

A survey of New Scots of Hong Kong heritage regarding the proposed amendments to immigration law and regulations by the UK government

By



The Hong Kong Scots

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About the Hong Kong Scots

The Hong Kong Scots is a Scotland-based Community Interest Company (SC728635). Founded in 2022, we aim to facilitate better inclusion of Hongkongers into Scottish society. All our co-founders have extensive experience in Hong Kong civil society before residing in Scotland.

Our organisation incubates initiatives launched by Hongkongers, regardless of their immigration status in the United Kingdom, to continue their civic way of life in Scotland. At the same time, we organise events and activities to facilitate dialogue and understanding between Scotsmen and Hongkongers in Scotland.

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Executive Summary

This report presents the findings of a comprehensive survey of 126 Hongkongers residing in Scotland. The data reveals a community in a state of high anxiety due to proposed UK government immigration rule changes. **84.1% of respondents are worried or very worried about their future settlement.**

Key findings include a significant "Squeezed Middle" (22.2% of households) earning between £1,001 and £2,000 per month, and a severe crisis of "Brain Waste," where 69.1% of degree-holders are currently earning low incomes. The proposed income threshold requirement will make it very difficult for them to meet, impacting their

The Hong Kong community in Scotland, comprising BN(O) visa holders and those on humanitarian routes, faces a critical juncture. Retrospectively altering settlement rules would breach the 'legitimate expectations' established upon their arrival, risking legal challenge and undermining the UK Government's credibility. Economically, such changes would delay the injection of an estimated £3.25 billion in pension wealth into the British economy and perpetuate a cycle of 'Brain Waste', where highly skilled individuals remain trapped in low-paid employment. Furthermore, prolonging the path to Indefinite Leave to Remain denies families access to higher education and essential stability, contravening UN recommendations. **As British nationals and refugees displaced by historical geopolitical failures, this cohort deserves security, not shifting goalposts. To avoid creating a new Windrush-style scandal, the Government must honour the original five-year pathway to settlement without imposing new, retrospective barriers.**

Based on the compelling evidence from 126 respondents, The Hong Kong Scots CIC submits six actionable recommendations to prevent financial hardship and uphold the historical duty owed to this community. Primarily, the UK Government must issue an immediate guarantee that any new settlement requirements will **not apply retrospectively**, thereby honouring the legitimate expectations of existing residents. To protect the identified 'Squeezed Middle' and those facing transitional underemployment, we urge that **income and English language criteria remain frozen** at current minimums and that the **five-year pathway** be strictly maintained to ensure access to higher education and social mobility. Furthermore, these protections must extend to **all Hong Kong pathways**, including refugees and skilled workers, ensuring no group is left behind. Finally, we call for the **waiver of further Immigration Health Surcharges** for settlement applicants and the facilitation of **MPF pension retrieval**, viewing these measures not as concessions, but as essential steps to unlock the community's full economic potential and prevent a crisis of 'brain waste' in Scotland.

Introduction

Since the launch of the British Nationals Overseas Visa, known as BN(O) visa, by the UK Government in 2021, at least 11,901 Hongkongers have made Scotland their home¹. The majority of New Scots of Hong Kong heritage are BN(O) holders and their dependents. Others come to Scotland with routes such as skilled workers, family visas, asylum fleeing political persecution following the breach of the Sino-British Joint Declaration, and more.

With the Labour Party winning the General Election in 2024, the Starmer administration did not reverse certain practices exercised by the Conservative Government, including the termination of BN(O) integration funding for regional and local authorities, and excluding the dates which refugees awaiting asylum to be counted for obtaining Indefinite Leave to Remain (ILR).

As the UK Government consults on "A Fairer Pathway to Settlement" (the Consultation), the New Scots of Hong Kong heritage, once again, face the prospect of "moving goalposts" by the Westminster Government. From stripping the right of abode of British Hongkongers in the British Nationality Act (1981), to unilaterally imposing non-inheritable British Nationality (Overseas) status under pressure from Peking, different administrations across decades have never rectified the mistreatment towards the British descendants left in the East Asia. Even though the UK Government announced the expansion of BN(O) Visa eligibility shortly after the conviction of British citizen Jimmy Lai for breaching the National Security Law of Hong Kong, the fact remains that British Hongkongers have to pay for their sanctuary in a country which gives them nationality. After decades of administration, the current administration has forgotten such a history, leading to the measures proposed in their consultation, which include measures that will inevitably make Hongkongers en route to resettle in Britain endure extra financial burdens and qualification hurdles, damaging the already fragmented prospect of being included in British society.

This report provides the evidentiary basis for why the changes proposed in the consultation—specifically increased income and language thresholds—would be detrimental to the successful integration of Hongkongers in Scotland and the whole UK.

Methodology

Sample Size: 126 unique respondents via direct and snowball sampling (1.05% of the total Scots of Hong Kong heritage)².

Format: Dual-language (English and Traditional Chinese) online survey as part of the census on the New Scots of Hong Kong heritage by the Hong Kong Scots CIC

Data Cleaning: Responses from both language versions were unified. Missing values were handled via column coalescing to ensure a complete dataset for analysis.

Demographics: The majority (88.9%) are on the BN(O) route (92 Main Applicants + 20 Dependents), with a significant presence of refugees and skilled workers (see Figure 1).

¹ In the recent census conducted by the Scottish Government, it was found that 11,901 people stated Hong Kong as their birthplace.

² *ibid*

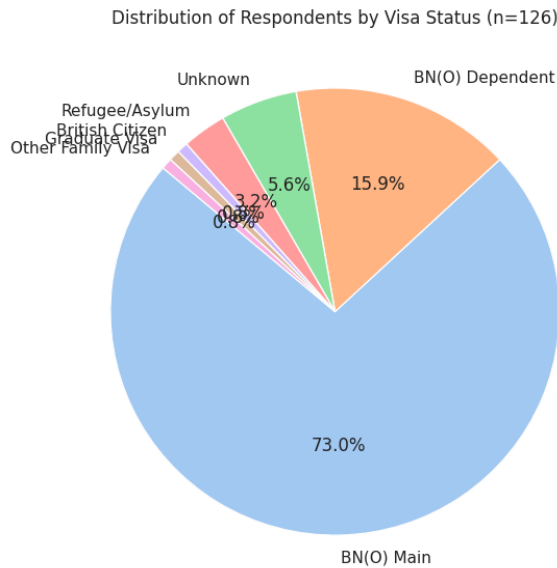


Figure 1: Distribution of Respondents by Visa Status

The survey received responses from **126 Hongkongers** currently residing in Scotland. The geographical distribution highlights two major population hubs:

- **Edinburgh & Lothian:** The largest concentration of respondents is in the capital and surrounding areas, accounting for **43.7%** (55 respondents).
- **Glasgow & Strathclyde:** The second-largest group resides in the Glasgow area, representing **29.4%** (37 respondents).

Smaller but notable communities are present in Tayside & Fife (6.3%), Central Scotland (5.6%), and Aberdeen (3.2%). A small portion (10.4%) chose not to disclose their location or provided an invalid response.

This distribution confirms that while the Hong Kong community is settling across the nation, the primary support needs and engagement will be centred around the **Scotland Central Belt**, where over 70% of the population resides.

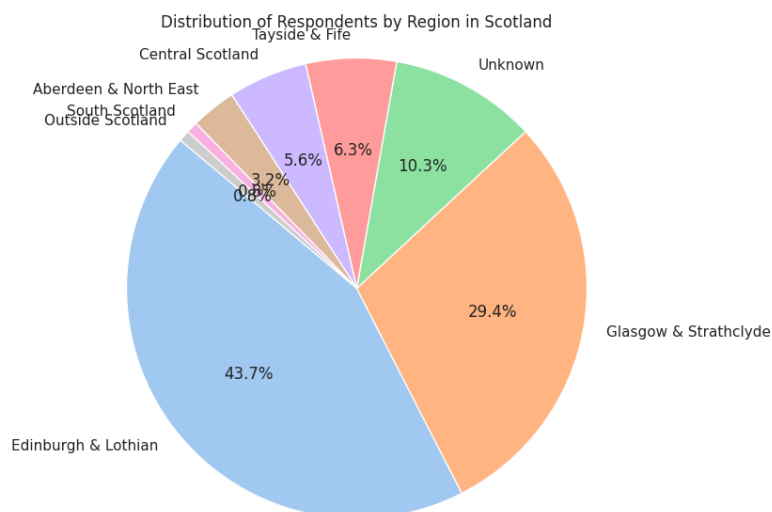


Figure 2: Distribution of respondents by region in Scotland

Section I: The anxiety towards the proposed change of immigration laws and rules

Anxiety regarding immigration policy is the defining sentiment of the community.

- **The Scale of Worry:** On a scale of 1 to 5, the mean worry score is **4.38**.
- **The Core Concern:** More than **61.9%** of respondents selected the highest possible score ("Very Worried").
- **Total Worried (Score 4 & 5): 84.1%** (106 respondents).
- **Drivers of Anxiety:** Statistical analysis shows that worry is not evenly distributed; it is significantly higher among those with lower education and lower English proficiency, suggesting that policy complexity and perceived barriers to meeting new thresholds are the primary drivers of fear.

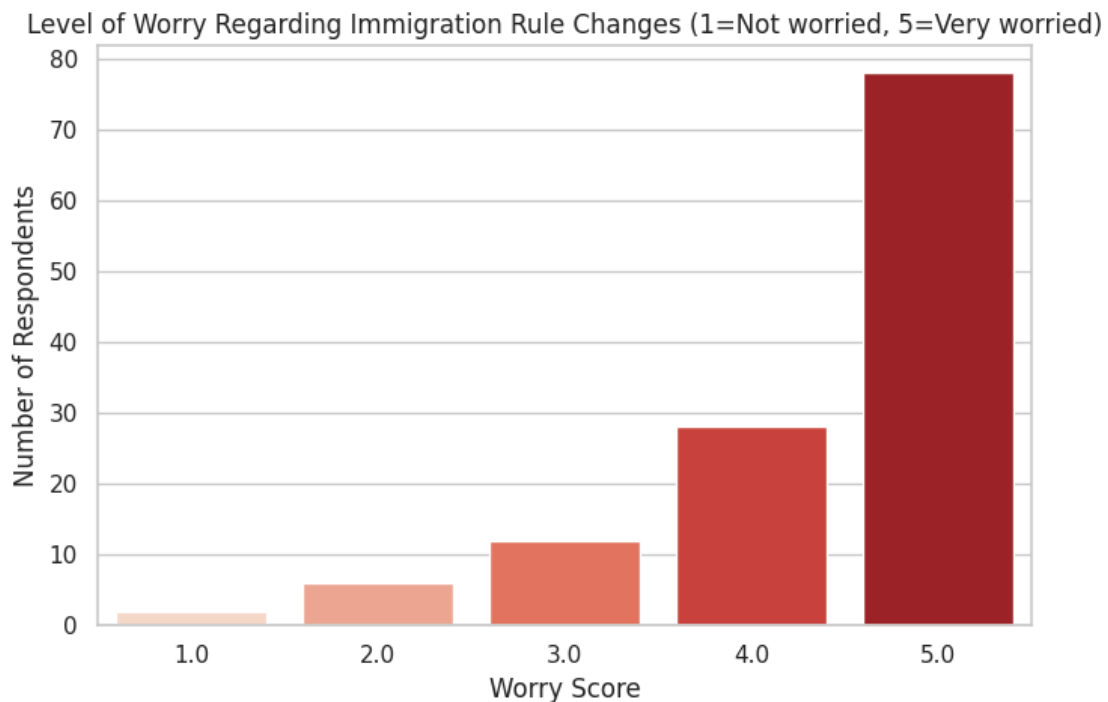


Figure 3: Level of Worry Regarding Immigration Rule Changes

Section II: The "Squeezed Middle"

The proposed changes to income thresholds for settlement (ILR) pose a direct threat to the financial stability of Hong Kong families residing in Scotland.

- **Income Tiers:** A large portion of the community earns enough to be self-sufficient but lacks the "buffer" to meet high salary requirements. We refer to these people as being in the "Squeezed Middle".
- **The Squeezed Middle: 22.2%** of households earn between **£1,001 and £2,000 per month**.
- **Broader Middle (£1k-3k):** If we include the next band up, **33.3%** of households fall into this vulnerable zone.
- **Implication to BN(O) Visa holders:** If the settlement threshold is raised retrospectively, these families would be forced to pay for multiple visa extensions and Immigration Health Surcharge (IHS) fees, extracting vital wealth from a community already struggling with the cost of living.
- **Implication to refugees from Hong Kong:** Despite having relatively high English proficiency (B1 to C2), their low to none income levels will prolong their years eligible to apply for ILR.

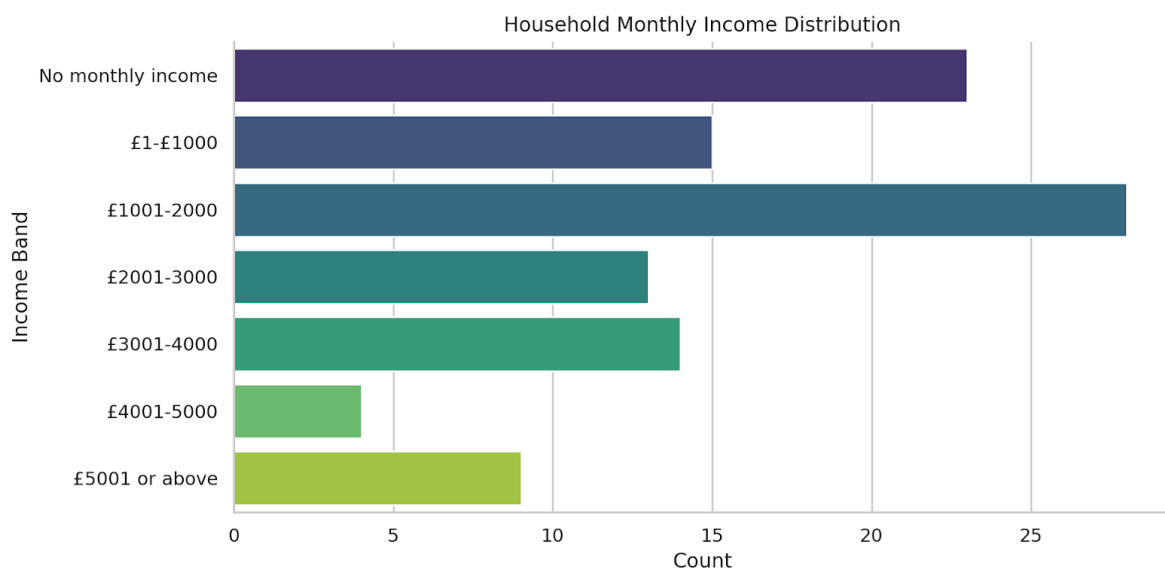


Figure 4: Household Monthly Income Distribution

Section III: The Underemployment Crisis or the "Brain Waste"

There is a massive disconnect between the skills of the New Scots of Hong Kong heritage and their current economic output.

- **High Qualifications:** 54% of the total respondents hold a Bachelor's degree or higher qualification.
- **The Paradox:** Among these degree-holders, 69% earn £2,000 or less per month.
- **Underemployment:** Many highly qualified professionals (teachers, engineers, managers) are currently working in entry-level service or hospitality roles to support their families during their initial years of transition. Policy changes that demand immediate high salaries to obtain ILR ignore the reality of professional re-certification and the time needed to re-enter skilled industries.

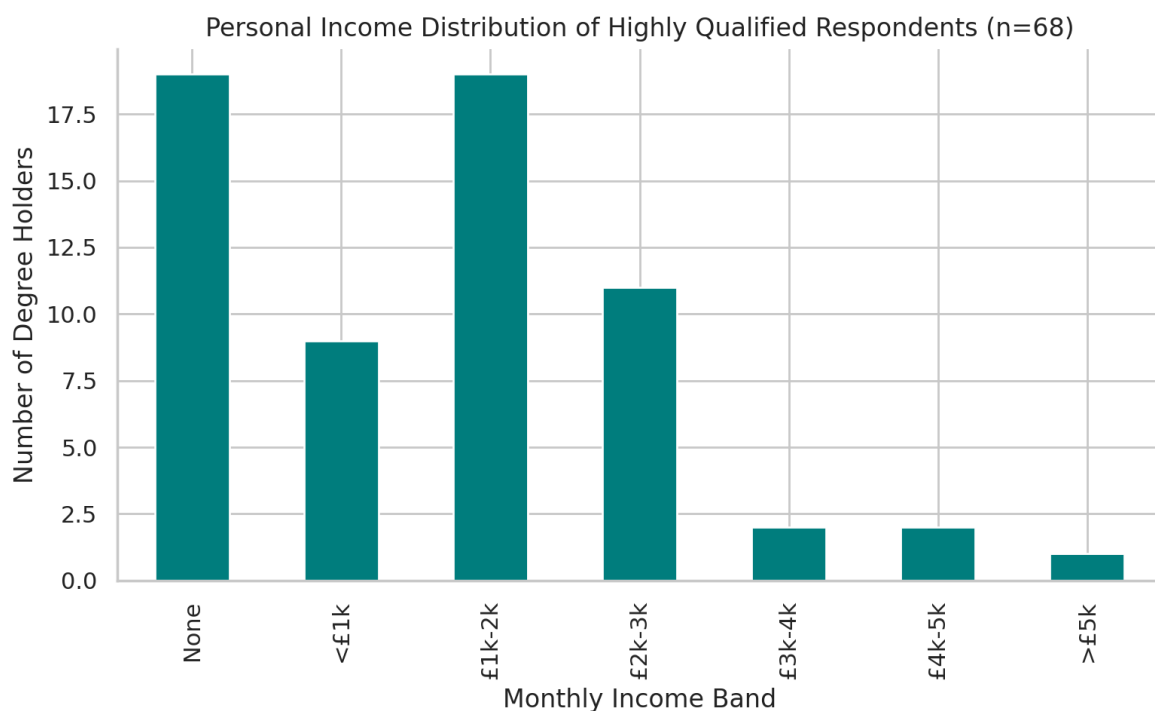


Figure 5: Personal Income Distribution of Highly Qualified Respondents

Section IV: The Case Against Retrospective Changes – Legal, Economic, and Moral Imperatives

The findings of this survey reveal a community that is deeply anxious about their future in Scotland. However, the argument against retrospectively changing the rules for settlement (Indefinite Leave to Remain) extends far beyond the immediate sentiment of the respondents. It is grounded in legal precedent, economic logic, historical obligation, and moral duty.

This section outlines why the UK Government must maintain the current pathway to settlement, especially for Hong Kong BN(O)s and other associated visa holders.

1. The Doctrine of Legitimate Expectation

Fundamental to the British legal system and the operation of a fair immigration policy is the principle that the state should not unfairly frustrate the "legitimate expectations" of individuals who have relied upon a specific set of rules.

The "Moving Goalposts" Injustice

When BN(O) visa holders arrived in the UK, they entered a social contract with the UK Government: that five years of lawful residence and self-sufficiency would lead to settlement. The majority of New Scots with Hong Kong heritage currently residing here are approaching eligibility for ILR within this year or the next. To alter the criteria for settlement now—after they have uprooted their lives, sold assets in Hong Kong, and established homes in the UK—would constitute a severe disruption to their life plans.

Legal Precedent and Judicial Risk

Case law in the United Kingdom prohibits, or at the very least severely restricts, the retrospective application of stricter immigration rules to those already in the system. The most pertinent precedent is ***R (HSMP Forum Ltd) v Secretary of State for the Home Department [2008] EWHC 664 (Admin)***. In this case, the High Court ruled that the Home Office acted unlawfully by applying new, stricter retrospective criteria to those on the Highly Skilled Migrant Programme, describing it as an abuse of power that frustrated the legitimate expectations of the migrants.

Furthermore, Article 8 of the **European Convention on Human Rights (ECHR)** protects the right to respect for private and family life. Retrospective changes that force individuals into a state of precariousness, or effectively force them to leave because they cannot meet new, unexpected thresholds, would likely be found disproportionate and unlawful.

If the Government insists on "moving the goalposts," it will almost certainly face costly Judicial Reviews. Based on the *HSMP* precedent, the Government is likely to fail. Pursuing such a course would not only waste public funds but would significantly damage the

credibility of the current Labour Government, painting it as an administration that reneges on promises made to vulnerable British nationals.

2. The Economic Contribution Argument

Far from being a burden, the Hong Kong community represents a significant reservoir of capital that is waiting to be injected into the British economy—provided the pathway to settlement remains clear.

Unlocking Pension Wealth

Irrespective of their specific immigration pathway, adult Hongkongers hold significant savings in the Mandatory Provident Fund (MPF) in Hong Kong. As of 2025, it is estimated that each adult Hongkonger holds an average of **\$323,590 HKD (£30,380)** in their MPF accounts³. Currently, these funds are effectively frozen; they can only be retrieved and transferred to the UK once the individual achieves permanent residence (ILR) and can prove they have permanently departed Hong Kong.

Research by **Hong Kong Watch** projects that approximately **£3.25 billion** held by Hongkongers in the UK could be injected directly into the British economy in cash⁴. However, this capital release is contingent upon achieving ILR. Prolonging the time required to settle—or making it harder to achieve—delays the moment this massive injection of new capital enters the UK market.

The Burden of Double Taxation

BN(O) visa holders are already restricted from claiming public funds (No Recourse to Public Funds). They contribute taxes without the safety net of the welfare state. To force them to extend their visas due to moving goalposts would require them to pay the **Immigration Health Surcharge (IHS)** and visa application fees for a second or third time. This is an expense they did not expect and, as our survey indicates, one that many families in the "Squeezed Middle" cannot afford.

Furthermore, following submissions by **The Hong Kong Scots CIC**, the **UN Committee on Economic, Social and Cultural Rights (CESCR)** recommended that the UK Government facilitate the retrieval of these pension funds. Prolonging the ILR timeline would act in direct contravention of these UN recommendations, further locking this wealth away from the UK economy and the families who need it.

³ SCMP: MPF assets reach record high of US\$199 billion amid Hong Kong stock market rally
<https://www.scmp.com/business/article/3338941/mpf-assets-grow-record-us199-billion-back-hong-kong-stock-market-rally>

⁴ Hong Kong Watch: UK Parliament holds hearing on withholding of Hong Kongers' Mandatory Provident Fund savings
<https://www.hongkongwatch.org/all-posts/2024/12/10/uk-parliament-holds-hearing-on-withholding-of-hongkongers-mandatory-provident-fund-mpf-savings>

3. The "Trap" and Barriers to Inclusion

Delaying settlement does not just hurt bank balances; it creates structural barriers to social mobility and integration, effectively trapping highly skilled Hongkongers in low-skilled employment.

The Higher Education Barrier

Currently, BN(O) visa holders do not automatically qualify for "Home Fee" status at universities in England, Wales, and Northern Ireland, and often face a three-year residency hurdle in Scotland. Without ILR, they are frequently classified as international students, facing tuition fees that are often double the domestic rate, without access to tuition fee loans. The **UN Committee on Economic, Social and Cultural Rights (CESCR)**, based on our submission, recommended the UK Government to grant home fee status to BN(O) visa holders.

Cementing "Brain Waste"

As our survey highlights, there is a severe crisis of "Brain Waste" in Scotland, with 69% of degree-holders earning low wages. Education is the primary ladder for these individuals to re-qualify and enter the UK workforce at a level commensurate with their skills. Prolonging the wait for ILR denies them this ladder. It forces them to remain in entry-level jobs for longer, depriving the Scottish economy of their full potential.

By introducing further financial hurdles—such as additional IHS payments and visa fees—the UK Government risks signalling a "hostile environment" towards a group seeking sanctuary. It creates a mechanism that seems designed to force people to leave Britain rather than helping them to integrate.

4. The Historical Obligation

The UK's responsibility to this cohort is unique. It is not a matter of standard immigration policy, but of historical debt.

The Erosion of Rights

In 1981, the British Nationality Act stripped British Hongkongers of their right of abode in the UK. This disenfranchisement was compounded by the creation of the British National (Overseas) status in 1985—a non-inheritable, second-class nationality created as a bureaucratic solution to the handover of Hong Kong under the **Sino-British Joint Declaration (JD)**.

A Deficit of Consent

The people of Hong Kong were never involved in the negotiation of their own future. There was no referendum, nor any meaningful consultation. The UK Government retreated from

Hong Kong without establishing sufficient guardrails to ensure Beijing would fulfil its promises.

Today, the UK Government officially recognises that Beijing is in a state of ongoing non-compliance with the Joint Declaration, having stifled Hong Kong's freedoms and dismantled its democracy. Jimmy Lai has been sentenced to a 20-year imprisonment for running a newspaper and a magazine which were critical of Beijing and its allies in Hong Kong.

The UK Government must acknowledge that its past decisions contributed to the current suffering of Hongkongers. To now add extra administrative and financial burdens to these victims of historical geopolitics would be to add insult to injury. It would stain the record of the current Labour government, suggesting a desire to evade the obligations that history has placed upon it.

5. The Moral Argument

Ultimately, this is a question of who we are as a country. British Hongkongers are, in essence, "left-behind British."

When Britain retreated from Hong Kong, it did so ingloriously, leaving millions of its own nationals to live under an increasingly repressive and authoritarian regime. The BN(O) route was a belated attempt to offer a lifeboat.

If the proposed changes to immigration rules are applied retrospectively to this group, the Labour government risks creating a new **Windrush Scandal**. Just as the Windrush generation were British subjects invited to the UK to rebuild the country, only to be later disenfranchised by shifting bureaucratic rules, Hongkongers now face a similar threat. They accepted an invitation to seek sanctuary, believing in the fairness of the British system. To strip them of their security now would be morally defensible and historically shameful.

Recommendations

The data presented in this report highlights a community of New Scots who are highly educated, eager to contribute, yet economically vulnerable during their transitional phase. To avoid causing financial hardship, exacerbating underemployment, and breaching the historical duty owed to BN(O)s, **The Hong Kong Scots CIC** submits the following recommendations to the UK Government:

1. Guarantee of Non-Retroactivity The Government must issue an immediate guarantee that any new settlement (ILR) requirements resulting from this consultation will **not** apply retrospectively to Hongkongers already resident in the UK.

- **Rationale:** 84.1% of our respondents are anxious about "moving goalposts." Applying new rules to existing residents would frustrate their **legitimate expectations** established upon arrival, risking legal challenge and undermining trust in the BN(O) route.

2. Maintain Current Minimum Income and English Language Requirements For all Hong Kong pathway applicants (BN(O) and associated routes), the criteria for settlement should remain frozen at the levels in place as of January 2024.

- **Rationale:** Our survey identified a "Squeezed Middle" (22.2% of households) earning between £1,001–£2,000 per month. Raising the income threshold would trap these working families in a cycle of temporary visa renewals. Furthermore, our data shows **no correlation** between English fluency and current income; raising English requirements will not improve economic output but will penalise those currently in essential, lower-paid employment.

3. Uphold the 5-Year Pathway to Facilitate Inclusion The time required to achieve Indefinite Leave to Remain must not be extended beyond five years.

- **Rationale:** Prolonging temporary status cements "Brain Waste." Currently, 69.1% of highly qualified Hongkongers in our survey earn low wages. Access to **Home Fee status** for university education—vital for re-qualifying and entering high-skilled UK sectors—is effectively tied to ILR in England, Wales, and Northern Ireland. Extending the pathway delays upskilling and contravenes UN CESCR recommendations on access to higher education.

4. Unlock Economic Capital by Streamlining Settlement The Government should view ILR for Hongkongers as an economic stimulus, not a burden, and ensure the pathway remains frictionless.

- **Rationale:** Billions of pounds in Mandatory Provident Fund (MPF) savings remain locked in Hong Kong, retrievable only upon proof of permanent settlement abroad. Facilitating timely ILR allows this capital to be transferred and injected directly into the British economy.

5. Inclusivity for All Hong Kong Pathways Protections regarding settlement rules must extend beyond BN(O) visa holders to include Hongkongers on **Refugee, Asylum, and Skilled Worker** routes.

- **Rationale:** Our survey indicates that Hong Kong refugees possess high human capital (50% hold degrees) but face significant economic precarity. As victims of the breach of the Sino-British Joint Declaration, they deserve the same stability and certainty as BN(O) status holders.

6. Waive Further Healthcare Surcharges for Settlement Applicants Applicants who have completed five years of residence on the BN(O) route should not be subjected to further Immigration Health Surcharge (IHS) payments during the settlement application process.

- **Rationale:** Having paid IHS for five years while often paying National Insurance contributions through work, demanding further "double taxation" from a community where nearly 40% earn less than £2,000 a month is punitive and unjust.