



THOUGHT LEADERSHIP BRIEF

Going Global or Going Home? Unpacking Middle-Aged Hong Kongers' Emigration Preferences and Intentions

Jeffrey Lee, Mengyuan Niu and Stuart Gietel-Basten

KEY POINTS

- ▶ This study strongly suggests that Hong Kong residents who plan on retiring before the legal retirement age are more intent on emigrating away from Hong Kong. There is also strong evidence that individuals who plan on enrolling in the CSSA or Guangdong or Fujian social welfare schemes are more likely to prefer mainland China as their retirement destination.
- ▶ The results strongly indicate that more convenient transportation is a significant pull factor for those intending to emigrate to mainland China, whereas employment opportunity is a significant pull factor for those intent on emigrating overseas.
- ▶ The results moderately indicate that Hong Kong residents with post-secondary education are more intent on emigrating away from Hong Kong.
- ▶ The data also moderately suggest that individuals planning on enrolling in the CSSA or Elderly Health Care Voucher at the University of Hong Kong Shenzhen Hospital are less intent on emigrating.
- ▶ There is moderate evidence that the respondents closest to retirement age are more likely to prefer mainland China as their migration destination.

ISSUE

The economic integration of the Greater Bay Area (GBA) has the potential to serve as an incentive for specific Hong Kong residents to consider migrating and retiring in mainland cities within the GBA. According to the Hong Kong Census and Statistics Department (C&SD), from 2013 to 2022, the number of Hong Kong residents aged 65 or older living predominantly in Guangdong Province increased 26.4%, from 69,600 to 88,000. Another C&SD survey from 2019 found that approximately 266,200 Hong Kong residents aged 15 to 65 are interested in relocating to mainland GBA cities in the future, which suggests that this migration could persist. Moreover, 51.6% of the people aged 55 to 64 who are interested in retiring outside of Hong Kong report preferring to live in mainland GBA cities. Among those considering retiring outside of Hong Kong aged over 65, a greater percentage, 60.1%, are interested in the mainland GBA cities. Therefore, Hong Kong residents, especially older cohorts, are a potentially major source of cross-border migration to mainland GBA cities.

Photo by Jason Yuen on Unsplash

¹ The Greater Bay Area is comprised of nine cities in Guangdong Province (Guangzhou, Shenzhen, Zhuhai, Foshan, Huizhou, Dongguan, Zhongshan, Jiangmen, Zhaoqing), as well as two special administrative regions, Hong Kong, and Macau.

Ultimate migration behavior is a consequence of an extensive and dynamic decision-making process influenced by multitudes of factors. The decision-making process that underlies elderly migration differs from other adults' migration, because people born in different cohorts may have disparate age-related biological, psychological, and economic needs, and may have perspectives shaped by different historical and social events. Growth in the proportion of elderly residents in Hong Kong necessitates greater understanding of their decision-making process regarding migration, so that governments can provide suitable public services. To investigate the decision-making process of potential emigration from Hong Kong, this study analyses factors that influence the emigration intentions and preferred destinations among middle-aged Hong Kong residents aged 45 to 64 years.

ASSESSMENT

According to the Amenity Retirement Migration Model (Figure 1), by Haas and Serow (1993), the migration decision-making process has two main steps: first, envisioning the migrating decision, and second, selecting a destination. Push and pull factors, the result of information sources, influence remote thoughts on migration intention and subsequent migration and destination decisions. This study analyzes these factors based on an online survey of a sample of 1002 Hong Kong residents, stratified by age, education, and gender according to Hong Kong census data. Specifically, this study focuses on respondents aged 45 to 64 years (N=463) and investigates whether remote thoughts on migration intentions are related to destination preference, as well as whether environmental conditions, welfare policies, and social ties at destinations are observable as pulling factors that influence destination preferences and migration intentions. Hong Kong was chosen as the study setting due to the rapidly increasing population proportion that is elderly, with approximately 20% currently aged over 65.

This study considers two dependent variables of interest: intention to emigrate from Hong Kong within the next ten years and preferred migration destination. Intention to emigrate is analyzed as a Likert scale characteristic with four options ranging from "very unlikely to move" to "definitely would move" (Figure 2) and as a binary indicator variable in separate analyses. Less than a quarter of

respondents have indicated an intention to emigrate. Respondents choose their top destination preference among three categories: mainland China, Taiwan or Macao, and overseas. The most preferred destination is overseas (46.7%), followed by mainland China (37.6%) and Taiwan and Macao (15.8%) (Figure 3). According to a chi-squared test of independence, destination preference is significantly associated with the binary indicator of intention to emigrate (p -value=0.042), but not the Likert scale variable (p -value=0.09). Therefore, the association between intention to emigrate and destination preference is not strong.

This study considers numerous binary control variables including age categories gender, whether the respondent has post-secondary education, income categories, home ownership, marital status, self-evaluated health, and migration history. These also include intention to enroll in the following welfare schemes: Comprehensive Social Security Assistance (CSSA), Guangdong or Fujian Scheme, Pilot Residential Care Services Scheme in Guangdong (GD), and the Elderly Health Care Voucher Scheme at the University of Hong Kong Shenzhen Hospital. Explanatory variables of interest include indicators for pull factors such as more comfortable climate, more recreational activities, more convenient transportation, better healthcare, lower healthcare costs, lower cost of living, proximity to friends and family, better employment opportunities, more effective government services, and better welfare policies. Due to the large number of variables, regression analyses are conducted with a two-stage approach. In the first stage, control variables with non-significant coefficients are eliminated stepwise from a model with all control variables until a parsimonious model with only significant control variables remains. In the second stage, non-significant variables are eliminated stepwise from a model with the control variables from the first stage and all pull variables until, again, a parsimonious model with only significant (p -value<0.05) variables remains.

Figure 1. Conceptual Model of Amenity Retirement Migration Process

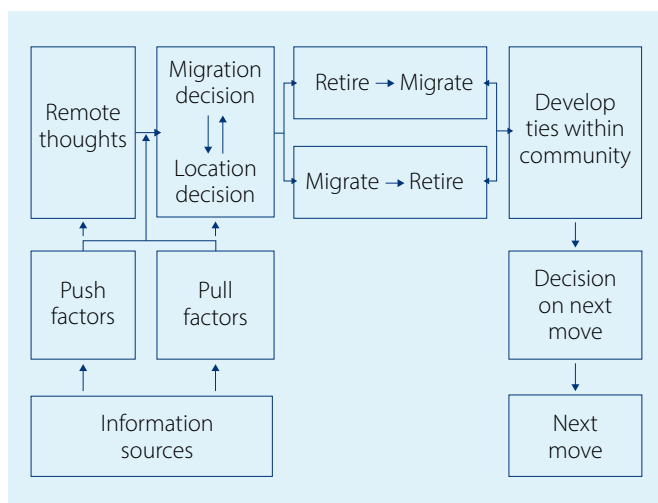


Figure 2. Intention to Emigrate Responses (Likert Scale)

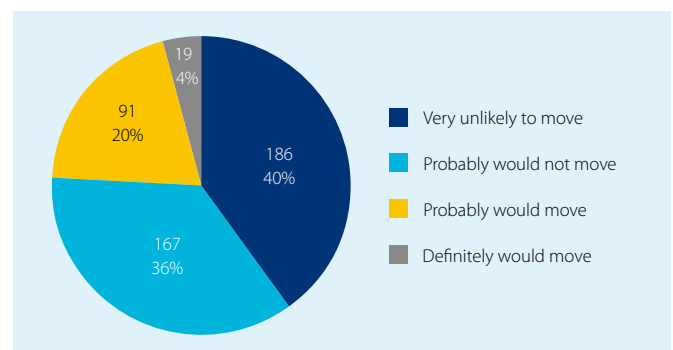


Figure 3. Preferred Migration Destination Responses

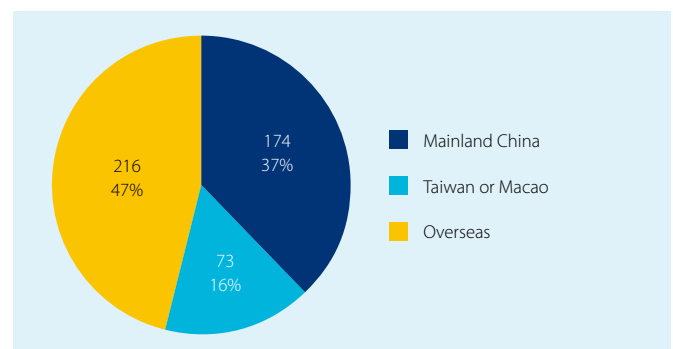




Table 1. A. Parsimonious Probit Regression Model of Binary Indicator of Migration Intention. B. Parsimonious Ordered Probit Regression Model of Likert Scale of Migration Intention. N=463. *p-value<0.05 **p-value<0.01.

A	Coefficient (Robust SE)	Coefficient (Robust SE)
Constant	-0.77 (0.1)**	-0.94 (0.13)**
Post-secondary education	0.32 (0.13)*	0.33 (0.13)*
Retirement before legal age	0.44 (0.16)**	0.42 (0.16)**
CSSA	-0.38 (0.14)**	-0.44 (0.15)**
Elderly health care voucher HKU/SZ	-0.64 (0.28)*	-0.68 (0.28)*
Influence to emigrate: cheaper healthcare		0.3 (0.14)*
B	Coefficient (Robust SE)	Coefficient (Robust SE)
Post-secondary education	0.39 (0.1)**	0.35 (0.1)**
Retirement before legal age	0.34 (0.14)*	0.36 (0.14)**
CSSA	-0.2 (0.11)	-0.29 (0.11)**
Elderly health care voucher HKU/SZ	-0.34 (0.17)*	-0.49 (0.18)**
Influence to emigrate: climate		0.35 (0.12)**
Influence to emigrate: gov. services		0.23 (0.11)*

Probit and ordered probit regression results indicate that respondents with post-secondary education or plan on retiring before the legal age are significantly more likely to have intentions to emigrate away from Hong Kong (Table 4). Respondents who intend to enroll in the CSSA or the Elderly Health Care Voucher Scheme at the University of Hong Kong Shenzhen Hospital are significantly less likely to report intentions to emigrate from Hong Kong. Individuals who identify lower healthcare costs, more comfortable climate, or more effective government services are also more likely to have intentions to emigrate, though these variables are not significant in both probit and ordinal probit models.

Multinomial probit regression analyses of emigration destination preferences indicate that respondents with higher education are significantly less likely to prefer mainland China as a retirement destination compared to overseas, whereas those with monthly incomes less than HKD13,400 are significantly more likely to prefer mainland China over overseas destinations (Tables 1 and 2). Individuals planning on enrolling in the CSSA or Guangdong and Fujian Scheme are more likely to prefer mainland China to Taiwan, Macao, or overseas retirement destinations. Those planning on enrolling in the Pilot Residential Care Services in GD are significantly more likely to prefer mainland China over overseas destinations, but not over Taiwan or Macao. Those planning on enrolling in the Guangdong or Fujian Scheme are also more likely to prefer Taiwan or Macao over overseas destinations, but this result is not significant if other non-significant variables are eliminated and is therefore not robust. Respondents aged 60 to 64 years, who are closer to retirement than the rest of the sample, are also more likely to prefer mainland China over Taiwan, Macao, or overseas destinations. Respondents who identify better transportation or lower cost of living as motivations to emigrate are significantly more likely to prefer mainland China over overseas destinations. Those who identify better healthcare or more employment opportunities are more likely to prefer overseas destinations over mainland China.

IMPLICATIONS AND RECOMMENDATIONS

In summary (Table 4), the results strongly suggest that Hong Kong residents who plan on retiring before the legal retirement age are more intent on emigrating away from Hong Kong. There is also strong evidence that individuals who plan on enrolling in the CSSA or Guangdong or Fujian schemes are more likely to prefer mainland China

as their retirement destination. The results strongly indicate that more convenient transportation is a significant pull factor for those intending to emigrate to mainland China, whereas employment opportunity is a significant pull factor for those intent on emigrating overseas.

The results moderately indicate that Hong Kong residents with post-secondary education are more intent on emigrating away from Hong Kong. Individuals with post-secondary education are also more likely to prefer overseas destinations over mainland China, whereas those with lower incomes prefer mainland China, but these associations are weak. The data also moderately suggest that individuals planning on enrolling in the CSSA or Elderly Health Care Voucher at the University of Hong Kong Shenzhen Hospital are less intent on emigrating. There is moderate evidence that the respondents closest to retirement age are more likely to prefer mainland China as their migration destination.

Table 2. Parsimonious Multinomial Probit Regression Models of Migration Destination Preference. Base Case=Overseas. N=463.. *p-value<0.05. **p-value<0.01.

Destination: Mainland China	Coefficient (Robust SE)	Coefficient (Robust SE)
Constant	-0.99 (0.18)**	-0.9 (0.21)**
Age 60-64 years	0.42 (0.21)*	
Post-secondary education	-0.37 (0.19)*	-41 (0.19)*
Income <HKD13,400	0.51 (0.22)*	0.48 (0.22)*
CSSA	1.16 (0.21)*	1.14 (0.21)**
Guangdong/Fujian scheme	1.47 (0.26)**	1.58 (0.27)**
Pilot Residential care services GD	-0.91 (0.36)*	0.88 (0.36)*
Influence to migrate: transportation		0.76 (0.22)**
Influence to migrate: better healthcare		-0.51 (0.24)*
Influence to migrate: cost of living		0.45 (0.22)*
Influence to migrate: employment		-0.74 (0.2)**
Destination: Taiwan or Macao	Coefficient (Robust SE)	Coefficient (Robust SE)
Constant	-0.99 (0.19)**	-0.97 (0.23)**
Age 60-64 years	-0.28 (0.28)	
Post-secondary education	0.015 (0.21)	0.035 (0.21)
Income <HKD13,400	0.19 (0.26)	0.098 (0.26)
CSSA	0.22 (0.23)	0.22 (0.24)
Guangdong/Fujian scheme	0.62 (0.29)*	0.68 (0.3)*
Pilot Residential care services GD	0.011 (0.43)	-0.031 (0.43)
Influence to migrate: transportation		0.24 (0.26)
Influence to migrate: better healthcare		-0.54 (0.25)*
Influence to migrate: cost of living		0.55 (0.24)*
Influence to migrate: employment		-0.43 (0.23)

Table 3. Parsimonious Multinomial Probit Regression Models of Migration Destination Preference. Base Case=Mainland China. N=463.. *p-value<0.05. **p-value<0.01.

Destination: Taiwan or Macao	Coefficient (Robust SE)
Constant	-0.069 (0.16)
Age 60-64 years	-0.79 (0.27)**
CSSA	-0.77 (0.23)**
Guangdong/Fujian scheme	-0.62 (0.29)*
Destination: Overseas	Coefficient (Robust SE)
Constant	0.87 (0.14)**
Age 60-64 years	-0.52 (0.21)*
CSSA	-0.99 (0.19)**
Guangdong/Fujian scheme	-1.24 (0.25)**

The results indicate that lower healthcare costs, more comfortable climates, and more effective government services are significant pull factors, but the statistical association is weak. Respondents that identify better healthcare as a pull factor prefer overseas destinations, whereas those that identify lower cost of living as a pull factor prefer mainland China, but these associations are also weak.

In particular, two social welfare schemes, Comprehensive Social Security Assistance (CSSA) and Guangdong or Fujian Scheme, appear to be strong pull factors for migration to mainland China. CSSA is a portable welfare scheme that allows eligible Hong Kong residents to receive their case assistance while living in Guangdong. The Guangdong and Fujian schemes allow Hong Kong retirees enrolled in the Social Security Allowance Scheme to continue to receive their Old Age Allowance and Old Age Living Allowance while living in Guangdong or Fujian. Lower income individuals seeking lower costs of living tend to prefer relocating to mainland China. Therefore, increased economic integration in the GBA and resulting increases in retirement migration would require the government to bolster these programs to ensure the needs of retirees are met.

Table 4. Summary of Results

Emigration preference		
Variable	Association with emigration intent	Strength of evidence
Post-secondary education	Positive	Moderate
Retirement before legal age	Positive	Strong
CSSA	Negative	Moderate
Elderly health care voucher HKU/SZ	Negative	Moderate
Influence to emigrate: cheaper healthcare	Positive	Weak
Influence to emigrate: climate	Positive	Weak
Influence to emigrate: gov. services	Positive	Weak
Variable	Coefficient (Robust SE)	Coefficient (Robust SE)
Age 60-64 years	Mainland China over others	Moderate
Post-secondary education	Overseas over mainland China	Weak
Retirement before legal age	Mainland China over others	Weak
CSSA	Mainland China over others	Strong
Guangdong/Fujian scheme	Mainland China over others	Strong
Pilot residential care services GD	Mainland China over overseas	Weak
Elderly health care voucher HKU/SZ	Mainland China over overseas	Strong
Influence to emigrate: cheaper healthcare	Overseas over others	Weak
Influence to emigrate: climate	Mainland China over overseas	Weak
Influence to emigrate: gov. services	Overseas over mainland China	Strong

Reference:

Haas III, W. H., & Serow, W. J. (1993). Amenity retirement migration process: A model and preliminary evidence. *The Gerontologist*, 33(2), 212-220.



Jeffrey Chow is a Research Assistant Professor at the Division of Public Policy at the Hong Kong University of Science and Technology. Dr. Chow holds a PhD from Yale University and Master of Environmental Management and Master of Forestry degrees from Duke University. His peer-reviewed publications have appeared in *Science*, *PLOS One*, *Land Economics*, the *Journal of Sustainable Forestry*, *Forest Policy and Economics*, the *Journal of Environmental Policy and Planning*, and elsewhere. His research focuses on climate change economics and policy, including climate adaptation and migration.



Mengyuan Niu is a PhD student in the Division of Public Policy at the Hong Kong University of Science and Technology. Mengyuan has cultivated her interest in the social relationships, migration, and mental health of the elderly population. Currently, she is particularly passionate about investigating the ethnic minority elderly group in Hong Kong, including their mental health, family relations, and cultural integration. She has published her peer-reviewed article in *Heliyon*.



Stuart Gietel-Basten is Professor of Social Science and Public Policy, Associate Dean (Research) School of Humanities and Social Science, and Associate Director of the Leadership and Public Policy Executive Education Program, Hong Kong University of Science and Technology. He is also a Faculty Associate of HKUST Institute for Emerging Market Studies. His research covers the links between population and policy, with a regional focus on Asia. In particular, he is interested in the emergence of low fertility across the region, and the consequences of this in terms of population ageing and growth. He has been published in a number of major journals in demography and other social science subjects. In 2017, his first book, *Why Demography Matters* (co-written with Danny Dorling) was published. He is also a regular contributor to the *South China Morning Post* and *China Daily*.

Read all HKUST IEMS
Thought Leadership Briefs
at <http://iems.ust.hk/tlb>



T: (852) 3469 2215
E: iems@ust.hk
W: <http://iems.ust.hk>
A: Lo Ka Chung Building, The Hong Kong
University of Science and Technology,
Clear Water Bay, Kowloon

With Support from

