

30pc refuse offer of US passports

By JACQUELINE LEE

ABOUT a third of eligible local employees of American firms in Hongkong have declined offers of United States passports under a special employee immigration scheme designed to help the firms retain key staff.

Under a scheme that allows US firms to sponsor immigration of a total of 36,000 employees and dependants, only 3,853 applications had been received by the US Immigration and Naturalisation Service up to the end of last month.

The applicants and their families were likely to take up more than 8,000 of the 12,000 quota available for the first year of the three-year scheme, according to a senior US immigration lawyer, Mr Austin Fragomen, who is also chairman of the American Council of International Personnel Incorporated (ACIP).

Mr Fragomen said the response was surprising. He had expected more than 10,000 applications and he now doubted that there would be more than 5,000 this year, as companies likely to file a large number of applications have already applied.

Quotas left unused this year will be wasted unless amendments are made to the law to allow their retention next year.

The low number of appli-

cations was because not all American companies in Hongkong took advantage of the scheme and not all employees accepted the passport offers.

Mr Fragomen, whose firm handles a large number of the applications, said between 25 and 40 per cent of his clients' eligible local staff turned down the offer of assistance.

A smaller number of dependants also resulted in a low number of beneficiaries.

Mr Fragomen said US officials assumed applicants each had three dependants in coming up with the 36,000 quota. However, a survey among 1,000 applicants showed each case involved only an average of 1.9 people.

The low response so far meant that people already in the pipeline would more than likely receive approval, he said.

To make use of the employment immigration scheme specially drawn up for Hongkong, employers must promise to sponsor the immigration of staff members to the US in return for their continued service with the company.

Successful candidates are given until 2002 to settle in the US at a date to be agreed with their employers.

Mr Fragomen is visiting Hongkong to organise a seminar by ACIP next month on the US Immigration Act 1990, which was

signed into law last November.

US Senator Mr Paul Simon, a co-author of the Hongkong employee retention provision and author of the investor provision in the immigration act, will address the seminar to explain its implementation.

Mr Simon will arrive on May 4 for a four-day visit during which he will meet Government officials and local businessmen.

Meanwhile, under new proposals, Hongkong businessmen wanting US residency through investment only have to put up as little as \$500,000 - if they are willing to go into depressed areas of the country.

Under the latest proposed regulations for the newly created investor visas, not less than 3,000 out of the 10,000 visas offered to people worldwide are to go to immigrants who establish new commercial enterprises in what are called "targeted employment areas". This refers to a rural area or an area with unemployment of at least 1.5 times the national average.