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CROSS-BOUNDARY MARRIAGES IN HONG KONG :
CAUSES AND CONSEQUENCES

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Executive Summary

As the aging problem in Hong Kong becomes increasingly severe, new immigrants through cross-boundary marriages become a major source of population growth. Therefore, facilitating the successful integration of new immigrants into Hong Kong society not only can help maintain a harmonious society, but also can accelerate the economic growth in Hong Kong. This project studies the causes and consequences of cross-boundary marriage between Mainland China and Hong Kong. We first explore the causes of the drastic increase in cross-boundary marriages as well as its social, demographic, and economic consequences for local Hong Kong residents. Second, we examine the socioeconomic integration of the new immigrants into Hong Kong society through cross-boundary marriages. Finally, we propose various policy suggestions relating to cross-boundary marriages and new immigrants.

A. The Causes of the Gender Asymmetric Cross-Boundary Marriages and the Impacts on Local Hong Kong Residents

The number of cross-boundary marriages in Hong Kong surged from 782 in 1986 to 21,588 in 2006, accounting for approximately 43% of all marriages registered in Hong Kong for that year. These marriages are notable for the characteristic of gender asymmetry: Hong Kong men marrying Mainland women outnumber the reverse combination by six to seven times.

We find that the increase in the number of cross-boundary marriages between residents of Hong Kong and Mainland China is the result of both the increases in the One-way permit (OWP) quota and the socioeconomic integration of the two regions following the handover in 1997. Notably, these cross-boundary marriages are gender asymmetric because wealth is more important for men than women in the marriage market and because of the huge gap in income between the residents of Mainland China and Hong Kong.

Based on the existing Hong Kong census data sets, we find that the increase in the number of cross-boundary marriages has far-reaching socioeconomic consequences in Hong Kong. Furthermore, the effects of cross-boundary marriages are gender asymmetric. Relative to men, cross-boundary marriages have increased the “never married” rate of women by 6.0%, decreased their “currently married” rate by 7.7%, and increased their “separated or divorced” rate by 1.5%. In terms of living arrangement and family structure, we find that cross-boundary marriages, relative to males, have increased the rate of females being separated and living with their children by 2.2% and the rate of females living with their parents by 4.2%; a decrease of 2.5% in the share of female household heads has also been observed. Moreover, cross-boundary marriages, relative to men, have increased the labor force participation rate of women by 8.1%, employment rate by 1.3%, the probability of

holding a professional or managerial job by 1.0%, and monthly income by 4.6%. Finally, more lowly educated individuals are involved in cross-boundary marriages compared with highly educated individuals. Hence, the effects of cross-boundary marriages are consistently more evident on the lowly educated group than on the highly educated group.

Summarizing these results, we conclude that, relative to men, Hong Kong women are largely negatively affected by cross-boundary marriages in the marriage market and within the household. An incentive effect of cross-boundary marriages on women in the labor market is also observed. Finally, the effects of cross-boundary marriages are more evident among lowly educated women than among highly educated women.

B. The socioeconomic integration of new immigrants through cross-boundary marriages

New arrivals through cross-boundary marriages often find difficulties in integrating into the social life of Hong Kong. Utilizing a survey data on new immigrants by the Department of Social Work and Social Administration, the University of Hong Kong, we analyze the effect of various social services on the integration of immigrants into the Hong Kong community. In particular, we examine the factors which affect the integration of these new arrivals by focusing on the academic performance of the newly arrived children and on labor market behaviors—such as labor force participation, employment, occupation, and wage—of the adults.

First, we find that the activities, facilities and services, or programs for new arrivals organized or offered by the social service agencies do not seem to be very popular among the new arrivals, but such activities or programs are important to the integration of the new arrivals to a certain extent. The facilities and services have a positive effect on the scores of the newly arrived children because of their relevance to the children's education. As for the adults, the programs designed specifically for these new arrivals play a positive role in labor market participation and employment in Hong Kong because of a higher degree of job-related content. Despite these significant effects, social services are found to have no effect on the occupation and wages of adults.

Second, less than a quarter of the children suffered a decline in scores (in terms of the child's relative standing compared to his/her classmates) after arriving in Hong Kong. However, boys are more likely to suffer a decrease in scores than girls and use less support from the social service agencies. In addition, personal and familial attributes, including self-confidence and the economic situation of the family, are found to be important to the sound academic performance of children in Hong Kong. Moreover, weak evidence suggests that language (i.e., Cantonese) and maternal education have positive impacts on the scores of children in Hong Kong. Nevertheless, we should bear in mind that students in Hong Kong are academically superior to the new arrivals,

which might be the reason for the decline in scores. We also find that most family members do not assist children with their studies, and that very few children participate in tutoring classes outside the school. Therefore, greater attention to the academics of the children may be required from family members.

Third, women constitute the majority of the new arrival adults. However, over half of them are economically inactive and become housewives after arriving in Hong Kong. As a result, the rate of their labor market participation is much lower than that of men and local women, and the fraction of “having been employed” drops dramatically with their arrival in Hong Kong. The wage of women is also lower than that of men.

Finally, social capital (i.e., the number of friends or relatives and help from relatives and friends in job-hunting) is found to have strong effects on the labor market activities of the new arrivals in Hong Kong, including labor force participation, employment, occupation and wage.