The Audit Commission ("Audit") conducted a review to examine the Immigration Department's ("ImmD") work on the administration of the eight Admission Schemes to attract talent, investors and workers to work/stay in Hong Kong.

2. The Administration has introduced various Admission Schemes to attract talent, professionals, non-local graduates and investors from other places to work or invest in Hong Kong. To address the problems of shortage of local live-in domestic helpers and shortage of labours in some industries, the Administration has also established schemes to import foreign domestic helpers ("FDHs") and workers in relevant industries. The eight Admission Schemes are as follows:

- Admission Schemes for talent, professionals and non-local graduates: the General Employment Policy ("GEP") Employment Stream, the Admission Scheme for Mainland Talents and Professionals ("ASMTP"), the Quality Migrant Admission Scheme and the Immigration Arrangements for Non-local Graduates;
- Admission Schemes for investors: GEP Investment Stream and the Capital Investment Entrant Scheme; and
- Admission Schemes for importing FDHs and workers: the Admission Scheme for FDHs and the Supplementary Labour Scheme.

3. ImmD is responsible for processing applications under the eight Admission Schemes and issuing visas or entry permits to successful applicants. Upon entry to Hong Kong, a person must comply with the limit of stay and such conditions of stay imposed by ImmD under the Immigration Ordinance (Cap. 115), and may apply to ImmD for permission of extension of stay. Except for the Admission Schemes for FDHs and the Supplementary Labour Scheme, a person who has been admitted under the other six Admission Schemes and is lawfully and continuously an ordinary resident in Hong Kong for seven years may apply for permanent residence.

4. The Committee noted the following findings from the Director of Audit's Report:

- to meet the eligibility criteria for GEP Employment Stream and ASMTP, ImmD should consider availability of local employees and market level of remuneration in processing applications under these

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schemes. Sponsoring companies (i.e. employers) under ASMTP were required to provide a declaration proof of their efforts in recruiting local employees, but there was no similar requirement under GEP Employment Stream. According to ImmD, salary statistics reports prepared by the Census and Statistics Department and salary survey reports published by employment websites would be used for considering applicants' monthly remunerations, but such practices were not laid down in its guidelines. In some cases, the applicants' remunerations were below the average/median salaries published by the information sources mentioned by ImmD, and the basis of accepting the remunerations as commensurate with the market level was not documented by ImmD's case officers;

- from January 2014 to September 2015, 193 (58%) of the 330 approved applications of GEP Investment Stream had taken more than 90 days to process. Audit's sample check of 15 such applications further revealed that on average, the case officers took 73 days in three cases to make further information requests and 87 days in five cases to grant approval after receipt of all supporting documents;
- in response to the public concern that individual FDHs deliberately _ under-performed to cause their employers to terminate the contracts pre-maturely, ImmD has taken measures to strengthen control over FDH entry-visa applications to curb possible abuses. Audit's examination of 30 selected suspected job-hopper cases (i.e. FDHs who had two or more pre-mature termination records in 12 months preceding their new visa applications) revealed that seven cases were approved although the case officers had not contacted all their ex-employers who made adverse comments on the applicants' performance. Moreover, there were no laid-down procedures to guide case officers in processing new applications from suspected job-hoppers;
- since January 2000, the Standard Employment Contract has prohibited FDHs from performing all sorts of driving duties unless an employer could provide full justifications that there were genuine needs for the FDHs to perform driving duties. From 2000 to 2015, the total number of successful applications for FDHs performing driving duties had increased by 125% from 903 to 2 032. Audit examination of ten approved applications revealed that the justifications provided in the application forms were travelling needs for performing commonly required domestic duties, but the reason why such travelling needs

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could only be met by an FDH performing driving duties was not provided in these justifications; and

- statistics on entrants obtaining right of abode and their duration of stay are key indicators of the entrants' willingness to work/stay in Hong Kong. However, such statistics were not periodically compiled by ImmD because they could not be generated from the computer system readily. Such information could be useful to indicate whether the population policy objective to attract more outside talent to work and settle in Hong Kong as recommended by the Steering Committee on Population Policy has been achieved.

5. The Committee did not hold any public hearing on this subject. Instead, it asked for written responses regarding guidelines on the assessment of local availability and remuneration in processing GEP Employment Stream and ASMTP applications, measures to improve the efficiency of processing applications, follow-up actions on suspected FDH job-hoppers and ImmD's plan to improve computer records of the Admission Schemes. The replies from Director of Immigration are in *Appendix 13*.

6. The Committee wishes to be kept informed of the progress made in implementing the various recommendations made by Audit.