

LCQ18: Consolidating Hong Kong's position as an art trading centre

Following is a question by the Hon Jeffrey Lam and a written reply by the Secretary for Culture, Sports and Tourism, Mr Kevin Yeung, in the Legislative Council today (March 27):

Question:

Hong Kong enjoys the country's support for developing into an East-meets-West centre for international cultural exchange. There are views pointing out that Hong Kong, being located at the centre of Asia and benefiting from financial, legal and logistical advantages, together with its low rates of import and export taxes on artworks, is one of the major art trading centres in the world. In this connection, will the Government inform this Council:

(1) whether it knows the current total numbers of auction houses, galleries and art galleries in Hong Kong that are respectively internationally-based, Mainland-based and locally-based;

(2) whether it has compiled statistics on the number of relevant auctions held in Hong Kong (both online and offline) in each of the past five years;

(3) of the total import and export values of (i) artworks, (ii) collectors' pieces and (iii) antiques, as well as their respective percentages in the total external trade value in each of the past five years;

(4) of the contribution made to the Gross Domestic Product by the trading of artworks, collectors' pieces and antiques, as well as the number of jobs created, in the past five years; and

(5) whether the authorities have put in place measures to support the staging of arts exhibitions and the establishment of operations by more auction houses in Hong Kong, so as to seize the opportunities of the growing art market and consolidate Hong Kong's position as Asia's art trading hub?

Reply:

President,

Regarding the question raised by the Hon Jeffery Lam, I reply as follows:

(1) and (2) According to the statistics of the Census and Statistics Department (C&SD), the number of establishments in the art, antiques and crafts domain of the cultural and creative industries in Hong Kong was about 6 870 in 2022. The Government does not have a detailed breakdown of the

number of establishments related to auction houses, galleries and art galleries, as well as the statistics on the number of auctions held in Hong Kong.

(3) According to the statistics of C&SD, the total trade value of works of art, collectors' pieces and antiques, as well as its percentage of total trade of goods in the past five years (i.e. 2019 to 2023) are as follows:

Year	Total trade (HK\$ million)	Percentage of total trade of goods
2019	58,495	0.7 per cent
2020	33,600	0.4 per cent
2021	66,591	0.6 per cent
2022	88,371	0.9 per cent
2023	105,465	1.2 per cent

C&SD does not have detailed breakdown of statistics under the grouping of works of art, collectors' pieces and antiques respectively.

(4) C&SD is still compiling relevant statistics for 2022 and beyond. From 2019 to 2021, the value added and number of persons engaged in the art, antiques and crafts domain of the cultural and creative industries in Hong Kong are as follows:

Year	Value added (HK\$ million)	Number of persons engaged (rounded to the nearest ten)
2019	18,677	31 940
2020	14,662	28 880
2021	16,574	27 590

(5) Hong Kong has a strategic location in Asia as well as strong cultural foundations and a competitive edge in the commercial sector. With the support of the National 14th Five-Year Plan, the Government is committed to promoting Hong Kong as an East-meets-West centre for international cultural exchange. In recent years, a number of large-scale arts and cultural facilities, including the M+ Museum and the Hong Kong Palace Museum in the West Kowloon Cultural District (WKCD), have come into operation, providing more opportunities for the arts sector to organise more local and international arts and cultural activities.

The Government has strived to create a comprehensive ecosystem for the arts, culture and creative industries. Currently, Hong Kong is the home to a number of globally acclaimed galleries, auction houses and art fairs. Among them, Art Basel Hong Kong has become an international event for visual arts since its debut in Hong Kong in 2013. Phillips Auctioneers also set up its new Asia headquarters in WKCD last year. In addition, Hong Kong's low tax rate and thriving art fairs have attracted art lovers from all over the world

to participate in Hong Kong's art trading events. These qualities have contributed to the emergence of Hong Kong's art trading and auction market, making Hong Kong one of the world's top three art trading centers.

To attract and support international and large-scale arts and cultural events, including arts fairs to be held in Hong Kong, the Culture, Sports and Tourism Bureau officially launched the Mega Arts and Cultural Events (ACE) Fund in 2023. It targets mega arts and cultural events organised by the private sector or non-governmental organisations in Hong Kong, with a view to developing Hong Kong into an arts and cultural metropolis. Among the approved events, Art Basel Hong Kong 2023 and 2024, Ink Asia 2023, as well as Art Central 2023 and 2024 are examples of art fairs. These fairs bring together hundreds of international galleries, attracting tens of thousands of collectors, industry players and visitors from Hong Kong and abroad, further fostering the development of Hong Kong's vibrant art market.

The Government will continue to give play to the advantage of Hong Kong as a melting pot of Chinese and Western cultures, actively attracting renowned cultural and museum organisations from the Mainland and overseas to Hong Kong, with a view to consolidating Hong Kong's status as international art trading centre and fostering Hong Kong's development as an East-meets-West centre for international cultural exchange.