

## Executive Summary

Since 2009, the HKSAR Government has listed the Cultural and Creative Industries (CCI) as one of Hong Kong's six key industries. In 2018, the Cultural and Creative Industries contributed 4.4% to the SAR's GDP and employed 5.6% of its workforce. It is therefore considered one of Hong Kong's most dynamic industries.

The CCI comprise a wide range of activities that utilises creativity and intellectual capital to produce cultural, artistic and creative content. Entertainment activities such as music, film, television programme production, and online creation are included in the CCI. Indeed, the entertainment industry is such a part of everyday life, its development not only reflects changes in the city, but also conveys the city's social values. Some academics mentioned that a sense of identity could help to develop cohesion within the community. The local entertainment industry reached its golden age in the 1970s and 1980s, with its output of films, TV dramas, and Cantonese songs dominating Asia. However, it is acknowledged that the industry has declined since then. There are many possible reasons, such as a shrinking local market, lack of talent, poor support from the government, and shrinking physical and artistic space for creative production.

Just as the pop-culture of other Asian countries has flourished in recent years, leading to an abundance of "Hong Kong movies are dead, and the music landscape is dead" comments, a new wave of local pop-culture seems to be sweeping Hong Kong again, with local boy bands such as "Mirror" (in the music industry), "Error" (on TV), and "四台聯播" (via YouTube) generating a lot of talk that Hong Kong's local entertainment industry still has potential for development.

In 2009, the Hong Kong Government set up "CreatHK" (Create Hong Kong), dedicated to promoting the development of local creative industries. It also set up the CreateSmart Initiative (CSI) scheme, and the Film Development Fund (FDF) to support the local film industry. However, it has yet to prove effective. In addition to the continuous decline of the local market, it is not easy for the younger generation to develop careers in the entertainment industry.

Whether the phenomena of “Mirror” and “Error” will help Hong Kong’s entertainment industry to re-establish itself depends on whether the Government can: grasp the power of this “new wave”, provide support to young people in the industry, and re-examine local culture and the long-term development direction of the creative industry. It is believed that if successful, it will help unite citizens and provide for better social cohesion and alleviate the current dejected atmosphere.

With this in mind, this research attempts to understand the public’s perception of, and examine the barriers to entering, the local entertainment industry. It will also make suggestions to help promote youth participation in, and further promote the long-term development of, the industry.

This study’s points for discussion and recommendations, are based on information collected through a literature review, a territory-wide on-site poll of 816 Hong Kong residents (aged 15 to 65), case-interviews of 19 people, and 11 interviews with experts from within the relevant industries.

## Main Discussion

- 1. The entertainment industry not only contributes to economic growth and job creation, but also helps to enhance the identity of Hong Kong people and unite society. It is also important to the soft power of Hong Kong.**

The CCI are one of the most dynamic industries in Hong Kong. It covers a wide range of entertainment activities with songs, movies, videos, and online media creation falling into one or both of these categories. Hong Kong’s entertainment industry is inseparable from the lives of its citizens, and its transformation not only reflects current changes, but also conveys social values. The results of the study showed that among the 816 Hong Kong residents, nearly 15% expressed an interest in the entertainment production industry (14.1%). This was particularly the case for young people, reflecting the impact of the CCI on the younger generation. The academics interviewed in this study also pointed out that the industry is important to the soft power of a place and it is worth

local government investing resources to actively promote its development.

In addition to bringing economic benefits to Hong Kong, the CCI provide opportunities for the younger generation of Hong Kong to explore cultural identities and to help unite society. Some new actors interviewed said that locally-produced films not only resonated with local audiences, but also allowed global audiences to learn about Hong Kong's unique culture. Overall, the survey results also noted that respondents tended to agree that "local entertainment production could best represent Hong Kong's culture" and "local entertainment production enhances my identity for Hong Kong people" (6.23 and 6.01 respectively, on a scale of 0-10; "5" indicating "Generally Agree").

The findings above highlight that the CCI provide popular professions among young people, and local citizens appreciate the cultural and social values of the Hong Kong entertainment industry. Some of the interviewed academics and practitioners within the industries, reported that the industries' content is important to the city's soft power, which could deepen the understanding about Hong Kong's culture among audiences around the world. The Government should therefore consider how to maximise the potential of the city's entertainment industry.

**2. With the rise of audio-visual streaming platforms and the rapid development of creative industries throughout Asia, Hong Kong's entertainment-industry parks are facing a market-shrinkage crisis.**

With the development of the entertainment industry in Mainland China and East Asia, the international market for Hong Kong's entertainment industry output has shrunk. Some academics interviewed analysed that in recent years, Cantonese songs and Hong Kong-produced films are mainly based on local-audience tastes, increasing the difficulties in accessing overseas markets which, in turn, discourages investors. As a consequence local productions lack the resources needed for promotion in the global marketplace, which accelerates and deepens its declining spiral.

The survey results noted that many respondents believed that "local-entertainment production is too commercialised/simplified" (26.2%) and "intensified competition in surrounding areas" (24.1%) is restricting the development of the local entertainment industry. Some newly-recruited actors interviewed said that with the advent of the Internet, audiences are more likely to have access to audio-visual work from all over the world, and there is, accordingly, a higher expectation in the quality of the work. Up against fierce global competition, Cantonese songs and Hong Kong-produced films that rely too much on their inherent cultural influence (and are therefore crowded out of the international market), is also leading to a decline in the local market share.

The CCI are important to Hong Kong's economic and soft power. The Government should consider formulating long-term development policies, and strengthen the promotion and development of related industries in both local and overseas markets, to help Hong Kong's entertainment industry regain its former glory.

**3. Hong Kong's entertainment industry is shrinking, resulting in a brain drain. Lacking resources to train newcomers, what has emerged is an industry-wide succession problem.**

Talent is a key element in the development of cultural industries. The entertainment industry in Hong Kong mainly used to train talent through television stations and college education. However, some of the interviewed academics pointed out that due to industry shrinkage in recent years, TV stations are no longer able to train celebrities capable of revitalising the entertainment industry of Hong Kong.

An academic added that due to the reforms in and opening up of Mainland China, its huge film market has attracted many local investors and film talent to "go north". This has resulted in the loss of many experienced practitioners in the Hong Kong film industry. Although the 2003 "CEPA" enabled Hong Kong to co-produce films with Mainland China, some experienced voice actors and academics said that young local film practitioners lack the experience and language advantages,

making it difficult for them to participate in Mainland China film production.

In recent years, Hong Kong has promoted "discipline-oriented art education" in the SAR. The Government has encouraged local tertiary schools to offer training courses in creativity, performing arts, cultural studies, and arts administration. However, industry professionals that were interviewed in the study, said that the quality and management of the curriculum of non-formal education institutions lack proper industry supervision. Despite the large number of talented people cultivated by the colleges, they are unable to meet the needs of the entertainment industry. The shrinking market also means these new creators lack the practical opportunities in the industry. How to cultivate the talents of those who are interested in working in related industries and support the long-term development of the industry is worth the consideration of the relevant authorities.

**4. The interviewed practitioners and experts said that the Government's insufficient support, and the narrowing of the room for creativity, had limited the development of the city's entertainment industry.**

To support the planning and implementation of projects that are conducive to the development of the creative industries, the Government's Commerce and Economic Development Bureau set up two special funding schemes: the "Film Development Fund" (FDF) for the film sector, and the "CreateSmart Initiative" (CSI) for the seven non-film sectors. However, the study found that both the citizens interviewed and the industry, believe that the Government's support for creative industries is insufficient. Overall, the respondents tended to agree that "the Government does not attach importance to the development of Hong Kong's entertainment industry", with an average score of 6.09 (10=Totally Agree). Some interviewed academics pointed out that the development of the entertainment industry requires the Government to provide sufficient resources to assist creative companies in filming and overseas promotion. The Hong Kong Government's support of this is regarded as insufficient.

In addition, some interviewed academics and practitioners in the music industry said that the Government's funding of various sectors of the entertainment industry is uneven. The music industry receives less funding than the film industry; certain stakeholders monopolise the support, resulting in a lack of diversity in the territory's music scene.

More importantly, the Government made amendments to the guidelines for censors under the Film Censorship Ordinance in June 2021. Interviewed practitioners said that the hasty enactment of the law made the movie industry worried about how the law would be interpreted, and that there would be self-censorship with little room for creativity.

The development of the entertainment industry requires sufficient funding and creative space. The relevant authorities should address the industry's worries and provide support so to not adversely affect the development of the local entertainment industry.

**5. With the rise of online platforms and the enthusiasm of creators within the city, there is still potential for the future development of the local entertainment industry.**

Although the local entertainment industry has faced many challenges over the past few years, there has been a rebound of local pop culture recently. It shows that the industry still has potential.

Some interviewed academics and experienced lyricists believed that the rise of online platforms has allowed musicians to create more freely and share their works with audiences through online platforms or street performances. An interviewed practitioner in charge of an advertising company, said that in recent years online platforms have become one of the dominant media, changing the industry's ecology and enabling new types of creators (e.g. content creators and Internet celebrities). The survey results noted that many respondents supported local singers, locally-produced TV shows and Hong Kong movies through various online channels. A total of 43% (43.3%) of the respondents said that they "frequently" and "sometimes" watched Hong Kong online creation. This reflects that online entertainment platforms are slowly becoming the choice of Hong Kong citizens and has huge potential for development.

In addition, groups of local creators constantly strive for innovation to bring the Hong Kong entertainment industry to life. Some of the interviewed academics pointed out that local films in recent years could reflect Hong Kong's social issues and connect with the audience. A practitioner, who is in charge of a record company, believed that although the quality of current Cantonese songs is not up to the same standard as those of the past, the themes and types of songs are more diverse than before, adding more vibrancy to Hong Kong's music scene. The survey also asked respondents what advantages they thought the development of local entertainment production possessed. The most commonly mentioned advantages in the survey were that "Hong Kong is full of creative talents" (33.0%) and "local entertainment production diversification/innovation" (28.8%).

The research results show that young people in Hong Kong are full of creativity, know-how to make good use of online platforms to find new creative modes and opportunities, and they also know how to constantly strive for innovation, for creation, and bringing development potential and hope to Hong Kong's entertainment industry. How to consolidate these development advantages and continue to cultivate talent remains to be further explored.

- 6. The culture of the entertainment industry could reflect the values, and connect different parts, of contemporary local society. Promoting the long-term development of the city's entertainment industry would play a key role in helping Hong Kong's society to become more cohesive.**

In recent years, the local culture has attracted the attention of local citizens, reflecting that there is still room for, and potential development of, Hong Kong's entertainment industry. The survey results noted that overall, respondents tended to be satisfied with the current situation: local (and free) TV stations, enjoying Cantonese songs, Hong Kong movies and Hong Kong online creation. The average scores are 6.12, 6.11, 5.95 and 5.90 respectively (on a scale of 0-10, "10" = Greatly Appreciated).

A person in charge of a record company, who was interviewed, said that due to the impact of the epidemic, viewers have become more aware of local entertainment. He believes that in the future, Hong Kong people will still support Hong Kong's music, because Cantonese songs could best resonate with Hong Kong people. Some interviewed experienced voice actors pointed out that only locally-produced TV programs could provide Cantonese with Hong Kong characteristics. There is a unique culture in Hong Kong and it needs to be preserved by Hong Kong people.

In the past few years, Hong Kong's society has been severely divided, and the entertainment industry culture is the soft power that could most touch and unite all classes and sectors of society. To reinvigorate the city and bring hope, the entertainment industry may be a way for Hong Kong to become more cohesive; therefore, the SAR Government should make good use of this advantage to further emphasise its development of, and formulate a long-term development blueprint for, the industry.

## Recommendations

Based upon the findings and discussion above, this study proposes the following recommendations so young people with talent, or interest in the entertainment industry, could develop in this area, and therefore facilitate the long-term development of the local entertainment industry.

- 1. Set up a Cultural Bureau with a long-term blueprint for the local entertainment industry from a cultural perspective.**

**Over the years, cultural affairs in Hong Kong have been handled by multiple departments. Without a dedicated government department to lead and promote the development of culture and art, Hong Kong's entertainment industry has not had any macro and strategic cultural-policy planning, resulting in the lack of relevant support.**

**For the first time the Country, in the "14th Five-Year Plan", mentioned supporting Hong Kong to develop into an East-meets-West centre for international cultural exchange. This study recommends the Government should set up a new cultural bureau to coordinate all the work or issues related to cultural and creative career development. Its**



major tasks should include: policy planning and research on cultural issues; training and education of talent; career development support.

- 1.1 Representatives of pop music and web-content creators should be included in the Government's advisory and statutory bodies.

At present, the voice of the online creative industry has not been included in the consulting framework, funding plan, venue planning, etc. of the cultural sector. In recent years, online platforms have changed the industry's ecology and created various new and emerging industries, reflecting the huge development potential of online creation. The new advisory structure of the proposed Cultural Bureau should include not only the film industry (which has been the main focus), but also industry professionals in television, pop music and online creation to enhance the competitiveness of Hong Kong's entertainment industry.

- 1.2 Regulate subvented non-academic education courses by industry organisations; continue the channel for talent cultivation in the industry through subvented social enterprise programmes.

Referring to “**內容產業振興法**” (a type of enactment to encourage the content industry) in South Korea, this study recommends that the proposed Cultural Bureau should regulate the curriculum run by the subvented non-academic education institutions. The regulating work should include providing guidelines and budget support for organisations with credibility in the industry to approve the curriculum so as to improve the quality of the talent training in the courses.

At present, the Government has many cultural and artistic funding projects in cooperation with non-governmental organisations to provide young creators with opportunities outside the commercial market. This study recommends that the proposed Cultural Bureau should support industry to further co-operate with community organisations and social enterprises. This would enable new creative talent to get real-world experience that they can then pass on to the local entertainment industry.

**1.3 Improve the subvented funding schemes of the local entertainment industry so that small-and-medium-enterprises in the cultural and creative sectors could receive support.**

At present, the Government mainly supports the development of the industry through the FDF and the CSI schemes. People in the music industry who were interviewed during the study, said that the pop music industry received less funding than the film industry. It is difficult, however, for the film industry to support the long-term development of Hong Kong's CCI. Hong Kong's film industry was once famous internationally and relied on the synergy of the local TV-drama and music industries. This study recommends that the proposed Cultural Bureau should set up a new and special funding scheme to further develop the pop music part of the local entertainment industry.

In addition, industry professionals interviewed in the study stated that the mechanism for applying funding is unfair to independent or emerging creators. Referencing the “一人創作企業育成法” (a type of enactment to encourage independent creators to develop business) in South Korea, this study recommends that the proposed Culture Bureau should provide small-and-medium enterprises in the cultural and creative sectors, with support such as concessions for renting performance venues, consultation services for cultural products and various professional development, tax concessions, and support for financing guarantees. All of these could be positive for independent singers or groups and further diversifying the local entertainment industry.

**2. Address the industry's concerns about the "Film Censorship (Amendment) Bill 2021" and explaining its provisions more clearly to enhance investors' confidence in Hong Kong's entertainment industry.**

In June this year, the Government introduced amendments to the Film Censorship Guidelines for Censors, and in August the Government proposed amendments to the Film Censorship Ordinance. Practitioners who were interviewed said that the hasty enactment of the law made people in the industry (including investors) worried

about the ambiguity of the changes and its interpretation. This might lead to a degree of self-censorship, and the stifling of the creative process.

Having “Creative space” is the most important element in nurturing cultural and artistic creation. Hong Kong’s prestigious films, TV productions and pop music have been created in an environment full of creative space with a blending of East and West cultures. It is also because of the inherent characteristics and advantages of Hong Kong, that it is possible to gather talent from abroad and locally. For the long-term and healthy development of Hong Kong’s CCI, the Government should balance the voices of the industry and different stakeholders, to provide a long-term and stable business environment, and explain the newly revised provisions of law to the industry. It is believed that it will also help increase investors’ confidence in Hong Kong’s entertainment industry.