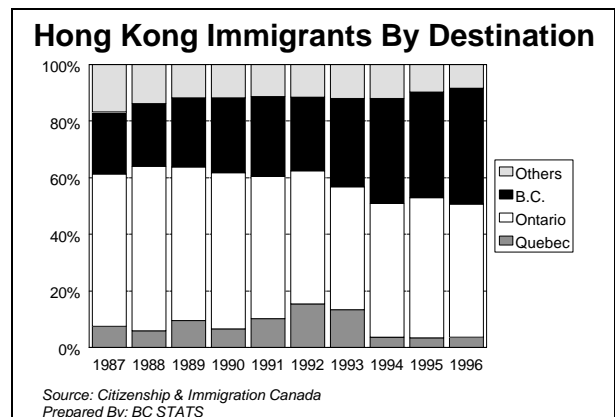
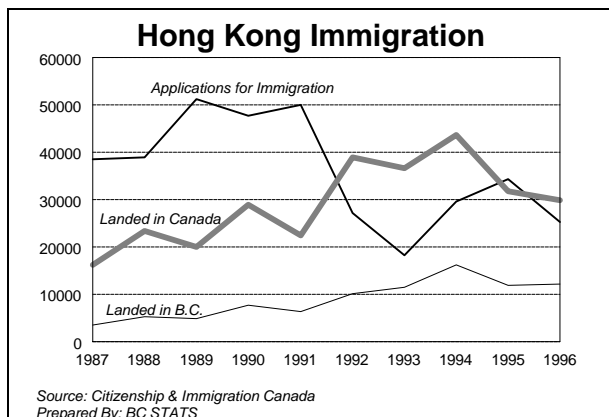


Special Feature: Immigration From Hong Kong After the 1997 Handover

One of the frequently asked questions about immigration to British Columbia and Canada is what will happen after 1997 when Hong Kong reverts to China Mainland. Will the number of immigrants arriving from Hong Kong after 1997 drastically decrease, continuously increase, or remain about the same as during the pre-1997 period? Since Hong Kong has been the most important source of immigrants to the province during the last decade, answers to these questions are important to organizations in both the public and private sectors whose planning may depend on the volume of immigrants arriving in the future.

The 1997 handover of Hong Kong is frequently tied to speculation about future Hong Kong immigration because it is generally believed that the return of Hong Kong to China had been a major concern for most Hong Kong residents who chose to emigrate from the colony. Political uncertainty after the handover, added by the Tiananmen Square incident in 1989, have created further incentives for many Hong Kong residents to consider emigrating. Since 1987, Hong Kong has been the top source of immigrants to Canada and British Columbia. The number of immigrants from Hong Kong increased steadily since 1987 to a peak in 1994 when Canada received more than 48 thousand and B.C. received more than 16 thousand immigrants from Hong Kong. In 1994, immigrants from Hong Kong alone represented 20.0 and 33.3 per cent of immigrants from all sources to Canada and B.C., respectively.



One common belief about recent Hong Kong immigration is that most residents in Hong Kong who were capable, qualified and wanting to emigrate due to the perceived uncertain future of Hong Kong had already done so before 1997. Statistics on visa applications for permanent residence in Canada from Hong Kong residents show that the number of visa applications reached its highest level between 1989 and 1991. The number then declined to its lowest level in the last ten years in 1993, then rebounded slightly between 1994 and 1995. In 1996, the number of visa application fell below the 1994 level. The number of Hong Kong residents who applied for immigration to Canada during the first quarter of 1997 was less than one-third of the number recorded during the same period of 1996 (2,738 persons vs. 8,602 persons).

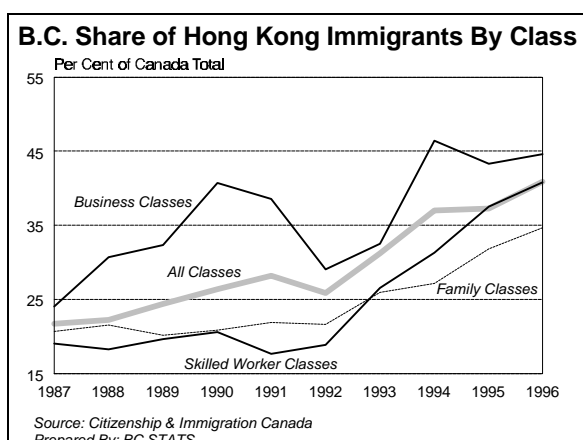
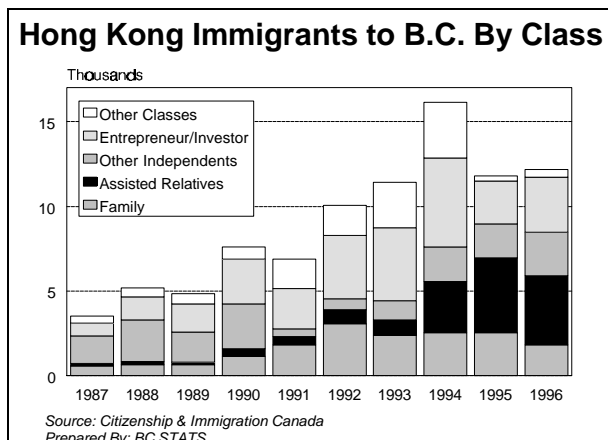
Immigrants from Hong Kong in the business classes seemed to be more affected by the timing of the 1997 handover. The number of entrepreneur and investor immigrants from Hong Kong peaked in the 1992-94 period then declined as 1997 approached. On the other hand, immigrants in the Family and skilled worker classes (Assisted Relative Class and Other Independent Class) tended to be less affected by the 1997 handover. In fact, immigrants in these classes seemed to be more affected by the regulatory changes in Canada's immigration

policy. For example, in 1992, the federal government changed the definition of qualified accompanying children under the Family Class to allow children over the age 18 only if they were proven to be dependent children. (During the 1988-92 period, never married children were qualified regardless of age.) In response to this announced change, a higher number of applications under the Family Class were submitted prior to 1992 which resulted in a increase in landings from Hong Kong under the Family Class around 1992 and in later years. Similarly in 1993, modifications were made to the point system (used for selecting and assessing independent immigrants) to reduce the number of points given to independent immigrants who have assisting relatives in Canada. The anticipation of these changes prompted more applications in this category and resulted in a sudden increase in landings from Hong Kong under the Assisted Relatives Class in subsequent years.

Assuming Canadian immigration policy remains relatively unchanged in the near future, it is expected that the level of Hong Kong immigrants to Canada will be closely tied to the political and economic stability in Hong Kong, as well as the relative economic condition in Canada. If Hong Kong is to remain relatively stable in the future, it is expected that business immigrants from Hong Kong in the Entrepreneur and Investor Classes will decline steadily. In the first quarter of 1997, Taiwan has already replaced Hong Kong as the leading source of applicants who were granted visas under the Entrepreneur and Investor programs.

The number of family and skilled worker immigrants from Hong Kong is expected to remain relatively stable in the short term since a large number of family immigrants from Hong Kong may be expected in the future due to the wave of Hong Kong immigrants who came prior to 1997. The 1994 federal Immigration Consultation Report and the Immigration and Citizenship Plan 1995-2000 both indicated that more independent skilled worker immigrants would be absorbed in the future. With the anticipation of fewer business immigrants arriving from Hong Kong and the fact that skilled worker immigrants have been driven by domestic economic conditions such as the job market in Canada, it can be expected that skilled worker immigrants and family immigrants will gain in importance in the overall Hong Kong immigration to B.C. and Canada.

While it is difficult to predict the precise level of immigrants coming from Hong Kong after 1997, it is expected that in the near future the overall level of Hong Kong landings in B.C. and Canada will be lower than the peak experienced during 1992-1994 period. However, British Columbia will likely continue to be a favored destination for many Hong Kong immigrants due to its location on the Pacific Rim, mild climate and natural beauty.



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