

## **Bauhinia Statement**

- (1) The Bauhinia Foundation Research Centre welcomes the release of the study report entitled “The Past and Future of the One Way Permit (OWP) Scheme in the Context of a Population Policy for Hong Kong”, conducted by –
- Professor John Bacon-Shone of the University of Hong Kong;
  - Professor Paul Yip of the University of Hong Kong; and
  - Professor Joanna Lam of Hong Kong Baptist University.

This report represents a positive contribution to the ongoing debate and discussion on developing a sustainable population policy for Hong Kong.

- (2) While the OWP System is a scheme primarily to facilitate reunion in Hong Kong of cross-boundary families, it has for some years become the single most significant factor for population changes in Hong Kong. As we have seen in statistical projections released by the Government, Hong Kong will experience a progressive aging of its population, so that the elderly dependency ratio will increase by two and a half times (from 168 per 1,000 in 2006 to 425 per 1,000 in 2036) in just 30 years. This projection already takes into account the significant number of younger children coming under the OWP scheme in the past. Since the total fertility rate in Hong Kong, which already includes children born in Hong Kong to Mainland women married to Hong Kong residents, is very low (0.984 live birth per woman, i.e. less than half of the “replacement rate” of 2.1 per woman), it is important that the continued addition to the younger population of Hong Kong achieved under the OWP scheme should be maintained. It is thus necessary to make projections on future entry, and to draw conclusions on future direction of the scheme.
- (3) The consultants have devised a statistical model, based on past data and ongoing social trends (e.g. marriages, births, arrivals), that enables us to make predictions of future arrivals under different assumptions about willingness to come and utilization of the OWP quota (currently at approximately 55,000 per year). This model can easily be updated and further refined as more information, e.g. on the details of the “waitlist”, and as changes to trends of birth, marriage and death occur. It is a valuable tool for those engaged in drawing up a sustainable population policy for Hong Kong, and in particular for testing the impact of varying the current criteria for admission under the OWP scheme. It also provides a basis for rational public discussion of the issue.

/(4).....

- (4) The report concluded that the current underutilization of the OWP quota, in particular of the “children sub-quota”, provides scope for refining the entry criteria progressively to facilitate the reunion and earlier arrival of spouses separated for 3 years (instead of 5 years as at present), together with their dependant children, without exceeding the overall quota. This should in particular benefit the children, so that they can grow up and be educated in Hong Kong from kindergarten onwards and thus become practically indistinguishable from local children in terms of their educational and social development, as well as their future contribution to the economy of Hong Kong. Although there will be a short term cost to the Government (estimated at less than \$620 million per year), this is compensated by a much larger longer term economic benefit to the families concerned estimated to range between \$4,619 million and \$7,372 million per year, and to the wider community through the GDP multiplier. Once this relaxation of the entry criteria has been absorbed, there should be scope for further changes to bring the OWP scheme more into line with international practice for family reunion.
- (5) The report also noted that there is, in addition, a significant pool of children who are born in Hong Kong (and accordingly have right of abode here) to Mainland mothers and fathers who are not Hong Kong permanent residents. This numbered 16,700 in 2006 alone (25% of the total births), and could help slow down the aging of the population of Hong Kong, if arrangements can be made to encourage and facilitate their orderly entry at a young age with their parents in a manner consistent with Hong Kong’s ability to absorb them. The Government should therefore undertake a policy review in this regard, taking account of all the relevant considerations including the provision of the necessary supplementary services and adequate safeguards against abuse.