

A Study on Population Loss and Talent Introduction Strategies in Developed Regions: A Case Study Based on Hong Kong

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Abstract:

Talent is an important strategic resource to win the initiative of international competition. Comprehensive national competition is ultimately a talent competition. With the in-depth development of globalization and the continuous progress of technology, population and talent flow have become common phenomena worldwide. Developed regions have always been a hot spot for population and talent gathering due to their economic, cultural, and social advantages in many aspects. However, these regions have faced the dual challenges of population loss and brain drain in recent years. This trend affects the economic and social development of these regions and has a profound impact on the pattern of the global talent market. Hong Kong, China's population loss and talent introduction problems are particularly prominent as a typical developed region. On the one hand, with the intensification of the aging trend of the population and the decline of the fertility rate, Hong Kong is facing multiple pressures, such as labor shortage and population aging; on the other hand, with the intensification of global talent competition, how to attract and retain top talents has become an urgent problem for Hong Kong. Therefore, studying the population loss and talent introduction strategy in Hong Kong is of great practical significance and theoretical value.

Keywords: Population mobility; talent introduction; urban attraction; immigration issues.

1. Introduction

Population loss and brain drain are common problems around the world today. Next, this article will elaborate on the background of population loss and brain drain in Hong Kong, China, from the macro research field to the micro research field. First of all, from the perspective of macroeconomics, globalization and technological progress have promoted the reallocation of resources and the transfer of industries. In this process, some developed countries and regions may face the problem of industrial restructuring and declining competitiveness, resulting in reduced employment opportunities and population and brain drain. At the same time, global capital flows and trade liberalization have also made some countries and regions face greater competitive pressure in attracting resources and talent. Secondly, from the microeconomics perspective, individual decisions of population and brain drain are affected by many factors. For example, wages, quality of life, public services such as education and medical care, social security, and other factors will affect individual migration decisions. When these conditions are not enough to meet the needs of individuals, they may choose to migrate to other places for better opportunities. Hong Kong is active-

ly committed to building an international scientific and technological innovation center, and the innovation industry has ushered in an unprecedented golden development period. However, in this process, the shortage of scientific and technological talents has become a key factor restricting the sustainable development of Hong Kong's innovative enterprises [1]. The 2023 Hong Kong Talent Trend Report released by KPMG points out that brain drain has become the most significant phenomenon in the talent market in Hong Kong. According to the data provided by the Hong Kong General Chamber of Commerce (HKGCC), the labor force in Hong Kong decreased by as much as 210,000 from 2019 to 2022, of which 94,100 people withdrew from the labor market in 2022, and the labor force loss rate reached 5.4%. The enterprise survey results conducted by HKGCC in January 2022 show that among Hong Kong enterprises, the brain drain of young intermediate talents aged 30 to 49 and junior management is particularly serious. Unfortunately, the recruitment needs of Hong Kong enterprises mainly focus on talents with a working period of 5 to 8 years. Up to 40% of the enterprises surveyed said that their operations were significantly affected by the brain drain. [KPMG, 2023] It can be seen that Hong Kong is facing serious challenges in talent

retention, and it is urgent to take effective measures to ensure the sustainable development and competitiveness of the city. This study aims to provide useful reference and reference for population management and talent introduction in developed areas. This study adopts the method of literature review and case analysis to reveal the current situation, problems, and trends of population loss, as well as talent introduction strategies in developed regions. The significance of this article is to study the talent introduction strategy in depth, how to attract and retain talents more effectively to meet the challenges of population aging and labor shortage, promote the sustained and healthy development of Hong Kong's economy, and enhance Hong Kong's competitiveness on the global stage. This article first discusses the content, problems, and measures of Hong Kong's talent introduction strategy, then discusses the places where Western countries' talent introduction strategy can be used as a reference for Hong Kong, and finally puts forward suggestions for the improvement of Hong Kong's talent introduction measures.

2. Hong Kong Talent Introduction Strategy

2.1 The Core Content of the Current Hong Kong Talent Introduction Strategy

First, strengthen cooperation with the mainland and promote talent exchange and sharing. When the reporter recently consulted the interactive employment platform of the Labour Department of the Hong Kong Special Administrative Region Government, he found that there are up to 423 types of financial vacancies in Hong Kong on the platform, and nearly half of the positions require candidates to be "proficient in Mandarin" or "generally proficient in Mandarin". This data not only highlights the importance of Mandarin in the financial field in Hong Kong but also reflects the desire and welcome of the Hong Kong SAR government for senior talents who are familiar with the mainland market and have mainland resource relations. For this trend, industry analysts generally believe that with the continuous integration and deepening of the mainland and Hong Kong financial markets, the demand for financial talents with experience and resources of the two places is also increasing. The requirements for Mandarin in these positions are not only a consideration of the candidate's language ability but also a test of whether they can adapt to the exchange, cooperation, and competitive environment of the financial markets of the two places [2]. Second, a perfect talent training system should be established, including higher education, vocational education, and continuing education. Hong Kong's higher education and vocational education enjoy a high reputation

worldwide. By continuously improving the talent training system, more high-quality and highly skilled talents can be sent to society. On November 8, 2023, Quacquarelli Symonds (QS), a world higher education research institution, announced the ranking of Asian universities in 2024. In this ranking, 5 in Hong Kong, China entered the top 100 in the world. University of Hong Kong (26th), Chinese University of Hong Kong (47th), Hong Kong University of Science and Technology (60th), Hong Kong Polytechnic University (65th), City University of Hong Kong (70th place). On December 14, 2023, the press conference on the mainland enrolment of universities in Hong Kong in 2024 was held in Shanghai. The University of Hong Kong and the Chinese University of Hong Kong said they would increase mainland undergraduate enrolment plans in 2024. Third, create a good talent ecological environment. This includes establishing sound laws and regulations, a fair and transparent judicial system, a fair and competitive market environment, and an inclusive and open social atmosphere to stimulate the innovation and development potential of talents and provide better guarantee and support for the development of talents. Fourth, strengthen publicity and promotion. Hong Kong strengthens the publicity and promotion of its own advantages and talent policies through various channels and methods so that more people can understand the charm and attraction of Hong Kong so as to better attract global talents to work and live in Hong Kong.

2.2 Inadequacy of Hong Kong's Talent Introduction Strategy

2.2.1 Risk of brain drain

Although the Hong Kong Talent Scheme has attracted many outstanding talents, there is still a risk of brain drain. Some excellent local talents may leave Hong Kong because they cannot compete with foreign talents, which may cause economic and social losses to Hong Kong. In addition, some foreign talents may choose to develop in other countries or regions after obtaining Hong Kong's identity, resulting in a brain drain. The "Global Competition for Talents" Research Brief published by the Hong Kong Legislative Council in 2020 shows that from 2010 to 2019, the "General Employment Policy" visas for introducing foreigners to work in Hong Kong increased by nearly 50% year-on-year. Still, the number of foreigners living in Hong Kong in the same period did not rise. It fell and decreased by nearly 3. In addition, although 57,000 applications for the "Import Mainland Talents Plan" have been approved in the past nine years, only 7,033 applicants have finally obtained permanent residence in Hong Kong, less than 12%. (Hong Kong Legislative Council,

2020) Reason Analysis: 1. High cost of living and competitive pressure: Hong Kong, as an international metropolis, has a relatively high cost of living. Although many foreigners may have the opportunity to work in Hong Kong, they may be deterred by the high housing prices, daily expenses, and fierce competition in the workplace, leading them to eventually choose to live elsewhere. 2. Strict standards for permanent residence application: For applicants of the “Import Mainland Talent Scheme”, obtaining permanent residence status in Hong Kong needs to meet a series of strict conditions, including residence time in Hong Kong, work performance, language ability, etc. These high standards may limit the number of people who eventually obtain permanent residence status. 3. Impact of policy adjustment: The government’s adjustment of the talent introduction policy may also affect the residence of foreigners in Hong Kong. For example, if the government tightens the conditions for applying for permanent residence or reduces the relevant benefits, it may reduce the enthusiasm of foreigners to apply for permanent residence. Ensuring the vitality and competitiveness of the local talent pool while attracting foreign elites is the core challenge of Hong Kong’s talent introduction strategy [3].

2.2.2 Cultural Differences and Adaptation Problems

Another key issue of Hong Kong’s talent introduction strategy is ensuring the long-term residence of talents [3]. Foreign talents may face challenges in integrating into Hong Kong society and culture. Hong Kong’s culture and values may differ from the cultural background of some foreign talents, causing them to encounter difficulties adapting to the environment and life. This may affect their work performance and retention rate.

2.2.3 The sustainable development of innovative thinking

Lastly, there is a problem with continuously stimulating innovative thinking in Hong Kong’s talent introduction strategy. Policymakers must think carefully and take into account long-term planning and continuous investment to ensure the robustness and sustainability of policies and lay a solid talent foundation for the long-term development of Hong Kong [3].

3. The reference to the talent introduction strategy of Western developed countries

3.1 Analysis of Singapore’s Talent Policy

3.1.1 Policy contents and measures

1) The contradiction between talent retention and the coordination of talent introduction and the local people:

the Singapore government reduces the cost of living of talent. It improves the quality of life by implementing preferential policies, such as house purchase subsidies and children’s education discounts, to retain talents. The Singapore government flexibly adjusts its talent introduction plans and goals in response to talent needs and economic development trends in different periods. To build a dynamic talent city, they have successively launched talent development blueprints such as “Manpower 21st Century: The Vision of a Talent City” and “New Challenges, New Goals - Towards a Dynamic International Metropolis”. Sustainable Population and Vibrant Singapore: Population White Paper 2013 further clarifies the relationship between population and sustainable development. In order to alleviate the local people’s worries and dissatisfaction with the growth of the foreign population, the Singapore government has also made corresponding adjustments in the talent introduction policy. In particular, to avoid the burden of excessive immigration on Singapore society and citizens, the Singapore Monetary Authority optimized the talent introduction policy in 2012, canceled the financial investor plan, and only retained the global investor plan. This adjustment aims to attract more high-end international talents to Singapore for innovation and entrepreneurship while limiting the introduction of low-level talents to ensure that the introduction of talents matches the long-term development needs of the country [4]. 2) Promote the integration of talents and establish a harmonious society: the Singapore government attaches great importance to and is committed to guiding and cultivating the common cultural values of society. In 1991, Singapore launched the White Paper on Common Values, which aims to promote harmonious relations between different groups through the government’s coordinating role. The white paper emphasizes the core values of social relations, such as consultation, consensus, stability, and tolerance, which have become an important cornerstone of Singapore’s social development. In terms of community life, the Singapore government has fully considered ethnic diversity in its detailed arrangements. They require the formation of communities by a certain proportion of ethnic groups to promote mutual integration among ethnic groups. Such a policy avoids the formation of a single ethnic closed gathering environment and helps to build a pluralistic and harmonious society. Regarding catering services, the Singapore government has also shown its respect for multiculturalism. They rarely approve the establishment of restaurants specializing in specific ethnic groups but encourage catering services to provide diversified options to meet the needs of different ethnic groups and cultures [4]. Such a policy reflects the Singapore government’s emphasis on cultural diversity and inclusiveness. 3) Pay attention to the diversified sup-

ply of public services: the four major international portals built by Singapore, using the “spire effect” to focus on improving the attractiveness of foreign talents in key areas and forming a talent highland. Singapore attaches great importance to talent policy and makes great efforts in urban planning and public service supply. They skillfully add many details and fun to the existing urban environment through land policy, implementation of management and control, and urban design. Such efforts improve the city’s overall quality and provide more high-quality public services for citizens and foreign talents. The Singapore government is very thoughtful in increasing the supply of public services. They not only pay attention to the needs of foreign talents but also the needs of local citizens, forming a comprehensive set of solutions. For example, Singapore has continued to promote site construction over the past three decades, successfully creating a liveable and charming urban environment. Although these projects do not seem to be specially designed for foreign talents on the surface because they effectively increase the supply of public services, improve the quality of urban assets, and meet the needs of diverse groups of people, they also benefit both domestic residents and foreign talents. Such a comprehensive strategy shows the Singapore government’s careful consideration of urban development and reflects their meticulous care for the needs of talents and residents [5]. Such an approach not only enhances the attractiveness of Singapore but also lays a solid foundation for the long-term sustainable development of the city.

3.1.2 Policy effect

Singapore has always performed well in attracting international talent. According to the Global Talent Competitiveness Report released in 2022, Singapore followed Switzerland to the top of the world’s most competitive country, once again proving its outstanding position in the global talent competition. This achievement reflects the Singapore government’s emphasis on talent policy and investment and its attraction and influence as an international talent highland. Singapore’s successful experience provides useful references and inspiration for other countries worldwide and creates a broader stage for international talent flow and development.

3.2 Analysis of German Talent Policy

3.2.1 Policy content and measures

Under the wise guidance of the coalition government strategy, the Federal Assembly successfully passed the Professional Immigration Law, which was carefully submitted by the Federal Ministry of the Interior, the Ministry of Economy, and the Ministry of Labour in June 2019 and was publicly disclosed to the whole society in August of

the same year. It is worth mentioning that in addition to a few specific provisions, the new law has been officially implemented since March 1, 2020, marking an important step in Germany’s talent introduction and immigration policy. The “new” of the new law: 1) A clear concept of “professional talent”. 2) Cancel the “priority review”. 3) Cancellation of vocational education graduates who can only engage in vacancies. 4) It is allowed to come to Germany to find a job in a limited time, during which you can do an internship. 5) It is allowed to stay in Germany to obtain professional qualification certification. 6) Shorten the requirements for applying for permanent residence. 7) Integrate relevant functions into the Aliens Administration to simplify and speed up the process. 8) Young people can apply to go to Germany for vocational education. 9) Special regulations for the IT industry and professionals over 45 years old. 10) Provide urgent processing services [6]. The new law on the immigration of German professionals is a positive reform that provides a strong legal guarantee for Germany to attract more high-quality professionals. It is mainly reflected in 1) Broadening the definition and scope of talents: the new law expands the definition of “professional talents” to include not only college-educated talents but also formal vocational and technical training talents. This change allows more talents with professional skills to emigrate to Germany, injecting new vitality into Germany’s economic and social development. 2) Simplify the immigration application process: these measures provide applicants with a more convenient and efficient application experience and improve the government’s administrative efficiency. 3) Provide more employment and residence opportunities: the new law allows foreigners to come to Germany to find jobs and internships in a limited time, providing them with more possibilities for employment in Germany. At the same time, the new law also allows foreigners to stay in Germany for professional qualification certification, laying the foundation for their long-term development in Germany. These measures provide a more stable and reliable living environment for foreign talents. 4) Strengthen the attractiveness of vocational education: the new law allows young people to go to Germany to receive vocational education. It strengthens the attractiveness of Germany as a powerful country in vocational education. This measure not only trained more high-quality technical personnel for Germany but also injected new impetus into Germany’s long-term economic development. 5) Meet the needs of talents in specific fields: the new law has formulated special regulations for the IT industry and professionals over 45 years old to better meet the needs of talents in these fields. These measures provide a strong talent guarantee for Germany’s rapid development in these key areas. However, the new

law also has some shortcomings. For example, although the new law lowers the threshold for non-EU countries for employees to enter Germany to find employment opportunities, conservative immigration policies have led to the introduction of less than 1,000 technical talents in the first year of immigration law. In addition, the new law requires high German proficiency for applicants, which may restrict applicants from some non-German-speaking countries.

3.2.2 Policy effect

Germany's talent introduction policy has achieved remarkable results. First, these policies have attracted many high-quality talents to Germany, especially in the IT and high-tech fields. The participation of these talents has injected new vitality into Germany's economic and social development. Secondly, these policies have also promoted Germany's scientific and technological innovation and R&D strength. Many talents have gathered in Germany, supporting German scientific and technological innovation. Finally, these policies have also improved Germany's international image and influence positively, making Germany one of the world's talented highlands.

4. Suggestions for improving the talent introduction mechanism in Hong Kong

4.1 Clarify the Direction of Talent Introduction

"The applicability of talents can only be clarified in practical application". This sentence is also applicable to talent introduction. In short, we must determine what kind of talents to introduce according to the development stage and actual needs of the country's economy, politics, military, culture, science and technology, education, and other fields. Like whether the shoes fit, you can't just look at the appearance or listen to other people's comments. The most important thing is to try it on yourself. Similarly, the introduction of talents should not only be based on the superficial resume and academic qualifications, let alone blindly follow the trend. Instead, targeted introduction should be carried out according to the country's actual needs and development direction. Only in this way can we ensure that the imported talents can truly contribute to the country's development and achieve the best match between talents and the country [7]. Relevant departments should make specific statistics on the brain drain in various industries in real-time, and at the same time, do overall planning in combination with the key areas of Hong Kong's future transformation and development, focussing on the introduction of seriously missing talents and talents with future development potential.

4.2 With the help of Third-party Institutions

"Strengthen the market-oriented talent introduction strategy; the government actively uses headhunting companies, multinational enterprises, and other channels to find and attract top talents worldwide [8]." This rewriting highlights the market-oriented talent introduction method and emphasizes the positive role of the government in it, using the global network of headhunting agencies, multinational companies, and other institutions to find and attract talents from all over the world. This reflects the government's openness and foresight in the introduction of talent and also shows that the government attaches importance to and recognizes the introduction of market-oriented talents.

4.3 Improve the Enthusiasm of Foreigners to Apply for Permanent Residence

1) Enhance the attractiveness of talents: Hong Kong's attractiveness to global talents can be enhanced by increasing salaries, optimizing the working environment, and increasing career development opportunities. Attract outstanding talents at home and abroad through establishing R&D institutions and scientific research awards, and provide these talents with high-quality research positions, generous salaries, and considerable material rewards. This strategy aims to create an attractive scientific research environment, stimulate the innovative vitality of talents, and promote scientific and technological progress and social development. At the same time, this also reflects the recognition and respect for the value of talent, which is conducive to attracting more excellent talents to contribute to the country's development [8]. 2) Improve the talent retention mechanism: establish a long-term talent incentive plan, such as equity incentive, bonus system, etc., and provide a diversified career development path to reduce the possibility of brain drain. Strengthen cross-departmental cooperation and cooperate with the business community and enterprises to create attractive, high-quality jobs for overseas talents. This strategy aims to gather resources from all parties, form a joint force, provide broader development space and opportunities for overseas talents, promote the deep integration of talents and industries, and jointly promote the development and innovation of the country [8]. At the same time, this also reflects the importance and welcome of overseas talents, which helps to attract more global elites to contribute to China's construction and development.

4.4 Dealing with Cultural Differences and Adaptation Problems

1) Strengthen cultural integration: promote local and global culture integration, create an inclusive social environment, and help foreign talents better integrate into Hong

Kong society. 2) Provide cross-cultural training: provide cross-cultural training for foreign talents to enhance their cultural adaptability and cross-cultural communication ability. Provide social resources and liaison support, help immigrants and returnees overcome language barriers and cultural differences, provide all-round help and guidance for highly skilled immigrants, and ensure they can quickly integrate into Israeli society and develop their expertise. By providing such services, we aim to create a warm and inclusive environment for immigrants and returnees so that they can better adapt to new life and work while contributing to Israel's economic and social development. This strategy reflects our care and support for immigrants and returnees and shows that Israel, as an open and diverse country, welcomes outstanding talents from all over the world to create a better future [8]. 3) Establish a multicultural exchange platform: provide exchange opportunities for talents from different cultural backgrounds and promote cultural exchanges and mutual understanding through cultural activities, forums, etc.

4.5 Suggestions for Innovative Thinking and Sustainable Development

1) Strengthen education and training: cultivate talents with innovative thinking and the concept of sustainable development through higher education, vocational training, and other means. In March 2021, the U.S. House of Representatives launched its unique National Science Foundation Future Act reform plan. Compared with the Senate's reform plan, the bill pays more attention to the systematic layout and coherence of training of scientific and technological talents in terms of talents. Nearly half of the bill details the training path of scientific and technological talents from early childhood to the postdoctoral stage, describing a clear "road map" for the growth of scientific and technological talents. This initiative aims to ensure that the United States continues to maintain a leading position in the field of science and technology and train more excellent scientific and technological talents for the country's future development [9]. 2) Promote industry-university-research cooperation: strengthen cooperation between enterprises, universities, and research institutions, promote scientific and technological innovation and the transformation of achievements, and promote sustainable economic development. To further strengthen the construction of scientific and technological talents, the law establishes a unified goal and program for the development of scientific and technological talents, requiring all scientific institutions and higher education institutions funded by federal research and development funds to participate in the construction of the talent pool in the United States, increase financial support for scientific institutions

and higher education institutions, and encourage institutions to carry out Research on the cultivation of scientific and technological talents and data statistics, and fully reform the internal institutional obstacles that hinder the recruitment, stay and promotion of scientific and technological talents. 3) Optimise the policy environment: formulate policies conducive to innovation and sustainable development, such as providing tax incentives, financial support, etc., to create a policy environment conducive to innovation for talents. 4) Encourage innovative thinking: Establish a cultural atmosphere that encourages innovation, provides sufficient innovation resources and platforms, and stimulates the innovation potential of talents. To give full play to the role of scientific and technological talents, we must build a superior development platform. The national independent innovation demonstration and high-tech zones are the "magnetic fields" that attract, utilize, and retain foreign scientific and technological talents. To achieve this goal, we must improve the relevant policy system and strive to build these areas into strategic subjects and main habitats for scientific and technological talents. We can provide science and technology by optimizing the construction of these platforms [10].

5. Conclusion

This article provides an in-depth discussion of Hong Kong's talent introduction policy, mainly focusing on the risk of brain drain, cultural differences and adaptation problems, and the sustainable development of innovative thinking. The article pointed out that with the advancement of globalization and the intensification of international competition, Hong Kong, as an international metropolis, faces the huge challenge of attracting and retaining high-end talents. To this end, the government and enterprises must formulate more accurate and effective talent policies to meet current and future development needs. This article puts forward suggestions on Hong Kong's talent introduction policy by clarifying the direction of talent introduction, improving the enthusiasm of foreigners to apply for permanent residence with the help of third-party institutions, and 4 to deal with cultural differences and adaptation problems, as well as innovative thinking and sustainable development.

Limitations: First, the article mainly focuses on the general issues of talent policy and fails to conduct in-depth discussions on specific industries or fields. Secondly, the article also lacks an in-depth analysis of policy implementation's specific details and effect evaluation.

Given the limitations of this article, future research can be carried out from the following aspects: First, conduct in-depth research on talent introduction policies in specific

industries or fields, analyze the needs and characteristics of talents in different industries or fields, and put forward more targeted policy suggestions. Second, strengthen the evaluation of the effect of policy implementation, evaluate the actual effect of the talent introduction policy through data collection and case analysis, and provide a scientific basis for policy optimization and adjustment. Third, explore the synergy between talent introduction policies and other social policies, such as education, medical care, housing, etc., and study how to build a complete social support system to provide talents with a better living and development environment.

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