote cultural and creative industries;
- (b) encourage Government departments and public bodies to procure products and services provided by local cultural and creative industries; if so, of the specific incentive measures;
- (c) encourage individual and private sector donations to cultural and arts groups by introducing tax concessions;
- (d) encourage estate developers to include cultural and arts facilities in their developments through measures such as increasing plot ratio;
- (e) set a work target based on the percentage of cultural and creative industries output in gross national product; if so, of the target ratio; and
- (f) enhance the contents of the basic education curriculum in the aspects of culture, arts and creativity so as to better equip our next generation for future employment in the industries?

Reply:

Madam President,

Having consolidated the views of various policy bureaux, I would like to reply to the question raised by the Hon Chim Pui-chung as follows:

(a) Legislation is just one of the many options to implement a policy. The Government can facilitate the development of individual industries through provision of financial support, establishment of loan funds, publicity, hosting or co-organising promotional activities relating to the industries. Currently the Government adopts a multi-pronged approach in the promotion of cultural and creative industries and has made considerable progress. We are of the view that existing legislation is adequate and there is no need to introduce legislation for cultural and creative industries. We will continue to facilitate and promote cultural and creative industries and step up the protection of intellectual property rights so as to enable the healthy growth of related industries.

(b) The Government's procurement policy is based on the principle of openness, fair competition and cost-effectiveness. In procuring goods and services, departments must follow the procurement regulations and principles laid down by the Government. Whether the goods and services come from a local or overseas supplier is not a consideration. This policy is also in line with the principle of being non-discriminatory and transparent as set out in the procurement procedures under the Agreement on Government Procurement of the World Trade Organisation. The procurement policies of public bodies are not subject to government regulations.

(c) According to Section 88 of the Inland Revenue Ordinance, charitable institutions or trusts of a public character are exempt from tax. When furnishing tax returns, taxpayers may claim deduction of the amount of donations made to charitable institutions that are exempt from tax. The aggregate amount of deductions can be as high as 25% of the assessable income or profit of a taxpayer. Like charitable institutions, cultural and arts groups are exempt from tax under Section 88 of the Inland Revenue Ordinance if they meet the relevant requirements. At present, taxpayers are entitled to claim deduction of the amount of donations made to cultural and arts groups that are exempt from tax.

(d) In our opinion, by including cultural and arts facilities in their development projects, estate developers can, on the one hand, raise the potential value of their projects, and on the other, attract visitors. Therefore, our policy bureaux do not have any plans to encourage estate developers to include cultural and arts facilities in their development projects by increasing plot ratio.

(e) At present, cultural and creative industries account for around 4% of our gross domestic product. Although there is still room for growth, the Government has no plan to set a work target for the percentage share of cultural and creative industries in gross national product like some planned economies.

(f) We fully agree that provision of cultural and arts education for our next generation can greatly facilitate the nurturing of local arts talents and promote the long-term development of cultural and creative industries in Hong Kong. In this regard, the Curriculum Development Council published a curriculum guide on basic education and eight learning areas in 2002. The guide recommends that schools should provide all students with five essential learning experiences in moral and civic education, intellectual development, community service, physical and aesthetic development, and career-related experiences for whole-person development. It also recommends the development of an open and flexible curriculum framework that helps build up the generic skills of students, including creativity, critical thinking skills, communication skills and study skills. For instance, science and technology education, which puts emphasis on practice and problem-solving, enables students to understand that technological development is closely linked to culture and the prevailing situation, thus helping to develop their creativity in the process. Arts education is an effective means to foster creativity. Through participating in arts creation and performing activities, students can comprehend the relationship between arts and human life and society. Moreover, the two elective subjects, namely music and visual arts, proposed for the new senior secondary level will prepare students for further studies or employment in the arts and creative industries. The Education and Manpower Bureau also launched in 2003 a career-oriented curriculum as a pilot scheme for senior secondary students to cater for individual learning and development needs of students. Curriculums in areas such as arts and the media, design, performing arts, information technology and recreation serve to suit the different learning needs, abilities and aptitudes of students, forming a good foundation for their future study and career.

Besides, the Leisure and Cultural Services Department's museums, libraries and programming offices offer educational activities on cultural heritage, literature and performing arts to school children as well as the general public. In 2004-05, over 6 500 school visits were organised to public museums (with more than 500 000 students participating). Over 700 schools have also joined the School Culture Day and a total attendance of around 450 000 has been recorded since the programme was launched in 2001.

The Home Affairs Bureau will continue to promote arts education by giving support to the Hong Kong Arts Centre, the Hong Kong Academy for Performing Arts and other tertiary institutions to run more arts-related courses in order to provide opportunities of further education to young people and nurture talents for creative industries. It is noteworthy that the Academy for Performing Arts has obtained approval to convert Bethanie, a historical building, into its second campus to establish a film and television centre. Hong Kong Baptist University has also recently announced its plan to establish an Academy of Visual Arts in September 2005 in another historical building in East Kowloon.

Ends/Wednesday, April 6, 2005

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