



New Zealand
Immigration Service
Te Ratonga Menene

Immigration Research Programme

Trends in Residence Approvals

2002/2003

Volume 3

September 2003

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Trends in Residence Approvals

2002/2003

Volume 3

New Zealand Immigration Service

September 2003

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Executive Summary

1.1 Introduction

This report is the third in a series produced annually to provide background information about trends in residence approvals. The reports are written in a readily accessible format to make the data useful for informing policy decisions, identifying trends in immigration flows and to increase the public's understanding of immigration flows. Trends in residence approvals in this format have been monitored since July 2000 and now constitute a time series, enabling comparisons of recent immigration patterns with those identified in previous years. The current report provides data for the 2002/2003 financial year. Below is a brief summary of residence approvals in this period. More detailed information about approvals in each residence category can be found in the relevant sections of the report, as can data describing aspects of temporary migration.

1.2 Summary of Residence Approvals, 1 July 2002 to 30 June 2003

A total of 48,538 people in 24,562 applications were approved for residence in the 2002/2003 year. Sixty-three percent of these migrants were approved through the Skilled/Business Stream, 31 percent through the Family Sponsored Stream and 7 percent through the International/Humanitarian Stream. The proportion of migrants through the Skilled/Business Stream fell from 68 percent in 2001/2002. Compared with 2001/2002, a higher proportion of people applied for residence on-shore – 37 percent this year compared to 30 percent in 2001/2002.

The General Skills Category was closed on 1 July 2003, and will be replaced by a new Skilled Migrant Category in late 2003 or early 2004. In the meantime, an Interim General Skills Category has been established.

As anticipated, inflows of applications through the General Skills and Business Categories have declined following the November 2002 policy changes (which included a change to English language requirements), although for General Skills, the decline started after a passmark increase in September. The lower inflow has led to a gradual decline in the number of General Skills applications on hand.

The top three source countries of residence approvals in 2002/2003 were China and India (16 percent each) and Great Britain (14 percent). In 2001/2002, these three countries accounted for 17, 16 and 12 percent respectively. The top three source countries have increased their share of total residence approvals, from 38 percent in 2000/2001 to 46 percent in the current year.

1.3 Skilled/Business Stream

There were 30,443 people approved for residence through the Skilled/Business Stream in 2002/2003. This represented 63 percent of all residence approvals.

1.3.1 GENERAL SKILLS CATEGORY APPROVALS

In 2002/2003, 26,650 people (55 percent of all residence approvals) were approved through the General Skills (and General) Category. The General Skills points system was designed to select skilled migrants who are likely to settle well and make a

positive contribution to New Zealand. The three largest source countries were India (23 percent), China and Great Britain (15 percent each). In 2000/2001, only 8 percent of GSC approvals came from China. In 2002/2003, there was an average of 2.5 people per approved GSC application.

There was a decline in South African GSC approvals which may indicate a longer term decline in that market. South African approvals were 8 percent of GSC approvals in 2002/2003 compared to 15 percent in 2000/2001. In 2002/2003, South African GSC application inflows were 6 percent of the total (average of 67 applications per month in 2002/2003 compared with an average of 103 per month in 2001/2002).

Under the GSC, applicants could be approved for residence if they achieved a minimum number of points. As a means of regulating demand for residence, the passmark was adjusted up or down – making it easier or more difficult to meet the requirements. The passmark floated upwards over the year to 30 points, but then decreased to 29 points following an ease in demand. The high passmark meant that people often needed a job offer in New Zealand to reach the required passmark. Sixty percent of the principal applicants had points for a relevant job offer in New Zealand (compared with 44 percent in 2001/2002, representing a 16 percent increase). Another 2 percent (166) of applicants claimed points for a non-relevant job offer. Nearly all on-shore lodged applicants had job offers – 92 percent in 2002/2003, up from 80 percent in 2001/2002. The proportion of applicants with job offers who lodged their applications off-shore increased from 26 percent in 2001/2002, to 45 percent in 2002/2003. However, only 22 percent of offshore applicants without a Job Search Visa (JSV) had points for a job offer.

Principal applicants within five points of the GSC passmark were able to be invited to apply for an open work permit or JSV to enable them to job search in New Zealand with the aim of obtaining a job offer and sufficient points for residence. In 2002/2003, 1,675 open work permits were issued, with people from India, at 29 percent, having the largest uptake of these permits. Around 71 percent of these principal applicants had subsequently converted to residence by June 2003. Of the 2,724 principal applicants who were issued with a JSV in 2001/2002, only 46 percent had converted to residence by the end of 2001/2002, although this had increased to 92 percent by the end of June 2003.

The Talent Work Policy and the Priority Occupation List visa enable applicants to ‘work to residence’. In 2002/2003, 36 principal applicants were granted Talent Visas – Arts, Culture and Sports; 302 principal applicants were granted Talent Visas – Accredited Employers; and 90 principal applicants were granted Priority Occupation List work permits. These applicants are not counted in the number of residence approvals until the year in which they actually convert to residence.

1.3.2 APPROVALS IN THE BUSINESS CATEGORIES

In 2002/2003, 3,793 people (8 percent of all residence approvals) were approved for residence through the Business Categories. This compares with 2,670 people (6 percent of all residence approvals) in 2000/2001.

As in the previous two years, the majority of people approved were in the Investor Category (92 percent). Only 256 approvals (7 percent) were in the Entrepreneur

Category and 39 (1 percent) in the Employees of Relocating Businesses Category. Overall, there was an average of 3.3 people per Business Category residence application in 2002/2003.

The largest proportion of people approved through the Investor Category was from China (56 percent), followed by Taiwan (15 percent) and South Korea (11 percent). The top source countries were the same as in 2000/2001, although South Korea's share of the Investor Category increased from 8 percent.

The Investor passmark was set at 12 points. Eighty-three percent of the applicants scored one point for investing the minimum of \$1 million and just over half scored five points for having ten or more years of prior business experience.

The Long Term Business Visa (LTBV) is a temporary immigration policy that caters for people who are interested in establishing a business in New Zealand, and then subsequently applying for residence through the Entrepreneur Category. Since March 1999, when the policy was introduced, 10,065 people (including 4,028 principal applicants) have been approved for LTBVs. Of these, 3,138 people (1,201 principal applicants) were granted an LTBV in 2002/2003. There were 3.4 people per approved LTBV application for residence.

Between 1 March 1999 and 30 June 2000, 135 principal applicants were granted an LTBV and therefore could have been expected to convert to residence by June 2003. By the end of June 2003, 88 of these 135 principal applicants (65 percent) had converted to residence. Sixty-eight percent (60 people) of the conversions to residence were through the Entrepreneur Category. These 60 people are 44 percent of the 135 principal applicants who were granted an LTBV between March 1999 and June 2000. Seventeen LTBV principal applicants converted to residence through the GSC.

From March 1999 until June 2003, 102 LTBV principal applicants were approved for residence through the Entrepreneur Category, or 272 people if secondary applicants are included. Altogether, 256 principal applicants (883 people in total) on an LTBV had become resident through a variety of residence categories.

1.3.3 IELTS SCORES FOR THE SKILLED/BUSINESS STREAM

Principal applicants and spouses, partners and dependent children aged 16 years and older included in an application in the Skilled/Business Stream are required to meet the minimum standard of English. Usually this requirement is met by providing evidence of an English-speaking background or by passing an English language assessment test. Secondary applicants can pre-purchase English language tuition in New Zealand. The International English Language Testing System (IELTS) is used to assess ability in English. The band scores (representing scores for listening, oral, reading and writing) range from 1 being a "Non User" to 9 being an "Expert User" of English. Since 20 November 2002, GSC principal applicants have had to score an *average* of 6.5 across *all* bands and principal applicants in Business Categories an *average* of 5.0 across *all* bands. Secondary applicants could still pre-purchase ESOL training if they did not meet the required standard.

IELTS scores were available for 7,423 migrants in the current year; the majority were GSC applicants. Principal applicants scored an average of 5.93 and secondary

applicants an average of 5.72, which means that in general, migrants scored at the “competent” or “modest” English user level. Six is the rating for a “competent user”. Scores were generally highest for oral (or speaking) and lowest for reading. Secondary applicants tended to score lower than principal applicants did.

1.4 Family Sponsored Stream

There were 14,809 people approved for residence through the Family Sponsored Stream in 2002/2003. This represented 31 percent of all residence approvals.

Effective from 1 October 2001, the framework of the Family Sponsored and International/Humanitarian Streams moved to a more flexible and responsive approach to family sponsored immigration, recognising the diverse family structures now found in New Zealand. At the same time, there was a change in policy regarding sponsorship, as a result of which less dependent relatives could not be sponsored for three years post residence.

1.4.1 FAMILY CATEGORY APPROVALS

In 2002/2003, 13,045 people were approved for residence through the Family Category. This represented 27 percent of all residence approvals. Just over half of these approvals (52 percent) were through the Family Marriage sub-category, 18 percent through the Family Parent sub-category, 10 percent through the Family Sibling sub-category and 8 percent were through the Family De-facto (including Same Sex) sub-category. There was an average of 1.3 people per approved Family Category application. In 2000/2001, 34 percent of people approved in the Family Category were the parent of a person living in New Zealand and only three percent were the sibling of a New Zealand citizen or resident.

There was a large decline in the flow of Family Parent applications following changes to the Family Category policies in October 2001. The flow of applications from China declined from an average of 70 per month between October 2000 and September 2001, to an average of 18 per month in 2002/2003. This flow is expected to pick up once the three year wait for sponsoring less dependent relatives works through the system. After the changes to the Family Category policies in October 2001, which expanded the definition of dependent children and introduced new policy provisions for adult siblings and adult children, there was a large spike in application inflows through the Sibling sub-category. Since the spike, which appears to represent pent up demand for residence from siblings who also had their own family, there has been a general decline in applications received.

From October 2002, Great Britain replaced China as the main source of approvals through the Family Category. Between 1996/1997 and September 2002, China had been the largest source of approvals. Approvals from Great Britain, Fiji, Samoa and India were relatively stable over this period, but there was an increase in the proportion of people from India and Fiji. For 2002/2003, Great Britain was the largest source of approvals (18 percent), followed by China (14 percent) and Fiji and India (9 percent each).

The largest source country of approvals through the Family Marriage sub-category was Great Britain (17 percent), followed by China (12 percent), India (9 percent) and Fiji (6 percent). Great Britain accounted for 44 percent of approvals through the

Family De-facto and Same Sex sub-categories. The largest source country of approvals through the Family Parent sub-category was Great Britain (20 percent), followed by India and China (14 percent each) and Fiji (11 percent).

1.4.2 HUMANITARIAN CATEGORY APPROVALS

In 2002/2003, 867 people (2 percent of all residence approvals) were approved for residence through the now closed Humanitarian Category. These approvals represent applications accepted prior to 1 October 2001, when this Category closed. The largest source country of Humanitarian approvals was Iraq (17 percent), followed by China (16 percent) and Vietnam (15 percent). In 2000/2001, the proportions from Iraq, China and Fiji were comparable. There was an average of 2.7 people per approved Humanitarian Category application.

1.4.3 TRANSITIONAL POLICY

There were 1,182 approved Transitional Policy residence applications (1,793 people) in 2002/2003. The largest proportion came from Tonga, followed by Samoa. The October 2000 Transitional Policy offered well settled overstayers the opportunity to apply for a two year work permit and then to transition to residence. Approvals through the Transitional Policy were streamed as follows: 897 people (594 approved applications) through the Family Sponsored Stream and 896 people (588 approved applications) through the International/Humanitarian Stream.

1.5 International/Humanitarian Stream

In the 2002/2003 year, there were 3,286 people approved for residence through the International/Humanitarian Stream. This represented 7 percent of all residence approvals.

1.5.1 QUOTA REFUGEE APPROVALS

In 2002/2003, 684 people were accepted for resettlement to New Zealand through the Refugee Quota Programme. The largest source countries of these refugees were Iraq and Afghanistan with 61 and 13 percent respectively. In 2000/2001, the largest source countries of refugees were Myanmar (25 percent), Somalia (19 percent) and Ethiopia (18 percent). In 2000/2001, Iraq accounted for 11 percent and Afghanistan for seven percent of approvals. There was an average of 2.0 people per approved Refugee Quota application.

1.5.2 SUCCESSFUL REFUGEE STATUS CLAIMANTS RESIDENCE APPROVALS

In 2002/2003, 247 people were found to have successful claims for refugee status. Residence is approved separately to refugee status claimants. In 2002/2003, 713 successful refugee claimants were approved for residence, compared with 698 in 2000/2001. The largest source country of residence approvals was Iran (27 percent), followed by Iraq (14 percent) and Sri Lanka (8 percent). There was an average of 2.0 people per successful refugee status approved residence application.

1.5.3 SAMOAN QUOTA

In 2002/2003, 463 people were approved through the Samoan Quota Programme, which allows for up to 1,100 Samoan citizens to be granted residence in New Zealand each year, provided they have a job offer in New Zealand and meet other requirements.

1.5.4 PACIFIC ACCESS CATEGORY

The Pacific Access Category (PAC) is a residence category that was established with Pacific countries with which New Zealand has close cultural and historical ties. The PAC came into effect as of 1 July 2002. In 2002/2003, 139 people were granted residence through this Category – 129 from Tonga, 9 from Tuvalu and 1 from Kiribati.

1.6 Occupations

Since 1 October 2001, GSC principal applicants for residence in New Zealand have been required to state their 'main occupation' in their home country, as well as (where applicable) details of their job offer in New Zealand. Of the 7,833 General Skills principal applicants for whom data about main occupation in their home country was recorded, 42 percent were classified as 'Professionals', followed by 'Technicians and associate professionals' (18 percent) and 'Legislators, administrators and managers' (17 percent). Of the 5,469 principal applicants in the GSC who had the occupation of a job offer recorded, 35 percent were in the 'Professionals' classification, and 18 percent in the 'Technicians and associate professionals' classification. A further 13 percent were 'Legislators, administrators and managers'.

Overall, there appears to be a correlation between the occupational classification in the 'home' country and the occupational classification of the job offer in New Zealand, with 74 percent having a job offer in the same classification as their home occupation. Seventy-six percent of those who were in the 'Professionals' job classification in their home country also had a job offer in the same classification.

1.7 Temporary Migration

People who are in New Zealand on temporary permits are a potentially valuable source of residents. Temporary to permanent migration was examined by looking at the proportion of current residents who had previously held a temporary permit (a proxy for prior New Zealand experience).

1.7.1 RESIDENTS WHO HAD PREVIOUSLY HELD A TEMPORARY PERMIT

Nearly two-thirds (65 percent) of principal applicants approved for residence in 2002/2003 had previously held a student, work or visitor permit at some stage since July 1997.¹ This was an increase compared with 2000/2001, when 53 percent of principal applicants had previously held a temporary permit. A work permit was the most common type of temporary permit most recently held by new residence principal

¹ This figure does not include people who visited New Zealand for up to three months (or up to six months for British citizens) from countries that New Zealand has visa-waiver agreements with. These people are currently recorded in MIS in a format that is not available for analysis and therefore the number of people who have previously visited New Zealand is substantially under-reported.

applicants. Of the people issued with a work or student permit in the 1997/1998 year, 28 percent have subsequently become New Zealand residents.

1.7.2 TEMPORARY PERMITS

In 2002/2003, 66,827 individuals were approved for a work permit. Twenty-six percent of these were issued to people from Great Britain. Of the work permits issued, 23,200 were granted for the purpose of filling a skill shortage in New Zealand. The number of people issued with work permits has increased substantially since 1997/1998 when 26,336 were granted. The growth in people on work permits can be attributed mainly to more skill shortage permits (which are labour market related) being issued and an expansion in the numbers on working holiday schemes. In addition, some of the many applicants in the GSC application backlog have taken up employment in New Zealand on a work permit. In 2002/2003, 87,838 student permits were issued to individuals. There has been a large growth in numbers, rising from 17,923 in 1997/1998. Currently, nearly half of international students are from China.

In 2002/2003, the overall rate of increase in work and student permits slowed down somewhat. The rate of increase in people on skill shortage work permits has increased.

1.8 Long-term Absence of Residence Approved Clients

One measure of successful settlement and contribution to the country is the extent to which a migrant remains in a country in the years following arrival or approval. The rates of absenteeism from the country of the 27,338 people who were approved for residence in the 1998 calendar year were studied. Ninety-seven percent actually arrived to take up residence, or were approved while they were onshore.² Analysis, relating to the situation as at 30 June 2003, shows that as at this date, 25 percent of people who had arrived or been approved onshore were absent from the country, and 19 percent had been absent for 181 days (six months) or more. In total, 16 percent had been absent for one year or more.

It should be noted that absences from New Zealand do not necessarily mean a failure to settle. The globalisation of labour markets, and family ties, means that people circulate around the world for a variety of reasons – none of which may be a reflection on their settlement in New Zealand. People from Singapore, Taiwan and the United States of America had comparatively high absence rates. Excluding the smaller categories where there are less than 50 migrants (and where a proportion comparison is less reliable), categories where there are comparatively high rates of absenteeism include the 1995 Business Investor Category, the Family Parent sub-category, the Family Child Dependent sub-category and the GSC.

²Because of technical issues around 'client linking' from multiple databases, it is possible that more people have taken up residence than has been recorded.

PART A

Introduction and Background

to

New Zealand Immigration

2 Introduction and Background

2.1 Introduction

New Zealand is a nation of migrants. The initial settlers, the indigenous Maori people (tangata whenua), arrived more than 1,000 years ago. Within the past 200 years increasing numbers of migrants from, first Australia and Europe, and then the Pacific Islands and Asia, have settled in New Zealand. Currently around 20 percent of all New Zealand residents were born overseas.³ Immigration remains an important contributor to New Zealand's economic growth and also to nation building.

This report is the third in a series produced annually to provide background information about trends in residence approvals. The reports are written in a readily accessible format to make the data useful for informing policy decisions by identifying trends in immigration flows and to increase the public's understanding of immigration to New Zealand. Trends in residence approvals in this format have been monitored since July 2000 and now constitute a time series, enabling comparisons of recent immigration patterns with those identified in previous years. While the main focus of the report is on residence approvals, data describing aspects of temporary migration are also included.

This report provides data for the 2002/2003 financial year, from 1 July 2002 to 30 June 2003. In relevant places, data from previous years is provided to put the current information in context and to illustrate the dynamics of the immigration process. Comparative data from previous years is given for the base year in which that analysis was done – which in some instances was 2000/2001, and in others it was 2001/2002. The data source for this report is the New Zealand Immigration Service's (NZIS's) immigration database, the Application Management System (AMS).

2.2 Aim

The main aim of this report is to identify, discuss and compare trends and patterns in various aspects of residence approvals during the period 1 July 2002 to 30 June 2003. Information is mainly descriptive and:

- identifies the policy categories and sub-categories that the migrants were approved through;
- describes the demographic characteristics of those approved for residence;
- describes the occupation that General Skills applicants had when in their 'home' country, and the occupations that they had a New Zealand job offer in;
- describes the English language standards achieved by those who sat the IELTS English proficiency test;
- describes the rate of absence from New Zealand of the migrant cohort approved for residence in the 1998 calendar year;
- describes the numbers being approved for a work or student permit in New Zealand, including the top nationalities;

³ Source: Statistics New Zealand, 2001 Census: People Born Overseas (2001) - Reference Reports, 2002.

- identifies patterns of transition for those with temporary student or work permits through to residence; and
- develops a time series analysis for approvals through the Immigration streams, categories and some sub-categories, by comparing patterns identified with those in previous quarters and years.

2.3 Report Structure

The report is presented in seven main parts. These are:

- Part A, the introduction and methodology;
- Part B, which summarises the characteristics of those approved for residence in 2002/2003 and provides information on application flows;
- Part C, which provides a detailed breakdown of applicants approved through the Skilled/Business, Family Sponsored, and International/Humanitarian Streams and information about the occupations of General Skills applicants;
- Part D, which has information about temporary migration and transitions from temporary to permanent residence;
- Part E, which provides an analysis of migrants' absences from New Zealand;
- Part F, which summarises the data and conclusions; and
- Appendices A to G, which provide detailed information on immigration policy, the three residence streams, and flows of people by nationality.

2.4 Background and Introduction to the New Zealand Immigration Programme

People who wish to migrate permanently to New Zealand must apply through one of the three residence streams of the New Zealand Immigration Programme (NZIP) – introduced in October 2001. The streams are: Skilled/Business, Family Sponsored, and International/Humanitarian. Each stream has a number of categories and a separate approval level. For 2002/2003, the NZIP level was 45,000 – plus or minus 5,000 places.

2.4.1 SKILLED/BUSINESS STREAM

Approval places for 2002/2003: 27,000 (+/- 3,000) (60 percent of the NZIP).

This stream included the General Skills Category (GSC) and Business Categories. Under the GSC applicants could be approved for residence if they met prerequisite criteria and achieved a minimum number of points. In late 2003 or early 2004, a new Skilled Migrant Category will replace the GSC. On 2 July 2003, an Interim General Skills Category was established which will apply until the new policy comes into effect.

A pre-cursor to the GSC was the General Category, introduced in 1991. Under the General Category, a points based system centred on human capability, applicants could be approved for residence if they achieved a minimum number of points and

met the prerequisite English, character and health requirements. The GSC, introduced in October 1995, modified the previous General Category points system to place more emphasis on the transferability of human capability to New Zealand. GSC applicants were required to meet English, character and health prerequisites and were awarded points for factors such as qualifications, age, work experience and a job offer in New Zealand, among other factors. From 20 November 2002, changes were introduced to the GSC, which are explained in Chapter 5. These changes included an increase in the English language requirements for the GSC (and Business Categories).

Business Categories include an Investor, Entrepreneur, and Employees of Relocating Businesses Category.

There are also three Work to Residence policies that can lead directly to residence if certain conditions are met. These are:

- Talent Visa (Accredited Employers);
- Talent Visa (Arts, Sports and Culture); and
- Priority Occupation List policy.

The work to residence policies were introduced on 29 April 2002. After a two year work permit, applicants are eligible for permanent residence, provided they have met the conditions of their visa, will continue to work in New Zealand, and meet the English language, health and character requirements. Applicants are counted against the NZIP only if and when they become residents. The policies are described in more detail in Appendix B.

2.4.2 FAMILY SPONSORED STREAM

Approval places for 2002/2003: 13,500 (+/- 1,500) (30 percent of the NZIP).

This stream includes Spouses and Partners, Dependent Children, Parents, Adult Siblings and Children, the now-closed Humanitarian Category, a Family Quota, a Refugee Sponsored Quota and, in 2002/2003, some applicants approved through the October 2000 Transitional Policy.

Family reunification accounts for a large part of migrant flows to New Zealand. The Family Sponsored Stream allows for New Zealand citizens and residents to sponsor family members to live in New Zealand under some circumstances. Family includes spouses and partners, parents, children, and adult siblings. Sponsors of less dependent relatives must have held New Zealand residence for at least three years. Sponsors must sign a declaration that they will provide accommodation and financial support for the first two years of the sponsored migrant's residence in New Zealand. From July 2002, a Family Quota was established for residents wanting to sponsor parents, siblings, adult children and grandparents who do not meet other residence policy categories and a Refugee Family Sponsored Quota was introduced for refugee-linked applicants who do not qualify through any other residence categories (with the exception of Family Quota). While the Humanitarian Category closed in October 2001, some applications are still being assessed. Again, details are provided in Appendix B.

2.4.3 INTERNATIONAL/HUMANITARIAN STREAM

Approval places for 2002/2003: 4,500 (+/- 500) (10 percent of the NZIP).

This stream includes the Refugee Quota, Refugee Status, Samoan Quota, Pacific Access Category, Ministerial exceptions to policy, and, in 2002/2003, some applicants approved through the October 2000 Transitional Policy.

New Zealand is a signatory to the 1951 United Nations Convention and the 1967 Protocol Relating to the Status of Refugees. New Zealand accepts an annual Quota of refugees, as well as people who claim refugee status in New Zealand and who are determined to have a well-founded fear of persecution in their homeland. Further details about this Stream are in Appendix B.

3 Methodology

3.1 Introduction

This report is based on an analysis of certain variables from the NZIS's Management Information System (MIS), a subset of the immigration database, Application Management System (AMS).

The data for the report were generated using Microsoft Access to query MIS on the variables of interest. The MIS data that this report is based on were extracted in the week starting 14 July 2003. Since MIS is a dynamic database, the data represent the state of data as of that week. The data cover the period 1 July 2002 to 30 June 2003. The extracted data were imported into Access and Excel for further analysis.

3.2 Definitions and classifications

Below is a description of some of the key immigration terms used in the report. Further descriptions of the NZIP and residence streams and categories are included in Appendix B.

Application: An application refers to both incoming applications for residence (not yet determined), as well as approved applications for residence. To distinguish between them, incoming applications are referred to as **application inflows**, and approved applications for residence as **approved applications**. Because an application consists of a principal applicant and, if any, secondary applicant(s), both application inflows and approved applications are a count of principal applicants.

Approvals: An approval is an individual, either principal or secondary applicant, who has been approved for residence.

Management Information System (MIS): MIS is the NZIS's database of immigration applications and is used as the source of reporting on many aspects of the business's performance. MIS draws records from AMS on a weekly basis. AMS is the immigration database and is used to enter details of applications by staff assessing applications.

AMS went 'live' on 1 October 1997. However, data is available from AMS from 1 July 1997 as it was imported into AMS from the previous Residence Information Management System (RIMS). Data prior to July 1997 was obtained for this report from RIMS.

Permit: A permit allows a person to remain in New Zealand in accordance with the permit's conditions. All permits expire when the holder leaves New Zealand (if not before).

Unless otherwise specified, 'permit' is used throughout this report to denote both permits and visas. In the NZIS's operational reporting, an application is said to be finalised when either a visa is issued to an offshore applicant, or a permit is issued to an onshore applicant. When a person arrives at a New Zealand border with a visa, they are issued with a corresponding permit – which is not counted again.

Principal applicant: The principal applicant is the person assessed against the policy criteria.

Residence policy: People wishing to migrate to New Zealand may gain residence through one of the categories listed in Appendix B. Residence applications are considered on the basis of whether the principal applicant meets the policy criteria. The principal applicant may include their partner and dependent children in the application. All applicants must meet standard health and character requirements.

Residence streams: In selected analyses in the report, data is broken down into residence streams. In 2002/2003, the Skilled/Business Stream included the General and General Skills Categories and all Business Categories. The Family Sponsored Stream included the Family and former Humanitarian Categories, while the International/Humanitarian Stream included the Samoan Quota, Refugee Status, Ministerial direction and various 'other' approvals. A full breakdown of these streams is provided in Appendix A.

Visa: A visa indicates that the issuing officer knows of no reason why the visa holder should not be granted a corresponding permit on arrival in New Zealand.

Year: The data is reported by quarters of the financial year, that is from 1 July to 30 June.

3.3 Limitations

The data reported relates to the number of people approved for residence rather than the number of migrants arriving in 2002/2003. People approved for residence have one year in which to move to New Zealand. However, people may be approved for residence and then decide not to take it up. Also, MIS data reflects the total number of applications for residence, rather than the number of people approved. In some cases an applicant may have more than one residence application recorded (and therefore in MIS) in the period of interest. This typically occurs for administrative purposes, for example, an Immigration Officer may discover that he or she has spelt an applicant's surname incorrectly and then will reissue the application, therefore a new application is entered in the records. To address this issue, any duplicate client codes were removed before the data were analysed.

Also, the data used in this report relates to the date the residence application was decided, rather than the date the residence application was completed. This distinction is made in MIS where date decided refers to the date the decision was made to approve a person for residence and the date completed refers to the date the application was completed and the visa or permit label was issued and endorsed in the applicant's passport. It is possible that a small number of decided applications will not go on to be completed. Date decided was used in this report to be consistent with other NZIS reporting, such as the MIS Monthly Report.

Part D looks at the links between temporary and permanent immigration, including an analysis of those approved for residence in 2002/2003 who had previously held a work, visitor or student permit. A caveat with regard to data relating to visitor's permits must be noted. New Zealand has visa waivers with a number of countries. The waivers allow people to visit New Zealand for up to three months (or up to six months for visitors from Great Britain). Information on visitors with waivers is not

available from MIS. Therefore, the number of people who had held a visitor permit prior to being approved for residence is substantially under-reported.

PART B

Summary

of Residence Approvals

4 Summary of Residence Approvals in 2002/2003

4.1 Introduction

This section provides an overview of immigration trends since 1992/1993 before detailing the characteristics of those approved for residence in 2002/2003. Data for the twelve month period are presented at a high level for all residence streams and their categories; the location of applications; the nationalities of approvals and the age ranges of approvals. More detailed information on the characteristics of approvals in each residence stream is provided in subsequent sections of the report. Appendix C provides a complete breakdown of all residence approvals by residence stream and nationality.

4.2 Residence Approvals by stream since 1992/1993

In 2002/2003, 48,538 people were approved for residence in 24,562 applications. Of these people, 30,443 were approved through the Skilled/Business Stream (63 percent of all approvals, or individuals, approved for residence); 14,809 through the Family Sponsored Stream (31 percent); and 3,286 through the International/Humanitarian Stream (7 percent).

Figure 4.1 shows the number of people approved for residence through the various policy streams between 1992/1993 and 2002/2003 (previous policies were grouped together to match the current streamed approach to the NZIP).

Figure 4.1 Total residence approvals by immigration stream from 1992/1993 to 2002/2003.

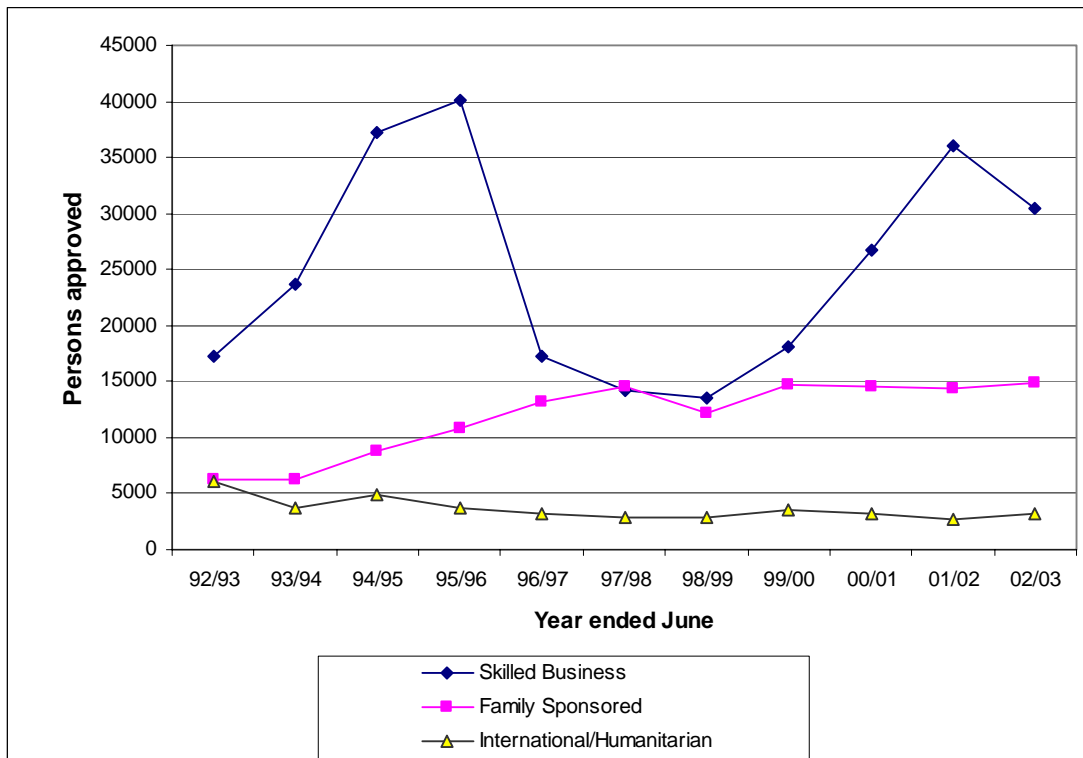


Figure 4.2 below illustrates the total number of people approved for residence over the past ten years compared with the number of approvals set by the government for each year.

Figure 4.2 People approved for residence compared with the NZIP from 1992/1993 to 2002/2003.

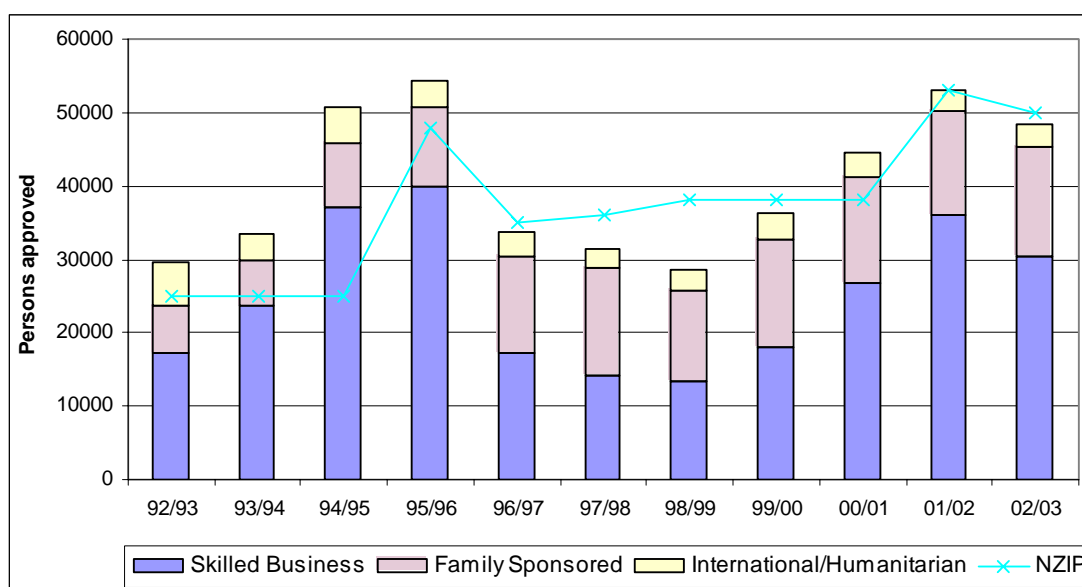


Table 4.1, below, shows the approval limits and numbers of approved people in each stream, since the NZIP was introduced in 2001/2002.

Table 4.1. Approval limits and approvals by stream, 2001/2002 and 2002/2003.

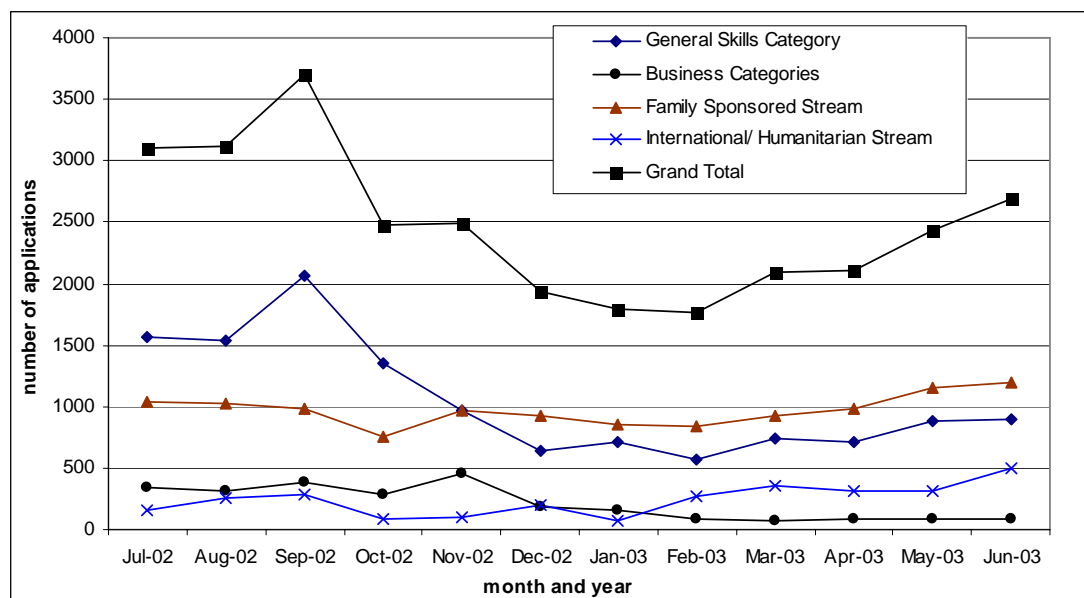
Stream	Approval limit for 2001/2002	Approvals for 2001/2002	Approval limit for 2002/2003	Approvals for 2002/2003
Skilled/Business	35,000 max	35,876	27,000 +/- 3,000	30,443
Family Sponsored	14,500 +/- 10%	14,276	13,500 +/- 1,500	14,809
International/Humanitarian	3,500 +/- 10%	2,704	4,500 +/- 500	3,286
Total	53,000 maximum	52,856	45,000 +/- 5,000	48,538

In addition to immigration residence approvals, New Zealand's population is affected by other migration flows including trans-Tasman migration, the arrival and departure of New Zealand and Australian citizens and the arrival and departure of visitors and people on temporary work or student permits.

4.3 Residence Application Inflows by Month

Figure 4.3, below, illustrates the inflow of residence applications per month in 2002/2003. The Skilled/Business Stream has been split into its two broad categories (General Skills and Business), while the totals of the Family Sponsored and International/Humanitarian Streams are shown, as well as the grand total of all the streams.

Figure 4.3 Residence application inflows in 2002/2003.



As anticipated, inflows of applications through the General Skills and Business Categories declined after the November 2002 policy changes, although for the GSC, the decline started after the passmark increase in September 2002. The decline was a result of changes to English language requirements for these Categories and to the Job Search Visa in November 2002. The changes are detailed in Section 5.4. The lower inflow has led to a gradual decline in the number of GSC applications on hand (see Figure 4.6). Since November, more Family Sponsored Stream than GSC applications have been received.

The GSC passmark is used to regulate demand. In the current annual period, changes to the General Skills passmark were as follows:

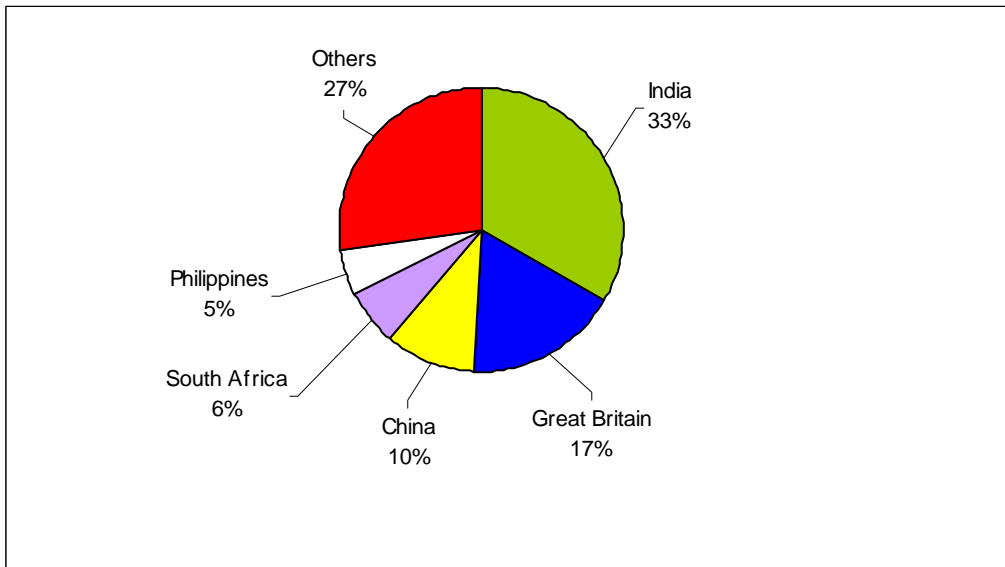
Table 4.2. Changes to the GSC passmark between June 2002 and June 2003.

Date of change	New passmark
18 June 2002	28
9 September 2002	29
7 October 2002	30
23 December 2002	29

Since June 2002, passmark increases have no longer been pre-announced. In the past, this had led to application spikes in the GSC, with applicants rushing to get in their application before the increase. Despite this, there was a spike in applications in September, likely to be a result of applicants anticipating the change. Following the passmark increase in October 2002, the number of new GSC applications declined. New applications for both the Family Sponsored and International/Humanitarian Streams, have remained fairly steady over the current period, and, if anything, have begun to increase in the last few months.

The top five nationalities of new residence applications lodged under the GSC in 2002/2003 are illustrated in Figure 4.4 below. Of the total of 12,635 applications, a third came from India (33 percent), 17 percent came from Great Britain and one in ten came from China.

Figure 4.4 Residence application inflows in the General Skills Category by top five nationalities in 2002/2003. Year total = 12,635⁴



As depicted in Figure 4.5 below, the top five nationalities of residence applications in the Business Categories were very different to the GSC. Nearly three in four new Business Category residence applications came from China.

Figure 4.5 Residence application inflows in the Business Categories by top five nationalities in 2002/2003. Year total = 2,532

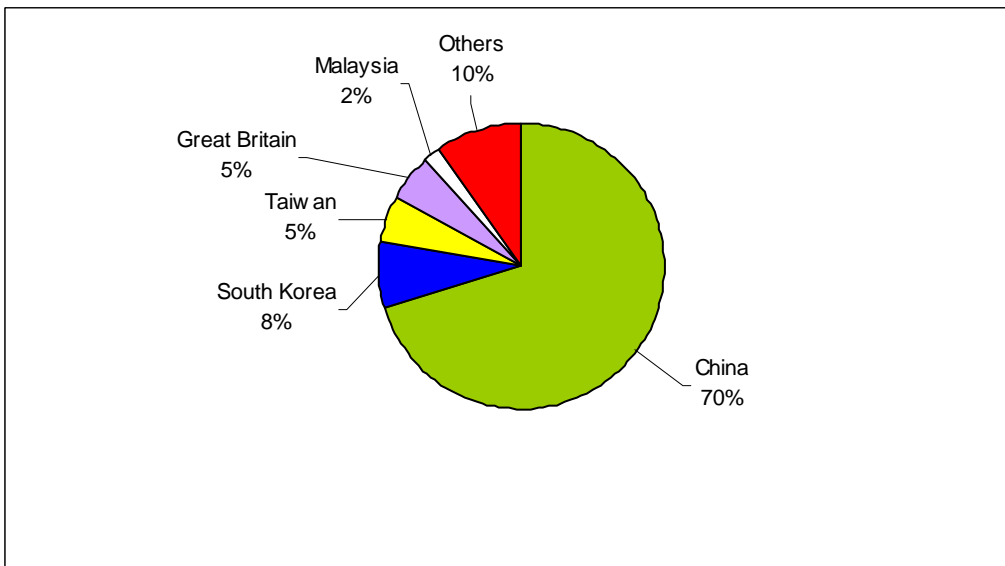
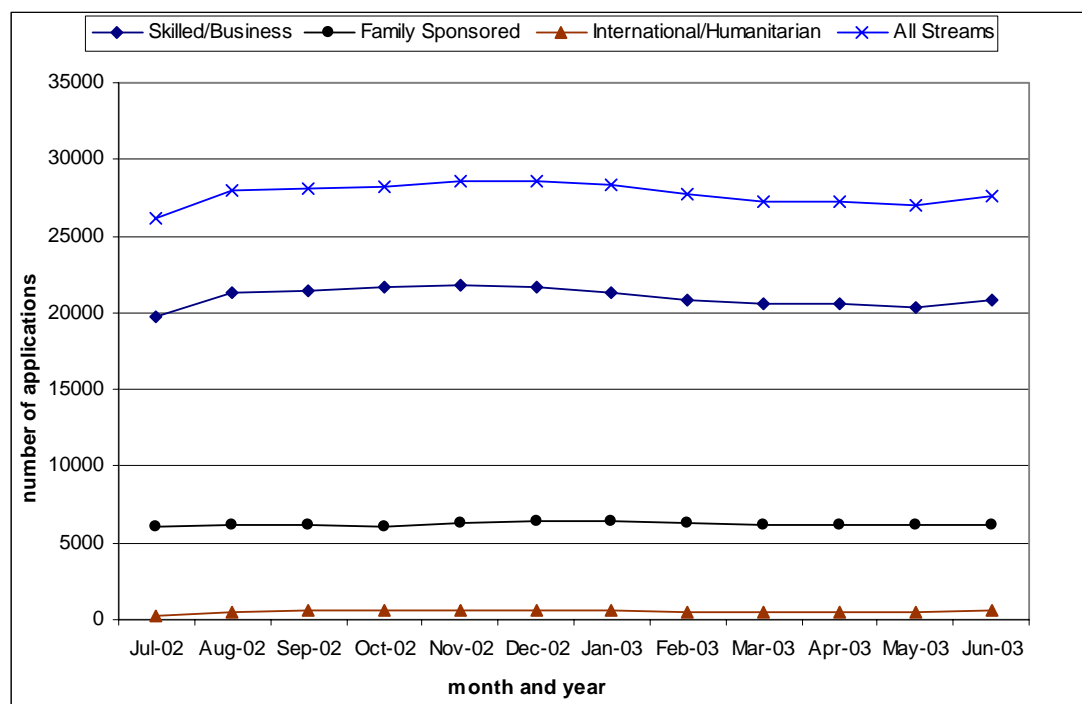


Figure 4.6 below illustrates the total number of residence applications on hand in 2002/2003. The number of applications on hand in the Family Sponsored and International/Humanitarian Streams remained fairly steady, while those in the Skilled/Business Stream have dropped slightly since November 2002.

⁴ Some totals do not add up to 100% because of rounding.

Figure 4.6 Residence applications on hand in 2002/2003.



As at 30 June 2003, there were 20,872 GSC applications on hand awaiting determination. Processing all of these applications in date order would have taken an estimated two years, which would have delayed the impact of the new Skilled Migrant Category and the associated improved outcomes.

To manage the queue of applications on hand and new applications received under the Skilled Migrant Category, GSC applications on hand are being globally prioritised on the basis of contribution and settlement potential. Applicants with lower potential will have their applications lapsed and will be given a full fee refund. This process will help to manage the level of applications on hand so that the positive outcomes from the new skilled policy can take effect more quickly.

4.4 Effects of November 2002 policy changes on application inflows

As was illustrated in Figure 4.3, application inflows in the General Skills and Business Categories declined following policy changes which came into effect on 20 November 2002. This section explores in more detail the changes in application inflows as a result of the policy changes.

The policy changes increased the English language requirements for the General Skills and Business Categories. In addition, JSV were issued only for qualifications relevant to occupations on the Occupational Shortages List. The effects of these policy changes were apparent in the smaller number of new applications received following 20 November 2002 (as was expected), as well as changes in the number of new applications from the top five countries.

Table 4.3 below shows the number of new applications lodged between July and November 2002 and then between December 2002 and June 2003 for the top five GSC countries. The number of new applications from India fell from 3,248 in five

months to 965 in seven months, while the number from Great Britain increased from 926 to 1,275.

Table 4.3. GSC application inflows between July-November 2002 and December 2002-June 2003.

Country	July-November 2002		December 2002-June 2003	
	Number	Percent	Number	Percent
India	3,248	43%	965	19%
Great Britain	926	12%	1,275	25%
China	715	10%	602	12%
South Africa	371	5%	439	9%
Philippines	360	5%	283	5%
Others	1,865	25%	1,586	31%
Total	7,485	100%	5,150	100%

Table 4.4 below shows the number of new Investor Category applications lodged between July and November 2002 and then between December 2002 and June 2003 for the top five countries for 2002/2003 for the Investor Category. New applications from China fell from 1,349 to 383, while those from Great Britain increased from 39 to 71. The fall in Chinese application inflows is likely to be a result of the increased English language requirements and tighter operational policy requirements regarding the source of funds.

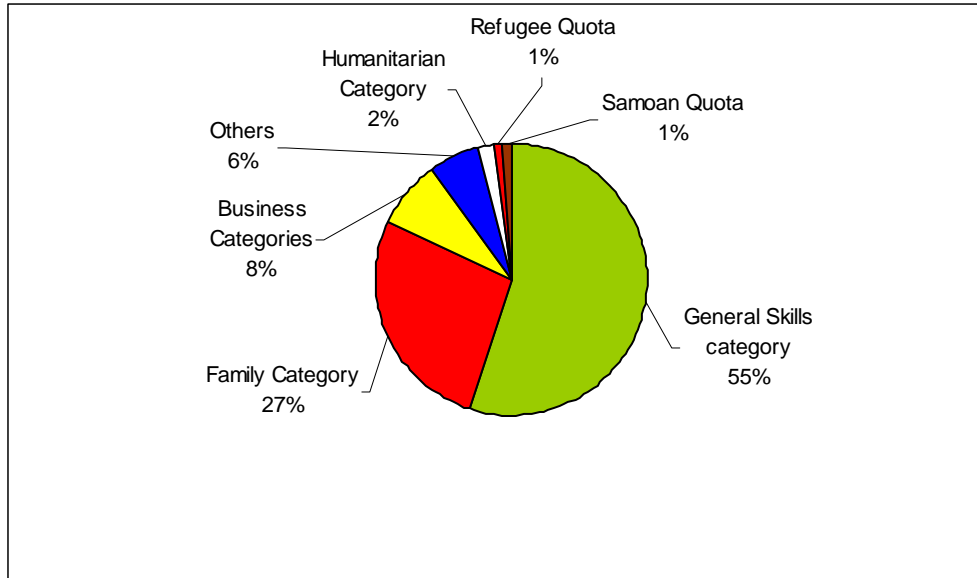
Table 4.4. Investor Category application inflows between July-November 2002 and December 2002-June 2003.

Country	July-November 2002		December 2002-June 2003	
	Number	Percent	Number	Percent
China	1,349	79%	383	61%
South Korea	93	5%	50	8%
Taiwan	122	7%	10	2%
Great Britain	39	2%	71	11%
Malaysia	24	1%	24	4%
Others	82	5%	92	15%
Total	1,709	100%	630	100%

4.5 Residence Approvals by Category

Figure 4.7 below shows the proportions of people, by category, approved for residence in 2002/2003.

Figure 4.7 Residence approvals by category in 2002/2003. Year total = 48,538



There was a decrease of 4,318 people from 2001/2002 when 52,856 people were approved for residence. In the current financial year, the majority of migrants were approved through the GSC (55 percent), followed by the Family Category (27 percent). Together these Categories accounted for 84 percent of residence approvals. Table 4.5, over the page, provides a detailed breakdown of residence approvals in 2002/2003 by Category and sub-category.

Compared to 2001/2002, the proportion of migrants approved through the GSC declined (from 59 to 55 percent). The proportion approved through the Business Categories was similar; but increased through the Family Category (from 22 percent to 27 percent).

Table 4.5 Residence approvals by category and sub-category, 2002/2003

Category and sub-category	Approved applications	Approvals	Total number of approvals	Proportion of overall residence approvals	Proportion of the 2002/2003 NZIP
1991 General Category	1	4			
1995 General Skills	10,851	26,646			
General/General Skills Category total			26,650	54.91%	
Investor Category	1,042	3,498			
Entrepreneur Category	86	256			
Employees of businesses relocating	13	39			
Business Categories total			3,793	7.81%	
Skilled/Business Stream total	11,993		30,443	62.72%	60% (27,000 + 3,000)
Family marriage	5,751	6,753			
Family parent	1,417	2,350			
Family de facto & same sex	1,044	1,106			
Family child dependent	977	987			
Family child adult	162	342			
Family sibling	480	1,299			
Refugee family sponsored	5	11			
Family quota	71	197			
Family Category total			13,045	26.88%	
October 2000 Transitional policy total	594	897	897	1.85%	
Humanitarian Category total	326	867	867	1.79%	
Family Sponsored Stream total	10,827		14,809	30.51%	30% (13,500 + 1,500)

Table 4.5 continued

Category and sub-category	Approved applications	Approvals	Total number of approvals	Proportion of overall residence approvals	Proportion of the 2002/2003 NZIP
<i>Samoan Quota</i>	174	463	463	0.95%	
Refugee Protection	328	639			
Refugee Other	14	27			
Refugee Women at Risk	2	7			
Refugee Medical	3	6			
Refugee Emergency	1	5			
<i>Refugee Quota total</i>			684	1.41%	
1995 Refugee status	348	713			
Ministerial direction	209	355			
Section 35A	21	26			
Victims of Domestic Violence	8	10			
PAC Residence Tonga	42	129			
PAC Residence Tuvalu	3	9			
PAC Residence Kiribati	1	1			
October 2000 Transitional policy	588	896			
<i>"Other" total</i>			2,139	4.41%	
International/Humanitarian Stream total	1,742		3,286	6.77%	10% (4,500 + 500)
TOTAL	24,562		48,538	100%	100% (45,000 + 5,000)

4.6 Location of residence approvals

The term 'visa' is used to denote someone applying for residence off-shore while the term 'permit' is used to denote people applying on-shore. Table 4.6 provides a breakdown of residence approvals showing permit and visa details in 2002/2003.

Table 4.6 Residence approvals by Visa or Permit in 2002/2003. *Year total = 48,538*

	Permit	%	Visa	%	Total
Principal applicants	11,847	48	12,715	52	24,562
Secondary applicants	6,157	26	17,819	74	23,976
Total number of applicants	18,004	37	30,534	63	48,538

Overall, 52 percent of approved applications were made off-shore and 48 percent in New Zealand. There was an increase in the proportion of people applying on-shore – from 30 percent in 2001/2002 to 37 percent this year. Overall, the number of people included in off-shore applications tends to be much higher on average than for on-shore applications.

4.7 Number of people per approved application

There was an average of 1.98 people per approved residence application. The smallest application size was one person and the largest was 16 people.

Approved applications in the Skilled/Business Stream were on average larger than approved applications through other streams. There was an average of 2.5 people per Skilled/Business Stream application and 1.4 people for other stream applications.

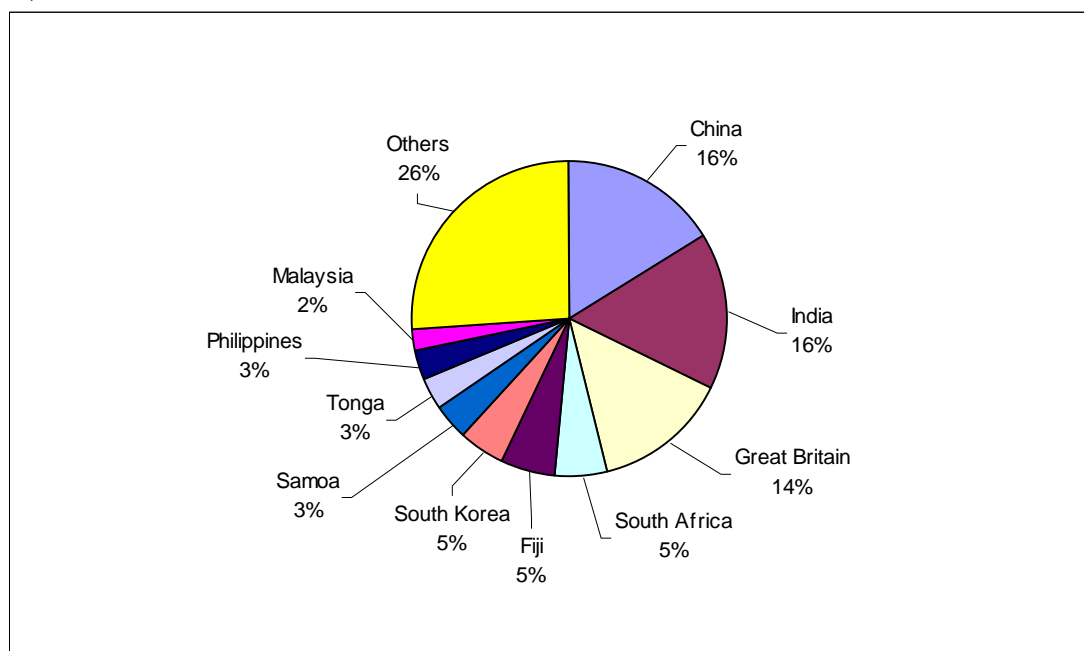
4.8 Nationality of approvals

4.7.1 NATIONALITY OF ALL RESIDENCE APPROVALS

Figure 4.8 below illustrates the nationalities of residence approvals in 2002/2003. China, India and Great Britain were the single largest source countries – accounting for 16, 16 and 14 percent of all residence approvals respectively. The country order was the same in 2001/2002 when these three countries accounted for 17, 16 and 12 percent respectively. In 2000/2001, Great Britain and India each accounted for 13 percent and China for 12 percent.

The top three source countries have increased their share of total residence approvals. They accounted for 46 percent of all approvals in the current year, rising from 45 percent in 2001/2002 and 38 percent in 2000/2001.

Figure 4.8 Residence approvals by top ten nationalities in 2002/2003. Year total = 48,538



4.7.2 NATIONALITY OF IMMIGRATION STREAMS

In the Skilled/Business Stream the largest source countries of residence approvals were India and China (21 and 19 percent respectively), followed by Great Britain (14 percent) and South Africa and South Korea (7 percent each). In the 2001/2002 financial year, India was the largest source country at 21 percent, followed by China (17 percent), Great Britain (13 percent) and South Africa (10 percent). India was also the largest source country in 2000/2001 (16 percent).

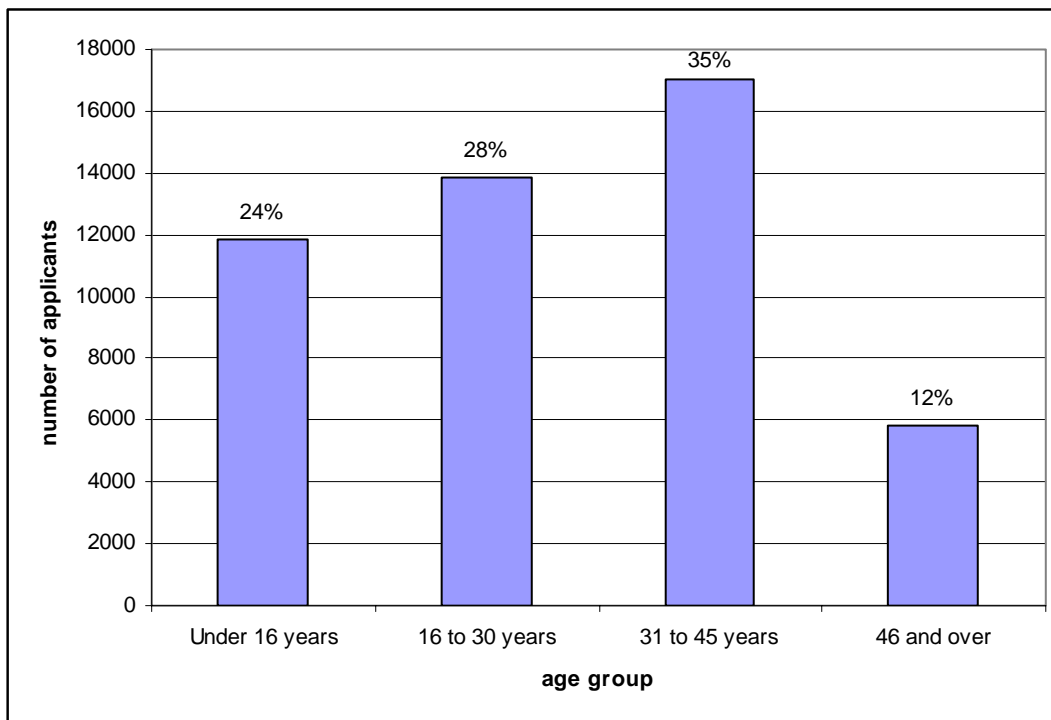
In the Family Sponsored Stream the largest sources of residence approvals were Great Britain and China (16 and 13 percent respectively), followed by Fiji and India (9 percent each). These countries and proportions are similar to those in 2001/2002.

In the International/Humanitarian Stream the largest source of approvals was Samoa (20 percent), followed by Tonga (17 percent) and Iraq (16 percent). In 2001/2002, Afghanistan was the second largest source (11 percent).

4.9 Age ranges of approvals

Figure 4.9 shows the age ranges of all residence approvals in 2002/2003. Just over a third of all migrants (35 percent) were aged between 31 and 45 years. Nearly a quarter of migrants were under the age of 16, and 28 percent were aged between 16 and 30 years. A smaller proportion of migrants (12 percent) was over the age of 45 years. Overall, there was not much difference from 2000/2001, except for a continued decline in the proportion of migrants aged 46 years and over.

Figure 4.9 Age range of residence approvals in 2002/2003. Year total = 48,538



PART C

Immigration Streams

and

Occupations

5 Skilled/Business Stream

5.1 Introduction

This chapter provides a breakdown and analysis of residence approvals through the GSC and Business Categories. From November 2002, these Categories were amended by a number of policy changes. The changes included higher English language requirements and their extension to Long Term Business Visa (LTBV) applicants; the JSV was issued only to applicants with a qualification relevant to occupations on the Occupational Shortages List; and for the LTBV to be issued for a 9 month initial period after which applicants needed to show evidence of having established a business to be granted an extension. There were also tighter operational policy requirements regarding the source of funds in the Investor Category. These changes are detailed in relevant sections of this chapter.

5.2 General Skills Category

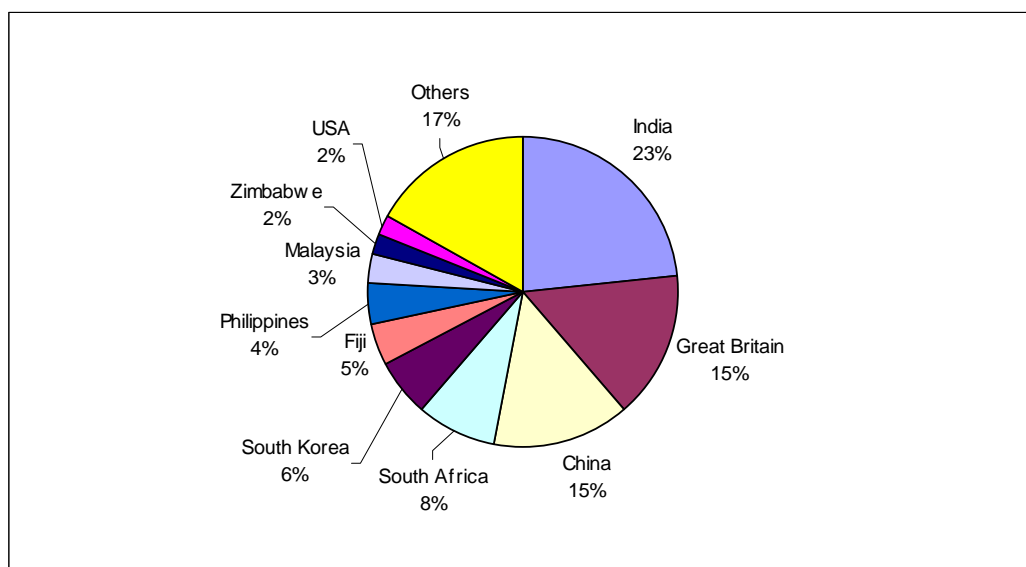
The GSC points system was designed to select highly skilled migrants who are likely to settle well and make a positive contribution to New Zealand. Further information on the GSC and on the points system for 2002/2003 can be found in Table 5.1.

5.2.1 GENERAL SKILLS CATEGORY APPROVALS

In 2002/2003, 55 percent (26,650) of all residence approvals were through the GSC. There were 10,852 approved applications in this period. The top ten nationalities of migrants approved through this Category are illustrated below in Figure 5.1. The three largest source countries were India (23 percent), Great Britain and China (15 percent each). Eight percent of people approved were from South Africa.

The top eight source countries have been the same since 2000/2001, although there has been an increase in the proportion of approvals from India and China and a decrease in the proportion from South Africa. In 2000/2001, 18 percent of GSC approvals were from India, 8 percent were from China and 15 percent from South Africa. The decline in South African approvals may indicate a longer term decline in that market. Currently, South African GSC *application* inflows are 6 percent of the total (average of 67 per month in 2002/2003 compared with an average of 103 application inflows per month in 2001/2002).

Figure 5.1 General Skills Category approvals by top ten nationalities in 2002/2003.
 Year total = 26,650



5.2.2 NUMBER OF PEOPLE PER APPROVED APPLICATION

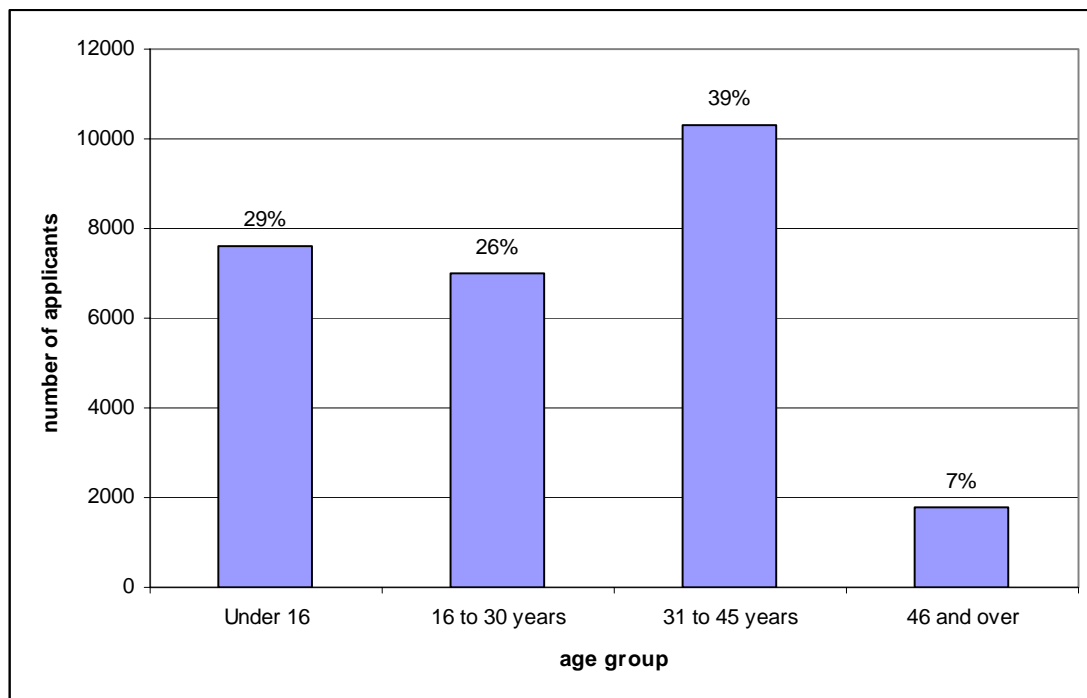
There was an average of 2.5 people listed on approved GSC applications. The smallest application size was one person and the largest was 16 people.

5.2.3 AGE AND GENDER OF APPROVALS

Figures 5.2 and 5.3, below, show the age ranges and gender of those approved for residence through the GSC in 2002/2003. Thirty-nine percent of approvals were between the ages of 31 and 45 years, 29 percent were under 16 years and 26 percent were between 16 and 30 years. Only seven percent of approvals were over the age of 45. In 2000/2001, the 16 to 30 age group contributed 22 percent.

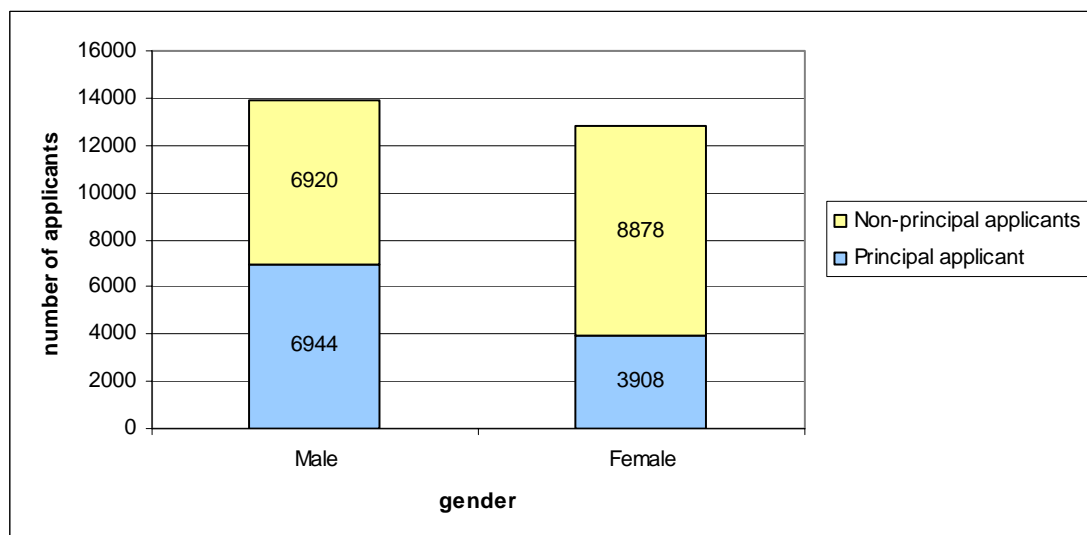
The small proportion of General Skills migrants over the age of 45 is a reflection of the points system, which does not allow principal applicants to be older than 55 years at the time the application is made. Maximum points for age are awarded to those principal applicants aged between 25 and 29 years with points for age decreasing after this. Zero points are awarded to those aged between 50 and 55 years.

Figure 5.2. Age ranges of General Skills approvals in 2002/2003. Year total = 26,650



There was a slightly higher proportion of males approved through the GSC (52 percent) than females (48 percent). Of the principal applicants approved, 64 percent were male and 36 percent were female. Of the non-principal applicants, 56 percent were female and 44 percent were male. These proportions are very similar to those seen in the last two years.

Figure 5.3. Gender of General Skills approvals in 2002/2003. Year total = 26,650



5.2.4 GENERAL SKILLS POINTS AWARDED

This section provides information on the spread of points awarded to GSC applicants approved for residence in 2002/2003. Under the GSC, applicants could be approved for residence if they achieved a minimum number of points. As a means of regulating demand for residence, the passmark was adjusted up or down – which could make it easier or more difficult to meet the requirements. Demand was high for residence through this Category and so the passmark floated upwards over the year to 30 points in October 2002, and then down to 29 points in late December 2002.

Principal applicants could score points for a number of factors such as their qualifications, work experience and age. The points system was developed to help ensure migrants had the skills, experience and employability factors that would assist them to settle into New Zealand and to make a contribution. Applicants needed to score at least 10 points for qualifications and at least 1 point for work experience unless they were exempt from this requirement.

If the points score was within 5 points of the passmark at the time the application was made, in some instances, principal applicants could be invited to apply for a work permit (Job Search Visa). This would enable them to seek employment in New Zealand and subsequently obtain points for a job offer.

Table 5.1 provides a brief description of the GSC points factors. Different criteria operate within each points factor and more information can be obtained by consulting the NZIS www.immigration.govt.nz. A breakdown of the points awarded to successful applications in the 2002/2003 year can be seen below in Table 5.2. Note that this information was only available for the 10,357 applications that were both decided and finalised as of mid-July 2003 when these data were extracted.

Table 5.1 General Skills Points Factors in 2002/2003

Factor	Points	
Qualifications	10, 11 or 12 points depending on an assessment of the qualification. As an indication, 10 points is generally equivalent to a first degree or a trade qualification, and 12 points to a PhD.	
Qualification completed in NZ	2 points	
Work Experience	Generally must score at least one point	
	Work Experience (years)	Points
	2 years	- 1
	4 years	- 2
	6 years	- 3
	8 years	- 4
	10 years	- 5
	12 years	- 6
	14 years	- 7
	16 years	- 8
	18 years	- 9
	20 years	- 10
Relevant Offer of Employment	Points scored if the applicant has a genuine offer of relevant employment. The offer must be assessed as relevant to the qualification or work experience for which they had obtained points.	
	25 points or under passmark	- 5 points
	26 point passmark	- 6 points
	27 point passmark	- 7 points
	28 points or above passmark	- 8 points
Age		Points
	18 - 24 years	- 8
	25 - 29 years	- 10
	30 - 34 years	- 8
	35 - 39 years	- 6
	40 - 44 years	- 4
	45 - 49 years	- 2
	50 - 55 years	- 0
Settlement Factors – maximum of 7 points can be scored	Non-relevant offer of employment	2 points
	Settlement funds (NZ\$)	Points
	NZ\$100,000	- 1
	NZ\$200,000	- 2
	NZ work experience	Points
	1 year	- 1
2 years	- 2	
	Spouse or partner's qualifications	1 or 2 points depending on level the qualification is assessed at.
	Family sponsorship	3 points

Applicants are likely to score only the number of points they require to meet the passmark requirement and therefore a proportion of the approved applicants could have scored additional points if it had been necessary. There was wide variation in the different point types successful applicants were awarded. This ranged from 100 percent of principal applicants being awarded points for qualifications (a compulsory points factor), down to only 6 percent of principal applicants obtaining points for having a New Zealand qualification or a sponsor. Aside from qualifications, points for age and work experience were awarded to almost all principal applicants. Without points for these factors, applicants would have, in most cases, failed the policy. Comparatively few were awarded points for New Zealand work experience, settlement funds or for having a family member sponsor them.

Table 5.2 Breakdown of General Skills points awarded for those applications approved and completed in 2002/2003. Year total = 10,357*

Factor	Points breakdown											Overall % getting some points
	0 points	2 points	4 points	6 points	8 points	10 points						
Age points	321 (3%)	693 (7%)	1292 (12%)	1853 (18%)	3033 (29%)	3165 (31%)						97%
	10 points			11 points			12 points					
Qualifications	8312 (80%)			668 (6%)			1377 (13%)					100%
	0 pts	1 pts	2 pts	3 pts	4 pts	5 pts	6 pts	7 pts	8 pts	9 pts	10 pts	
Work Experience	435 (4%)	1525 (15%)	1278 (12%)	1160 (11%)	1050 (10%)	935 (9%)	865 (8%)	707 (7%)	617 (6%)	524 (5%)	1261 (12%)	96%
	0 points			1 point			2 points					
Spouse Qualifications	7643 (74%)			2142 (21%)			572 (6%)					26%
	0 points			1 point			2 points					
Settlement Funds	8714 (84%)			826 (8%)			817 (8%)					16%
	0 points			1 point			2 points					
NZ Work Experience	9307 (90%)			634 (6%)			416 (4%)					10%
	0 points				3 points							
Sponsor	9739 (94%)				618 (6%)							6%
	0 points			2 points			5-8 points					
Job Offer	4018 (39%)			166 (2%)			6173 (60%)					61%
	0 points				2 points							
NZ Qualification	9714 (94%)				643 (6%)							6%

* Some percentages do not total 100 because of rounding.

Fifty-nine percent of principal applicants were awarded points for having a relevant job offer, up 15 percent from 2001/2002 when 44 percent of principal applicants had such points. The increase is likely to be a result of applicants requiring a job offer to meet the passmark increase, people coming to New Zealand on a JSV and subsequently converting to residence, and the general increase in people coming to New Zealand on a work permit (see Chapter 9). Another 2 percent (166) of applicants claimed points for a non-relevant job offer.

As could be expected, there was a sizeable difference in the proportion of principal applicants awarded points for job offers by their location on lodgement. Table 5.3 shows that 92 percent of principal applicants who lodged their application onshore claimed points for a job offer, compared with 45 percent of those who lodged their application offshore. These proportions have increased since 2001/2002, when 80 percent of onshore lodgements and only 26 percent of offshore lodgements had job offers. When the offshore lodgements claiming points for a job offer are further analysed, the difference between those offshore and onshore with points for a job offer is greater. Of the 3,079 offshore principal applicants awarded points for a job offer, 2,023 had previously held a Job Search Visa (i.e. they had come to New Zealand to job search prior to having their residence application decided) and the remaining 1,056 had not. Excluding applicants with a JSV, 22 percent of offshore applicants had points for a job offer.

Table 5.3 Principal applicants awarded points for job offer by location of lodgement, for those applications approved and completed in 2002/2003. Year total = 10,357

Location where application was lodged	No points for job offer	Points for job offer	Total
Onshore	281 (8%)	3,260 (92%)	3,541 (100%)
Offshore including Job Search Visa	3,737 (55%)	3,079 (45%)	6,816 (100%)
Offshore excluding Job Search Visa	3,737 (78%)	1,056 (22%)	4,793 (100%)

Figure 5.4, below, is a graphical representation of the percentage of approved applicants who scored points in each points factor.

Figure 5.4 Proportion awarded points in each points factor of General Skills, for those applications approved and completed in 2002/2003. Year total = 10,357

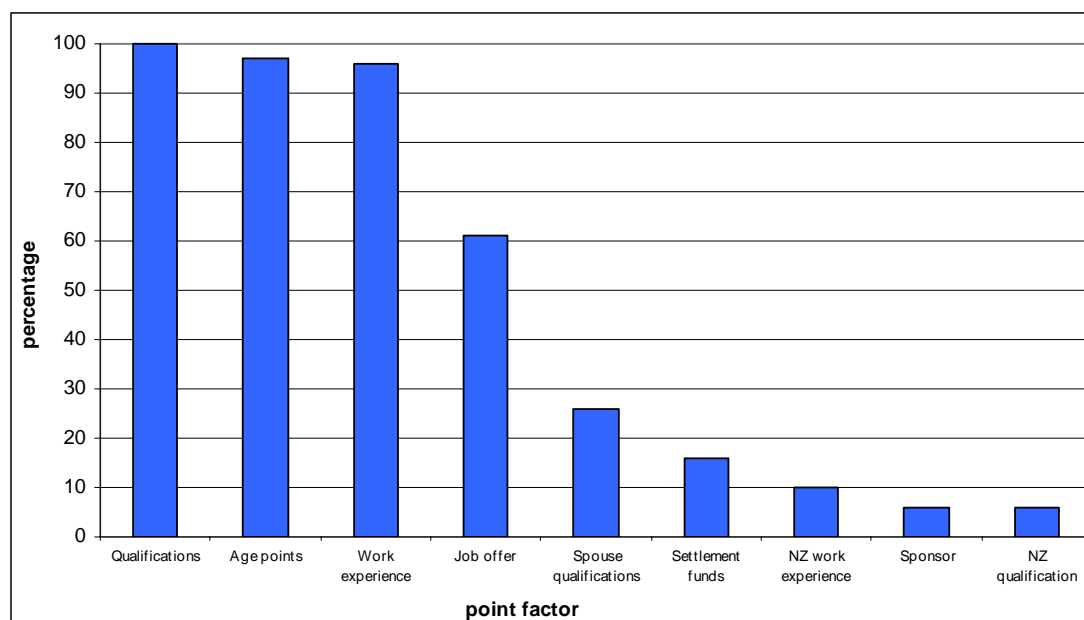
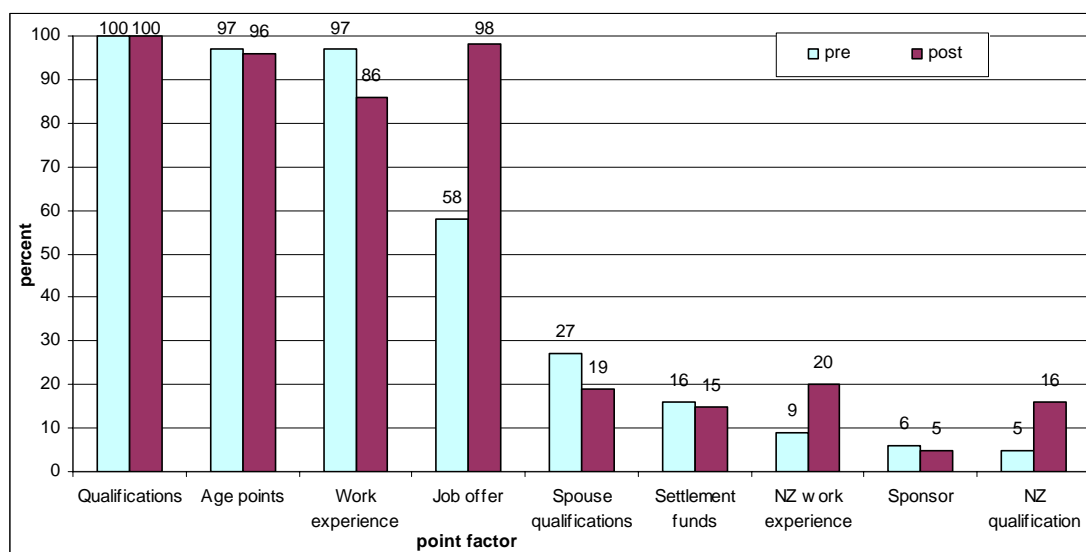


Figure 5.5, below, is a graphical representation of the percentage of approved applicants who scored points in each points factor, by applications lodged prior to and following policy changes on 20 November 2002. The biggest change is in the proportion of approved applicants who scored points for a job offer – which increased from 58 percent prior to the change to 98 percent following the change. There were also increases in the proportions awarded points for New Zealand work experience and a New Zealand qualification.

Figure 5.5. Proportion awarded points in each points factor of GSC, by approved applications lodged pre and post 20 November 2002. *n*=9,639 (*pre*) and 718 (*post*).



5.2.5 JOB SEARCH VISA

Since March 2000, principal applicants applying for residence through the GSC who were within five points of the passmark were able to be invited to apply for an open work permit or JSV. The invitation was conditional upon the applicant not having been awarded points for an offer of employment and meeting the necessary health, character and English language requirements. A JSV enabled such applicants to search for a job in New Zealand for up to six months with the aim of obtaining a job offer and sufficient points for residence. The residence application was deferred for a period of up to nine months and then further assessed if an acceptable offer of employment was provided to the NZIS within the deferral period.

Between 1998 and 2002, any job offer, regardless of relevance to an applicant's qualifications or work experience, could earn five points. From 4 February 2002, applicants for residence through the GSC were awarded maximum job offer points only if the job offer was relevant to their qualifications or work history. Non-relevant job offers attracted two settlement points. From 20 November 2002, JSV were issued only to applicants with qualifications relevant to occupations on the Occupational Shortages List.

5.2.5.1 Job Search Visa – July 2001 to June 2002

Between July 2001 and June 2002, 2,724 principal applicants were issued with a JSV. The largest source countries, illustrated below in Figure 5.6, were India (38 percent), South Africa (12 percent), and Great Britain (11 percent). India is also currently the largest source country of GSC migrants.

Figure 5.6 Nationalities of those issued with Job Search Visas in 2001/2002. 1 July 2001 to 30 June 2002 total = 2,724.

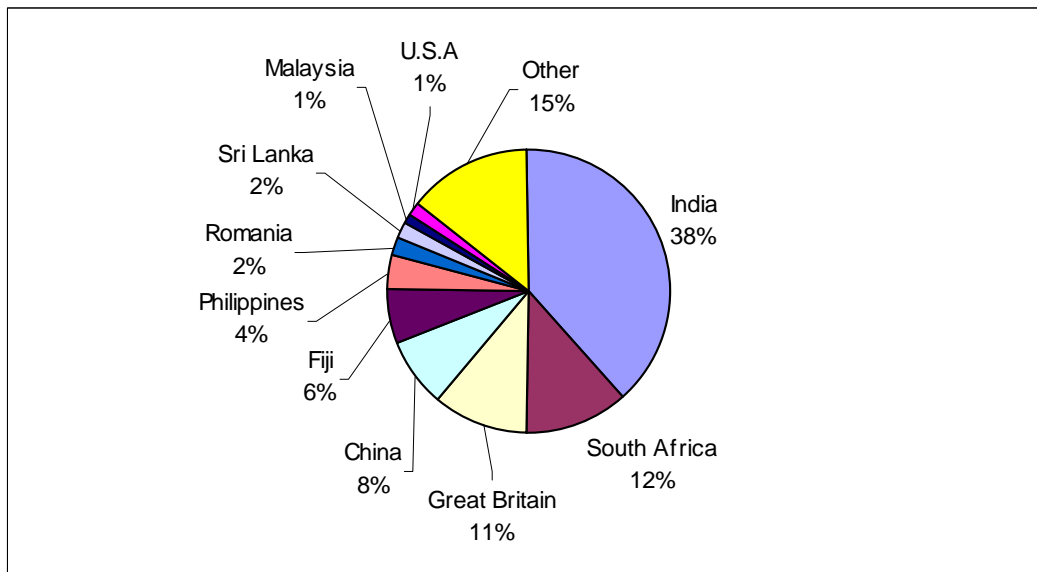
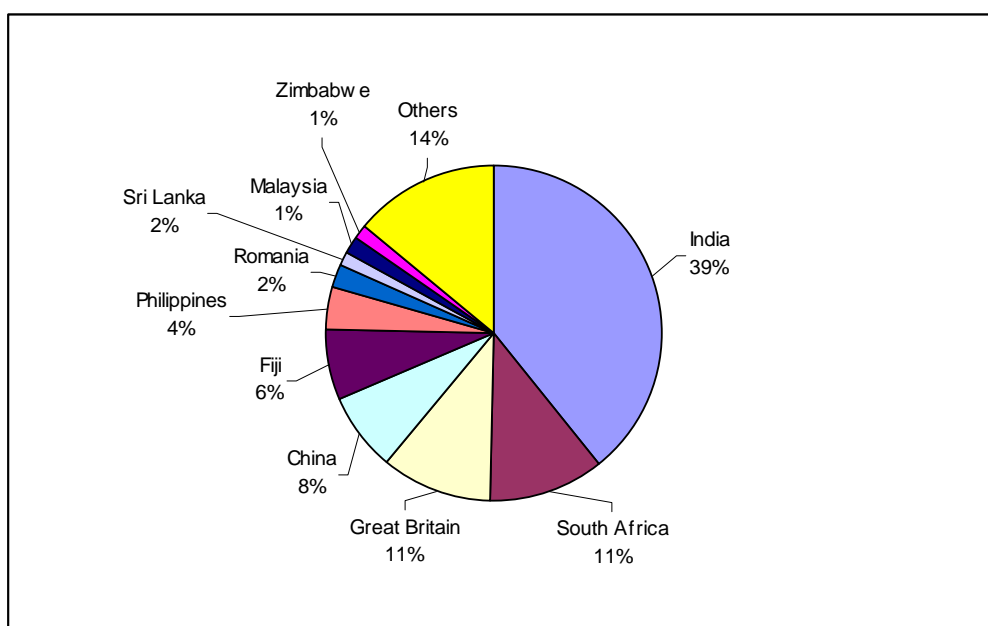


Figure 5.7 shows the nationalities of the above cohort who, to date, have gone on to become residents. Ninety-two percent have currently converted through to residence. This is a high rate of conversion. The largest source country was India (39 percent), followed by South Africa and Great Britain (11 percent each) and China (8 percent). In 2000/2001, 852 principal applicants were issued with a JSV to job search in New Zealand. By the end of June 2002, 88 percent of these had converted through to residence. The rate of conversion to residence for these two JSV cohorts was very similar.

Figure 5.7 Nationalities of those who had been issued a Job Search Visa in 2001/2002 and then approved for residence through the General Skills Category between July 2001 and June 2003. Twenty-four month total = 2,493



5.2.5.2 Job Search Visa – July 2002 to June 2003

In 2002/2003, 1,675 principal applicants were granted approval in principle and issued with an open work permit to job search in New Zealand. As illustrated in Figure 5.8 below, 29 percent of the principal applicants issued with an open work permit came from India, 16 percent were from China and 15 percent from Great Britain. Of the 1,675 principal applicants, 1,191 (71 percent) had become residents through the GSC by 30 June 2003. This proportion is expected to increase. Figure 5.8 shows that 33 percent of those converting to residence came from India. Of the 2,724 principal applicants who were issued with a JSV in 2001/2002, 46 percent had converted to residence by the end of 2001/2002.

Figure 5.8 Nationalities of those issued with Job Search Visas in 2002/2003. Year total = 1,675

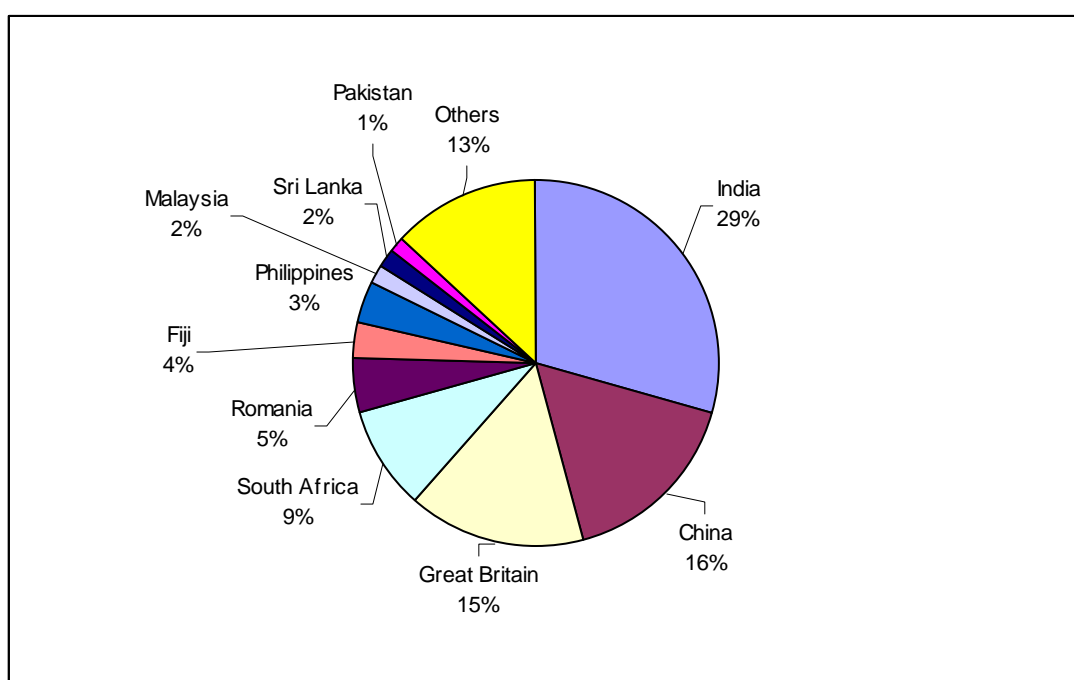
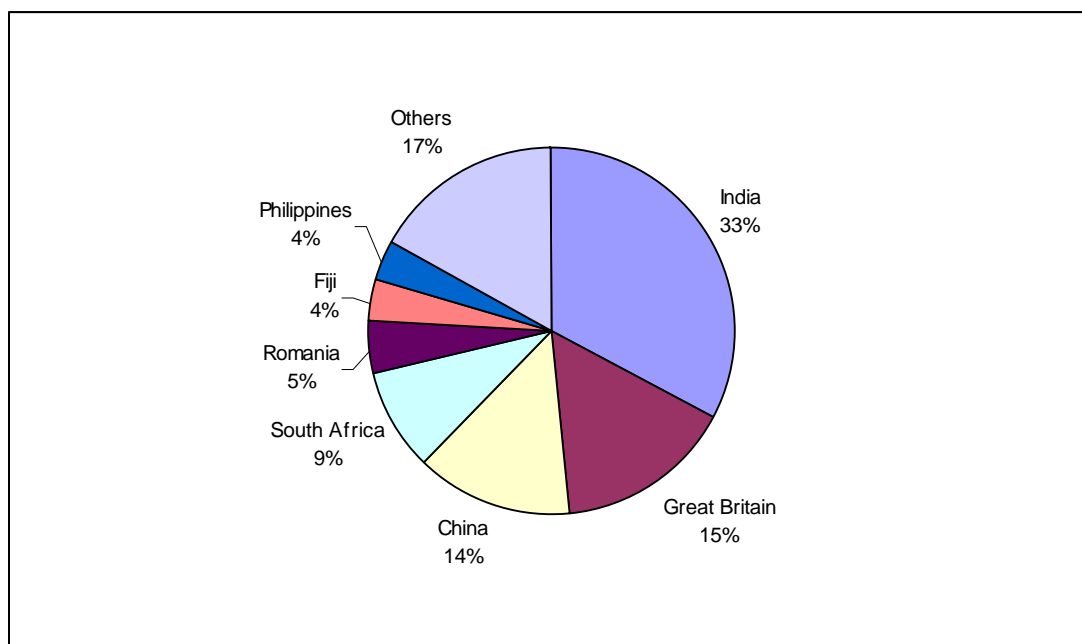


Figure 5.9 Nationalities of those who had been issued a Job Search Visa in 2002/2003 and then approved for residence through the General Skills Category in 2002/2003. Twelve month total = 1,191



5.2.6 TALENT VISAS AND PRIORITY OCCUPATION LIST

The Talent Work Policy and the Priority Occupation List policies enable applicants to ‘work to residence’. They are issued only to principal applicants, like other work permits. To qualify for a Talent Visa, an applicant needs to have an offer of employment in New Zealand for at least 24 months with an accredited employer and a minimum base salary of NZ\$45,000 per annum. Alternatively, an applicant deemed to have exceptional talent in a declared field of art, culture or sport can be sponsored by a New Zealand organisation of national repute in the declared field. To qualify through the Priority Occupation List policy, a suitably qualified applicant needs to have an offer of employment in New Zealand for at least 24 months in an occupation that is included on the Priority Occupation List. The offer of employment must meet the specifications for that occupation. The numbers below are of individuals granted Talent Visas and Priority Occupation List work permits. They are not counted in the number of residence approvals until the year in which they convert to residence.

Talent Visas - Arts, Culture and Sports: In 2002/2003, 36 people were granted this work permit. Of these applicants, 8 were from Great Britain, 4 from South Africa and 3 each were from South Korea, France and the United States.

Talent Visas - Accredited Employers: In 2002/2003, 302 people were issued such visas. Great Britain was the single largest source - with 148 approved people. The next most numerous sources were South Africa (27) and Malta (26).

Priority Occupation List work permit: Ninety people were granted this work permit in 2002/2003. Of these, 33 were from Great Britain, 26 were from South Africa and 9 were from Canada.

5.3 Business Categories

Business immigration policy seeks to increase New Zealand's level of human and investment capital as well as increase enterprise, innovation, and foster international links.

5.3.1 TOTAL BUSINESS APPROVALS

In the 2002/2003 year, 3,793 people were approved for residence through the Business Categories. This represented 8 percent of all residence approvals for this period. In 2001/2002, 4,517 people (9 percent of all residence approvals) and in 2000/2001, 2,670 people (6 percent of all residence approvals) were approved for residence through the Business Categories.

As in the past two years, the vast majority of approvals in 2002/2003 were in the Investor Category (92 percent). Only 256 approvals (7 percent) were in the Entrepreneur Category and 39 approvals (1 percent) in the Employees of Relocating Businesses Category.

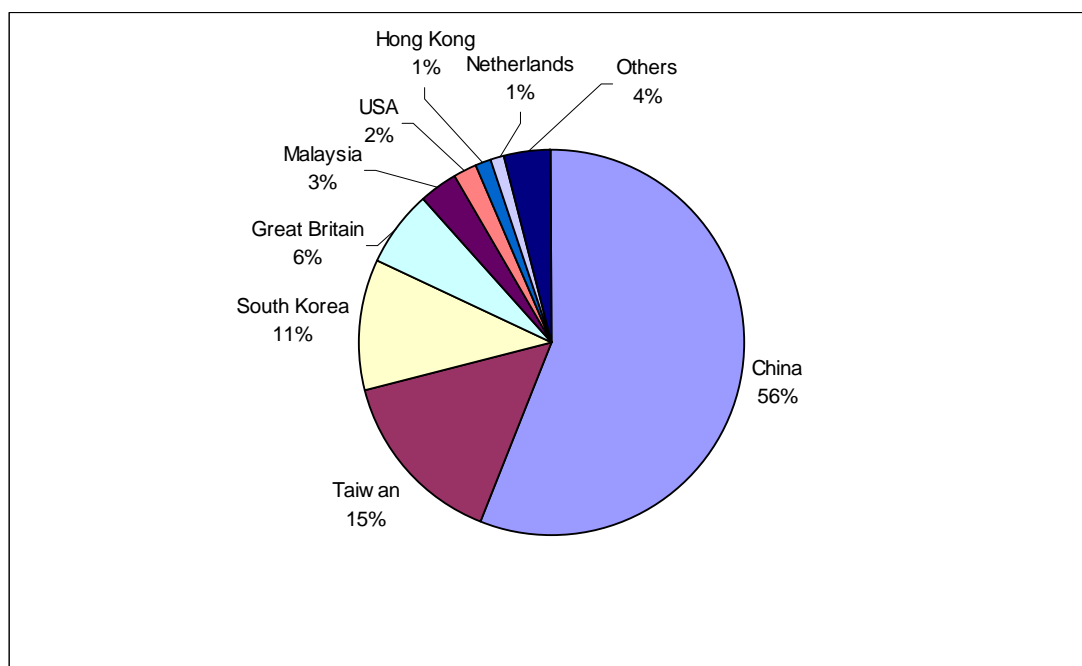
5.3.2 NUMBER OF PEOPLE PER APPROVED APPLICATION

Overall, there was an average of 3.3 people per approved Business Category residence application in 2002/2003. The Investor Category had an average of 3.4 people per approved application and the Entrepreneur and Employees of Relocating Business Categories an average of 3 people per approved application.

5.3.3 INVESTOR CATEGORY

Figure 5.10 shows the nationalities of those approved for residence through the Investor Category. The largest source country was China (56 percent), followed by Taiwan (15 percent) and South Korea (11 percent). The source countries are mostly the same as in 2000/2001 and 2001/2002, although South Korea's share of the Investor Category has increased from 8 percent, and China's has increased from 46 percent two years ago.

Figure 5.10 Nationalities of Investor Category approvals in 2002/2003. Year total = 3,498



Under the Investor Category, principal applicants are awarded points for age, business experience and investment funds. The minimum amount of investment is NZ\$1 million. Table 5.4 shows the points structure for the Investor Category.

Table 5.4 Points Structure for the Investor Category.

AGE (Years)	POINTS	BUSINESS EXPERIENCE (Years)	POINTS	INVESTMENT FUNDS (NZ\$)	POINTS
25 – 29	10	2 years	1	\$1,000,000	1
30 – 34	9	4 years	2	\$1,500,000	2
35 – 39	8	6 years	3	\$2,000,000	3
40 – 44	6	8 years	4	\$2,500,000	4
45 – 49	4	10 years	5	\$3,000,000	5
50 – 54	2			\$3,500,000	6
55 – 64	0			\$4,000,000	7
65 – 74	-2			\$4,500,000	8
75 – 84	-4			\$5,000,000	9
				\$5,500,000	10
				\$6,000,000	11

The breakdown of points awarded for Investor Category migrants can be seen in Table 5.5 below. The passmark was 12 in 2002/2003. Two-thirds of Investor Category principal applicants were between 35 and 44 years and just over half had at least 10 years prior business experience. Most were making an investment of NZ\$1 million, although 21 principal applicants were investing NZ\$4 million or more.

Table 5.5 Breakdown of Investor Category points awarded for those applications approved and completed in 2002/2003. Year total = 1,040*

Category	Points breakdown										
	Age	-4 pts	-2 pts	0 pts	2 pts	4 pts	6 pts	8 pts	9 pts	10 pts	
0 (0%)		3 (0%)	14 (1%)	21 (2%)	88 (8%)	375 (36%)	306 (29%)	174 (17%)	59 (6%)		
Business experience	0 pts		1 pts		2 pts		3 pts		5 pts		
	13 (1%)		32 (3%)		94 (9%)		194 (19%)		598 (58%)		
Investment funds	1 pts	2 pts	3 pts	4 pts	5 pts	6 pts	7 pts	8 pts	9 pts	10 pts	11 pts
	865 (83%)	38 (4%)	94 (9%)	1 (0%)	19 (2%)	2 (0%)	13 (1%)	3 (0%)	4 (0%)	0 (0%)	1 (0%)

* Some percentages do not total 100 because of rounding.

5.3.4 ENTREPRENEUR CATEGORY

Two-hundred and fifty-six people (86 principal applicants) were approved through the Entrepreneur Category in 2002/2003. The largest source country was South Korea with 57 approvals followed by China (51 approvals) and Great Britain (36 approvals). In 2001/2002, 77 people (29 principal applicants) were approved through this Category, and in 2000/2001, 64 people were approved. Numbers approved in this Category should continue to increase as people on an LTBV become eligible for residence (see 5.3.6 below).

5.3.5 EMPLOYEES OF RELOCATING BUSINESSES CATEGORY

Thirty-nine people were approved through the Employees of Relocating Businesses Category. The largest source country was China with 19 approvals followed by the United States of America (8 approvals) and Japan (4 approvals).

5.3.6 LONG TERM BUSINESS VISAS AND THE ENTREPRENEUR CATEGORY

The LTBV is a temporary immigration policy that caters for people who are interested in establishing a business in New Zealand, and then subsequently applying for residence through the Entrepreneur Category. People can also use the LTBV if they are interested in establishing a business in New Zealand but are not living permanently in New Zealand. Until 20 November 2002, an LTBV was issued for three years and could be extended by a further three years if necessary. LTBV holders could apply for residence after being self-employed in the country for two years. Since 20 November 2002, the LTBV has been issued for only 9 months. Within or at the end of this 9 months, applicants need to show evidence of having established a business to be granted an extension to their LTBV for 3 years (including the initial 9 months). The LTBV can still be renewed for 3 years if certain conditions are met, and holders can still apply for residence after being self-employed in the country for two years.

Since March 1999, when the LTBV was introduced, a total of 10,065 people have been approved for LTBVs. Of this, 4,028 were principal applicants. Of the total, 3,138 people (1,201 principal applicants) were granted an LTBV in 2002/2003, which is down from 5,484 people (1,826 principal applicants) in 2001/2002. LTBV approved applications were fairly steady until the quarter beginning October 2000 when they began to pick up. They increased further in the quarter beginning January 2001 and remained high, until they began to decrease from the quarter beginning October 2002, most likely as a result of the November 2002 policy changes.

Between 1 March 1999 and 30 June 2000, 135 principal applicants were granted an LTBV. By the end of June 2003, 88 of these 135 principal applicants (65 percent) had converted to residence (a minimum of three years after being approved for an LTBV). The following table lists the categories through which the LTBV holders converted to residence. Until June 2003, 68 percent of these LTBV holders (60 people) who converted to residence used the Entrepreneur Category. These 60 people are 44 percent of the 135 principal applicants who were granted an LTBV between March 1999 and June 2000.

Table 5.6 Residence categories of LTBV conversions to residence between March 1999 and June 2000.

Residence category	Number of principal applicants	Percent of conversions to residence	Percent of LTBV principal applicants
Entrepreneur Category	60	68%	44%
1995 General Skills Category	17	19%	13%
Investor Category	4	5%	3%
1995 Family marriage	2	2%	1%
Ministerial direction	1	1%	1%
2001 Family child adult	1	1%	1%
1995 Family parent	1	1%	1%
1995 Family de facto	1	1%	1%
1995 Family child adult	1	1%	1%
Total conversions	88	100%	65%
Total LTBV principal applicants	135		100%

From March 1999 until June 2003, a total of 102 LTBV principal applicants were approved for residence through the Entrepreneur Category, or 272 people if secondary applicants are included. Altogether, 256 principal applicants (883 people in total) on an LTBV had become resident through a variety of residence categories.

Table 5.7 shows the numbers of LTBV holders who have converted to residence. The table is arranged in descending order of the categories through which principal applicants converted to residence. Currently the majority have been granted residence through the General Skills and Entrepreneur Categories. It is perhaps of some concern that only 40 percent of all principal applicants converting to residence, to date, have done so through the Entrepreneur Category.

Table 5.7 Residence categories of LTBV conversions to residence between March 1999 and June 2003. Total = 883

Residence category	Number of LTBV principal applicants approved for residence	Number of secondary applicants approved for residence	Total number of LTBV applicants approved for residence
Entrepreneur Category	102	170	272
1995 General Skills Category	76	242	318
Investor Category	42	157	199
2001 Family sibling	12	25	37
Employees of businesses relocating	5	6	11
1995 Family marriage	5	2	7
1995 Humanitarian	3	10	13
1995 Family de facto	3	1	4
Ministerial direction	2	10	12
1995 Family parent	2	2	4
2002 Family quota adult child	1	1	2
2001 Family child adult	1	1	2
1995 Business Investor	1	0	1
1995 Family child adult	1	0	1
Total	256	627	883

It is expected that an increasing proportion of LTBV applicants will fall due for residence in the coming financial year, representing the increased number of LTBV applications approved from late 2000. A high conversion rate to residence will signal that businesses are being successfully established. Conversely, a low conversion rate could indicate some are having problems establishing businesses and further investigation would be warranted.

5.4 IELTS scores for the Skilled/Business Stream

Principal applicants and spouses, partners and dependent children aged 16 years and older included in an application in the Skilled/Business Stream are required to meet the minimum standard of English. Usually this requirement is met by providing evidence of an English-speaking background or by sitting an English language assessment test. Secondary applicants can pre-purchase English language tuition in New Zealand. The International English Language Testing System (IELTS) is used to assess ability in English.

IELTS is jointly managed by the University of Cambridge Local Examinations Syndicate (UCLES), the British Council, and IDP Education Australia (IELTS Australia), and is an international test that provides an assessment of ability in English. Its General and Academic Modules provide band totals (test results) showing overall ability as well as performance in listening, reading, writing and speaking. The band scores range from 1 being a “Non User” to 9 being an “Expert User” of English. When English language skills are uncertain, prospective migrants can be asked to sit this test or to submit existing test results. People from English language backgrounds do not need to sit the IELTS test.

Table 5.8 provides a very brief summary of what the scores in each band mean in a practical sense.

Table 5.8 IELTS Test Results. Descriptions of Band Scores.

SCORES	DESCRIPTIONS
9 Expert User	Has fully operational command of the language: appropriate, accurate and fluent with complete understanding
8 Very Good User	Has fully operational command of the language with only occasional unsystematic inaccuracies, and inappropriacies. Misunderstandings may occur in unfamiliar situations. Handles complex detailed argumentation well.
7 Good User	Has operational command of the language, though with occasional inaccuracies, inappropriacies and misunderstandings in some situations. Generally handles complex language well and understands detailed reasoning.
6 Competent User	Has generally effective command of the language despite some inaccuracies, inappropriacies and misunderstandings. Can use and understand fairly complex language, particularly in familiar situations.
5 Modest User	Has partial command of the language, coping with overall meaning in most situations, though is likely to make many mistakes. Should be able to handle basic communication in own field.
4 Limited User	Basic competence is limited to familiar situations. Has frequent problems in understanding and expression. Is not able to use complex language.
3 Extremely Limited User	Conveys and understand only general meaning in very familiar situations. Frequently breakdowns in communication occurs.
2 Intermittent User	No real communication is possible except for the most basic information using isolated words or short formulae situations and to meet immediate needs. Has great difficulty understanding spoken and written English.
1 Non User	Essentially has no ability to use the language beyond possibly a few isolated words.
0 Did Not Attempt the Test	No assessable information provided.

As of 20 November 2002, there was a change in the required IELTS score for principal applicants. Until this date, GSC principal applicants needed to attain an *average* score of 5.0 across *all* four bands, and principal applicants in Business Categories a *minimum* of 4.0 in *each* band. After this date, GSC principal applicants had to score an *average* of 6.5 across *all* bands and principal applicants in Business Categories an *average* of 5.0 across *all* bands. Secondary applicants could still pre-purchase ESOL training if they did not meet the required standard.

Table 5.9, below, shows the overall average scores achieved in 2002/2003 by those required to provide an IELTS certificate for use in determining whether the applicant met the minimum standard of English. The data are for applications which had been both approved and completed. IELTS scores were available for 7,423 migrants, the large majority from the GSC.

Generally the principal applicant scored an average of 5.93 and secondary applicants an average of 5.72 for each of the bands. These averages are marginally lower than in 2001/2002, when scores were available for 8,005 migrants. Scores were generally highest on oral (or speaking) and lowest on reading. Secondary applicants tended to score lower than principal applicants. In general, migrants scored at the 'competent' or 'modest' English user level. Appendix F provides a breakdown of the IELTS scores for the Skilled/Business Stream by the top 12 countries.

Table 5.9 Skilled/Business Stream IELTS assessment scores, 2002/2003. Year
total = 7,423

Application criteria	Applicant type	Number sitting test	Average listening score	Average oral score	Average reading score	Average writing score	Average score
1995 General skills	Principal	4,963	5.86	6.13	5.73	6.01	5.93
	Secondary	2,317	5.67	5.98	5.40	5.85	5.72
Employees of businesses relocating	Principal	1	8.00	9.00	7.00	9.00	8.25
	Secondary	2	4.00	5.00	4.25	5.50	4.69
Entrepreneur Category	Principal	13	4.73	5.54	5.04	5.00	5.08
	Secondary	21	5.62	6.00	5.38	5.43	5.61
Investor Category	Principal	49	5.71	6.36	5.79	5.77	5.91
	Secondary	57	5.61	5.79	5.53	5.37	5.57
Overall averages	Principal	5,026	5.86	6.13	5.73	6.00	5.93
	Secondary	2,397	5.66	5.97	5.40	5.83	5.72

6 Family Sponsored Stream

6.1 Introduction

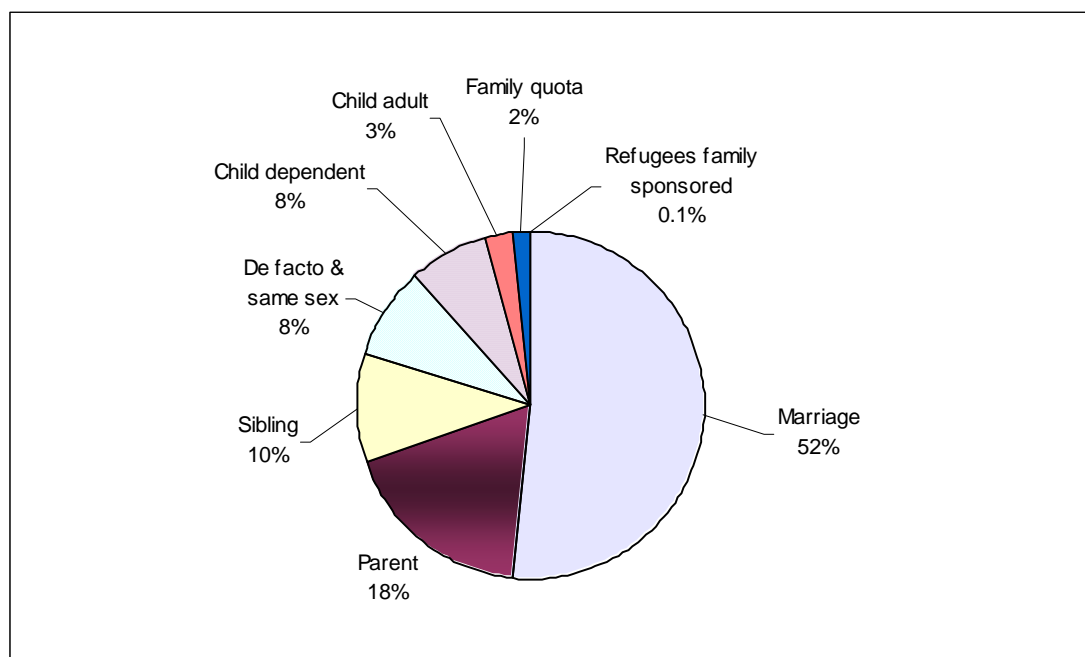
This section provides a breakdown of approvals through the Family Category overall, and its various sub-categories. The characteristics of those approved through the former Humanitarian Category are also examined.

6.2 Family Category Approvals

The Family Category enables close family members of New Zealand residents and citizens to be granted residence in some circumstances. A total of 13,045 people (27 percent of all residence approvals) were approved for residence through the Family Category in 2002/2003. In 2001/2002, approvals through the Family Category were 22 percent (11,773 people) of all residence approvals. In 2000/2001, 12,685 people (28 percent of all residence approvals that year) were approved for residence through the Family Category.

Figure 6.1 below shows the sub-categories that people were approved through. Just over half of the people approved were the spouse of a New Zealand citizen or resident. Just under a fifth (18 percent) were the parent of a person living in New Zealand, 10 percent were the sibling of a New Zealand citizen or resident and 8 percent were the de-facto (including same sex) partner of a New Zealand citizen or resident. In 2000/2001, 34 percent of people approved in the Family Category were the parent of a person living in New Zealand. The decline is a result of changes to the Family Category policies in October 2001, as a result of which less dependent relatives could not be sponsored for three years post residence.

Figure 6.1. Approvals through the Family Category in 2002/2003. Year total = 13,045



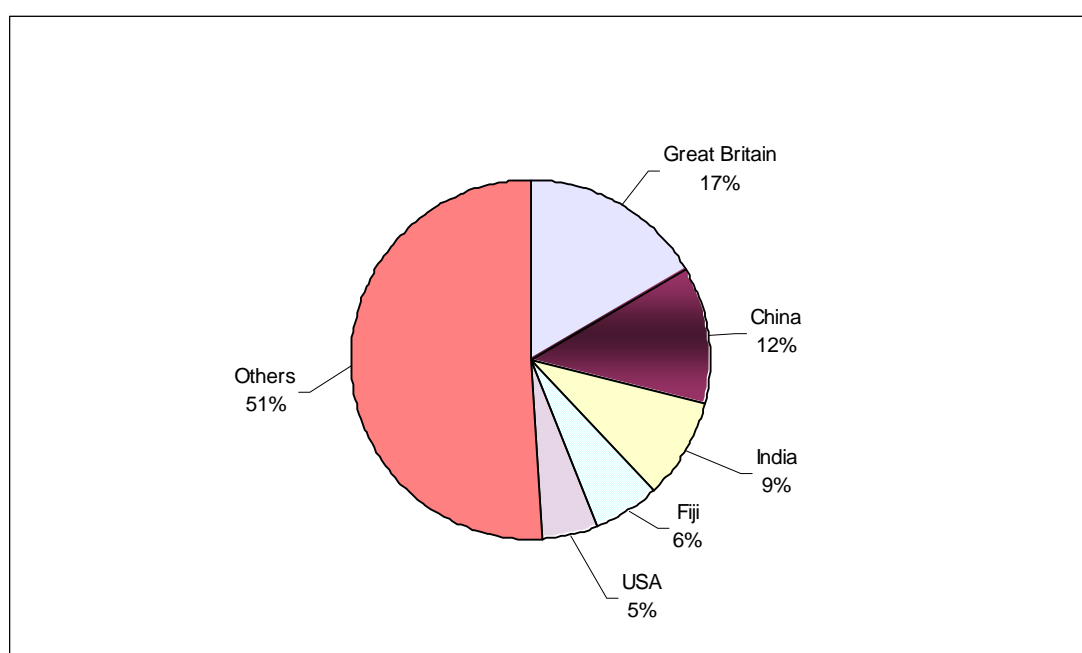
From October 2002, Great Britain replaced China as the main source of approvals through the Family Category. Between 1996/1997 and September 2002, China had been the largest source of approvals. Approvals from Great Britain, Fiji, Samoa and

India were relatively stable over this period, but there has been an increase in the proportion of people from India and Fiji. For 2002/2003, Great Britain was the largest source of approvals (18 percent), followed by China (14 percent) and Fiji and India (9 percent each).

6.2.1 FAMILY MARRIAGE

Figure 6.2 below shows the top five nationalities of those approved through the Family Marriage sub-category in 2002/2003. The largest source of approvals was Great Britain (17 percent), followed by China (12 percent) and India (9 percent). This has not changed much since 2000/2001.

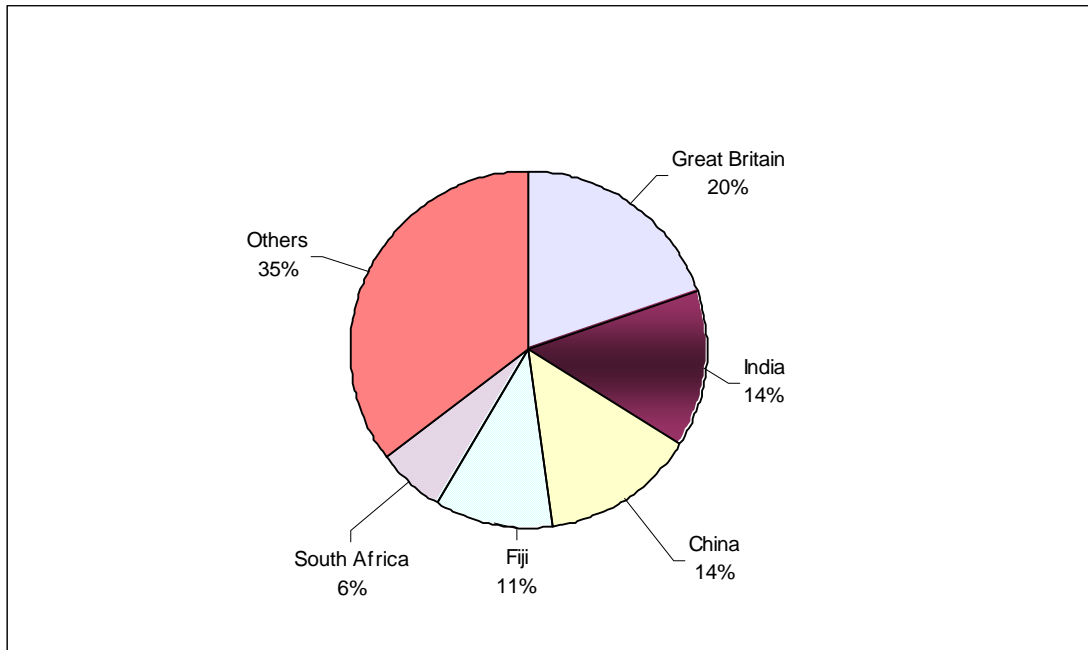
Figure 6.2. Top five nationalities of Family Marriage approvals in 2002/2003. Year total = 6,753



6.2.2 FAMILY PARENT

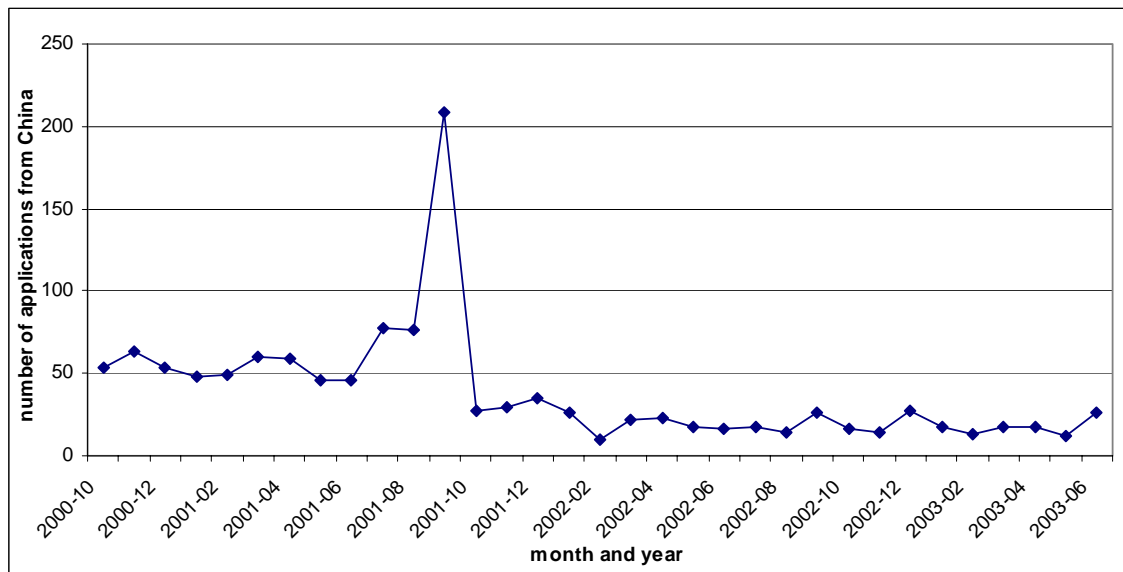
The top five nationalities of approvals through the Family Parent sub-category in 2002/2003 are shown in Figure 6.3 below. The largest source country was Great Britain (20 percent), followed by India and China (14 percent each), Fiji and South Africa (11 and 6 percent respectively). In 2000/2001, China accounted for 23 percent of Family Parent approvals, while Great Britain was fourth at 12 percent. The top five countries have remained unchanged since 2000/2001, although their order has changed. Fiji, fourth this year, was third in 2001/2002 (11 percent) and second in 2000/2001 (14 percent). South Africa has been the fifth largest source country in all of these years.

Figure 6.3. Top five nationalities of Family Parent approvals in 2002/2003. Year total = 2,350



The proportion of Family Parent approvals from China halved from 27 percent in 2001/2002 to 14 percent in 2002/2003. As illustrated in Figure 6.4 below, there was a decline in the flow of total Family Parent applications when changes were made to Family Category policies in October 2001. As with the change to flows from all countries, after an initial spike prior to the policy change, application flows from China declined from an average of 70 per month in the period October 2000 to September 2001, to an average of only 18 per month in 2002/2003. Application flows are expected to pick up once the three year wait for sponsoring less dependent relatives works through the system.

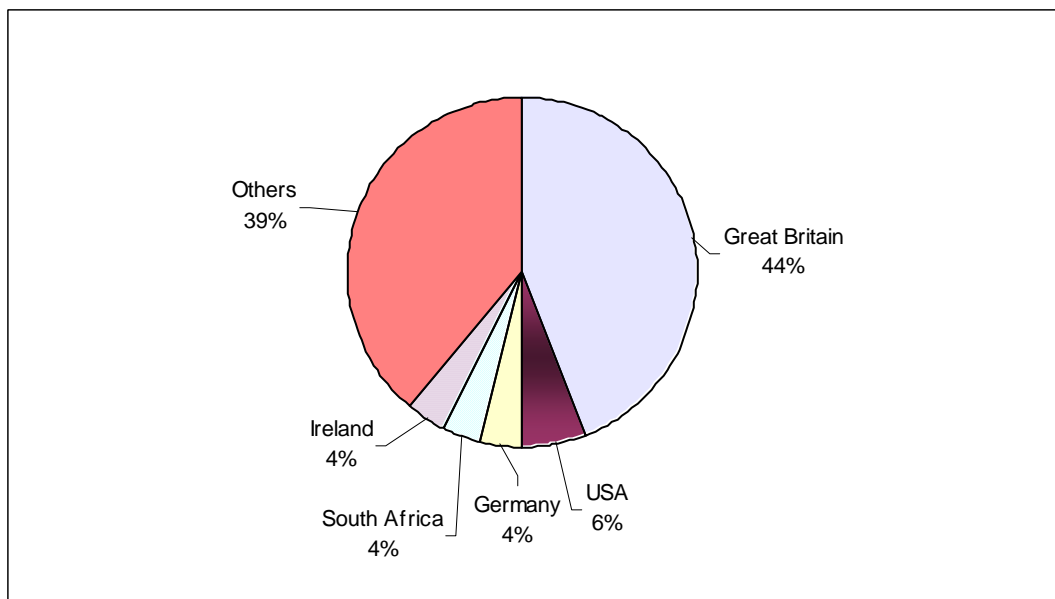
Figure 6.4. Residence application inflows in the Family Parent sub-category between October 2000 and June 2003.



6.2.3 FAMILY DE-FACTO (INCLUDING SAME SEX)

Figure 6.5 shows the top five nationalities of approvals through the Family De-facto (including Same Sex) sub-category. The largest proportion of approvals was from Great Britain (44 percent). The next four countries together accounted for 18 percent of approvals. This pattern has not changed since 2000/2001. In that year, Japan, at five percent of approvals, was the second largest source of approvals.

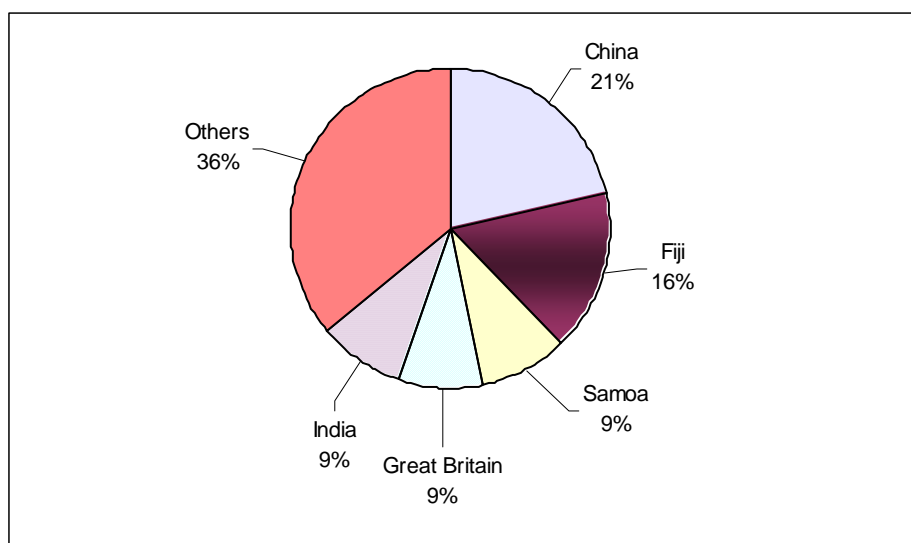
Figure 6.5. Top five nationalities of Family De-facto (including Same Sex) approvals in 2002/2003. Year total = 1,106



6.2.4 'OTHER' FAMILY APPROVALS

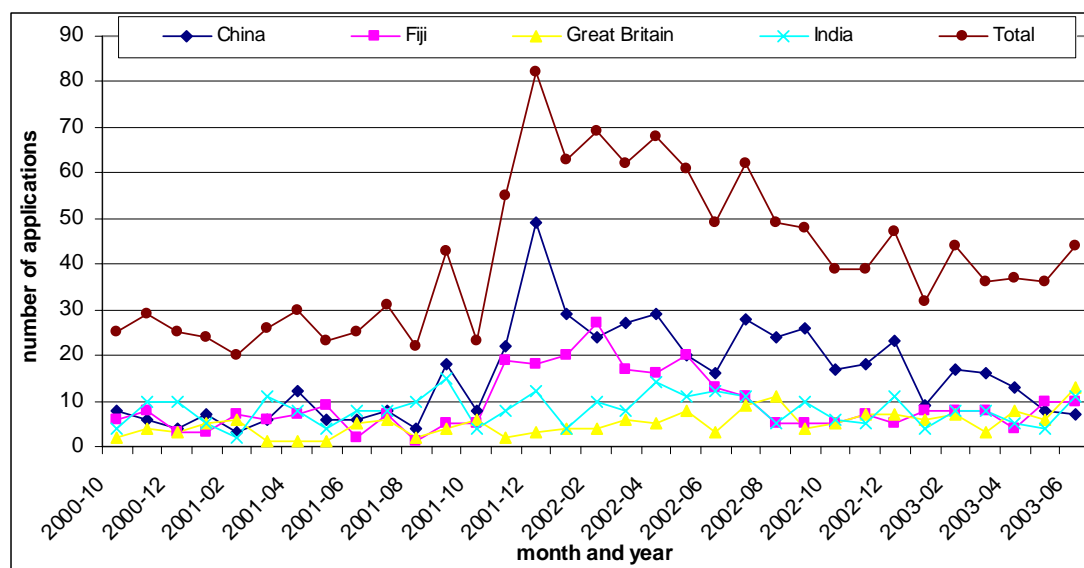
Figure 6.6 shows the nationalities of those approved through 'other' Family sub-categories. This includes Family Dependent Child, Family Adult Child, Family Sibling, Family Quota and Refugee Family Sponsored. The largest source country of approvals through these sub-categories was China (21 percent), followed by Fiji (16 percent) and Samoa, Great Britain and India (9 percent each). In 2000/2001, China (17 percent), Fiji (12 percent) and India and Samoa (11 percent each) were the largest source countries.

Figure 6.6. Top six nationalities of 'other' Family approvals in 2002/2003. Year total = 2,836



Family Sibling approvals are currently 9 percent of the Family Category, up from four percent in 2001/2002 and three percent in 2000/2001. After the introduction of the new Family Category policy in October 2001, there was a large spike in application inflows through the Sibling sub-category (see Figure 6.7 below). The policy introduced new provisions for adult siblings and adult children. The spike would appear to represent pent up demand for residence from siblings who also had their own family. Prior to the policy change, only single siblings could be sponsored. Since the spike, there has been a general decline in applications received. This Category has also been included in the three-year wait for sponsoring less dependent relatives noted above.

Figure 6.7. Residence application inflows in the Family Sibling sub-category between October 2000 and June 2003, by top four countries.



6.2.5 NUMBERS OF PEOPLE PER APPROVED APPLICATION

The average number of people per approved Family Category application was 1.3. The majority of approved applications (61 percent) consisted of only one person. The largest approved applications were for 12 people.

6.3 Humanitarian Category

The Humanitarian Category enabled family members of New Zealanders to be granted residence where serious humanitarian circumstances existed and New Zealand residence was the only option to resolve those circumstances. This Category was closed from October 2001, but a large number of applications were lodged before the policy closed and the considerable backlog of applications means that people are still being approved through this Category. Migrants through this Category must have had a family member who was a resident or citizen of New Zealand to sponsor their application.

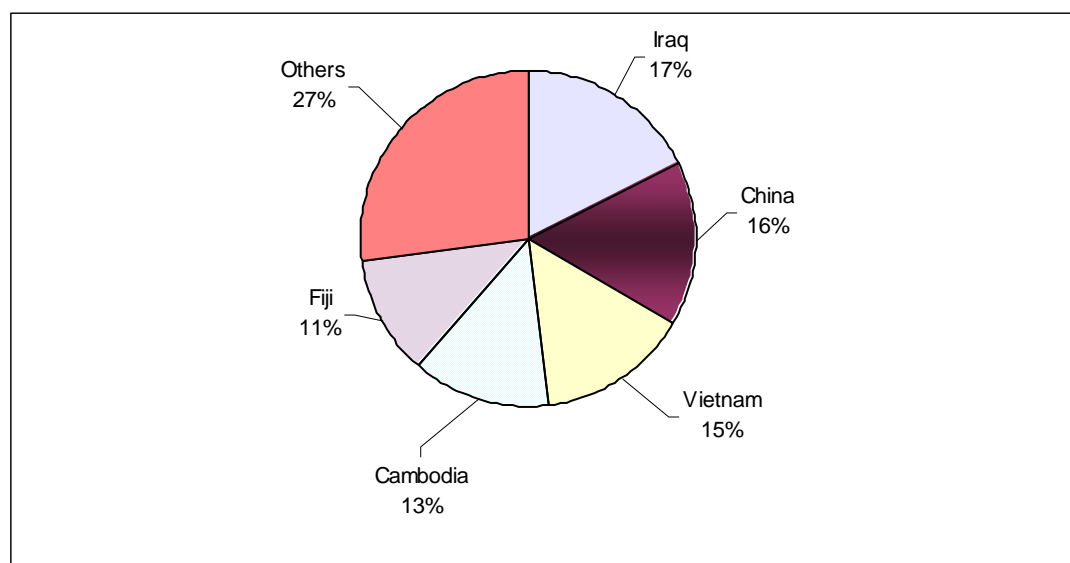
6.3.1 HUMANITARIAN APPROVALS

In 2002/2003, 867 people (2 percent of all residence approvals) were approved for residence through the Humanitarian Category. In 2000/2001, 1,939 (4 percent of all residence approvals) were approved through the Humanitarian Category.

6.3.2 NATIONALITIES OF HUMANITARIAN APPROVALS

Figure 6.8 shows the nationalities of people approved for residence through the Humanitarian Category in 2002/2003. The largest source country of Humanitarian approvals was Iraq (17 percent), followed by China (16 percent) and Vietnam (15 percent). In 2000/2001, the proportions from Iraq, China and Fiji were comparable, but Cambodia was the fourth largest source with nine percent and Vietnam fifth largest with six percent of approvals.

Figure 6.8. Nationalities of Humanitarian Category approvals in 2002/2003. Year total = 867



6.3.3 NUMBERS OF PEOPLE PER APPROVED APPLICATION

There were 326 approved Humanitarian Category applications (867 people) in 2002/2003. The average number of people per approved application was 2.7. The smallest approved application size was one person and the largest was 10 people.

6.4 Transitional Policy

The October 2000 Transitional Policy offered well settled overstayers the opportunity to apply for a two year work permit and then to transition to residence. To qualify under this policy, applicants needed to have been resident in New Zealand for five years or more and to have no convictions. (People who were lawfully in New Zealand and who otherwise met these conditions could also apply for a work permit, then qualify for residence, under this policy). Applicants who had a New Zealand citizen or resident spouse or partner or a New Zealand-born child were counted through the Family Sponsored Stream, while the others were counted through the International/Humanitarian Stream.

There were 594 approved Transitional Policy (Family Sponsored Stream) residence applications (897 people) in 2002/2003. Of these, 42 percent came from Tonga, 25 percent from Samoa and 7 percent from Fiji.

There were 588 approved Transitional Policy (International/Humanitarian Stream) residence applications (896 people) in 2002/2003. The largest proportion (43 percent) came from Tonga, followed by a fifth from Samoa.

7 International/Humanitarian Stream

7.1 Introduction

Approvals in this stream include the Refugee Quota and Status, the Samoan Quota and various other approvals such as ministerial direction. New Zealand is a signatory to the 1951 United Nations Convention and the 1967 Protocol Relating to the Status of Refugees and accepts an annual quota of refugees. As well, people who claim asylum in New Zealand and who are determined to have a justified fear of persecution in their homeland can be granted refugee status. The Domestic Violence Policy enables the ex-partners of New Zealanders to apply for residence when their relationship has ended due to domestic violence and they cannot return home for cultural and social reasons.

7.2 Quota Refugees

As part of its international obligations, New Zealand accepts an annual Quota of refugees under the Refugee Quota Programme. These people are mandated as in need of resettlement by the United Nations High Commissioner for Refugees (UNHCR).

7.2.1 NUMBERS AND COMPOSITION OF QUOTA

In 2002/2003, 684 people were accepted for resettlement to New Zealand under the Refugee Quota Programme. Table 7.1 shows the composition of the refugee cases accepted through the Quota.

Table 7.1 Composition of the Refugee Quota, 2002/2003. *Year total = 684⁵*

Sub-category	Number of people	Proportion
Protection	639	93%
Women at Risk	7	1%
Medical	6	1%
Emergency	5	1%
Other	27	4%
Total	684	100%

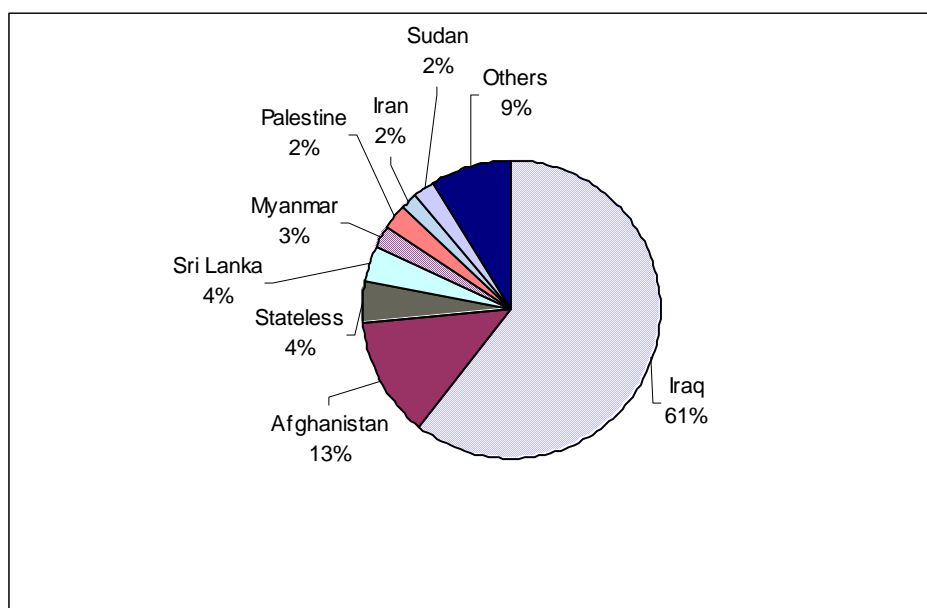
7.2.2 NATIONALITIES OF QUOTA REFUGEES, 2002/2003

People from a number of countries have been resettled in New Zealand through the Quota in recent years. The main source countries in the past five years have included Iraq, Iran, Ethiopia and Somalia.

Figure 7.1 shows the nationalities of those accepted for resettlement in New Zealand in 2002/2003. The largest source countries were Iraq and Afghanistan with 61 and 13 percent respectively. In 2001/2002, Somalia (28 percent) and Afghanistan (22 percent) together accounted for half the approvals, followed by Iraq (21 percent) and Iran (14 percent). In 2000/2001, the largest source countries of refugees were Myanmar (25 percent), Somalia (19 percent) and Ethiopia (18 percent). Iraq accounted for 11 percent and Afghanistan for seven percent of approvals.

⁵ This includes 78 Quota Refugees who arrived in New Zealand on 2nd July 2002 and were included in the 2001/2002 Refugee Quota Programme. To remain consistent with other NZIS reporting based on AMS data, these 78 Quota Refugees have been included in the table.

Figure 7.1 Nationalities of Quota refugees accepted for resettlement in 2002/2003.
 Year total = 684



7.2.3 NUMBER OF PEOPLE PER APPROVED APPLICATION

There was an average of 2.0 people per approved Refugee Quota application. The smallest approved application was for one person and the largest was for 12 people.

7.3 Successful Refugee Status Claimants

As a signatory to the 1951 United Nations Convention and the 1967 Protocol on the Status of Refugees, New Zealand is obliged to consider all claims for refugee status (also called asylum). Successful refugee status claimants are asylum seekers who have had their status as refugees confirmed and are legally allowed to remain in New Zealand. Asylum seekers claim refugee status after they arrive in New Zealand.

7.3.1 SUCCESSFUL REFUGEE STATUS CLAIMANTS

In 2002/2003, 247 people were found to have successful claims for refugee status. The number of successful claimants in 2001/2002 was 631 as it included claimants from the Tampa who were listed under this Category. In 2000/2001, there were 312 successful claimants.

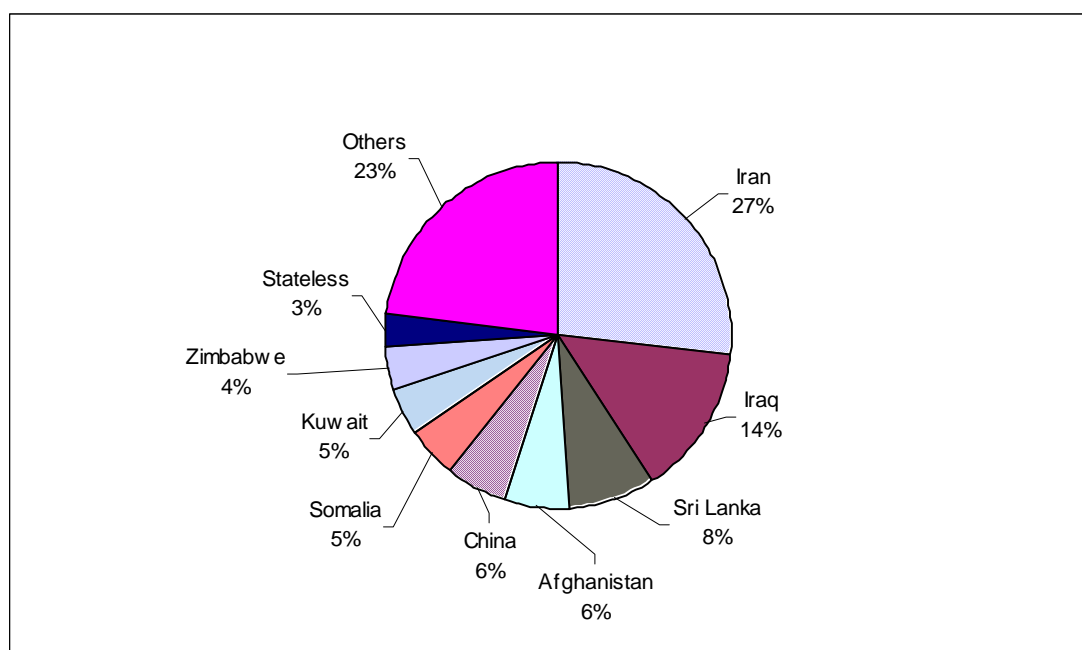
7.3.2 SUCCESSFUL REFUGEE STATUS CLAIMANTS GRANTED RESIDENCE

Residence is approved separately to refugee status. In 2002/2003, 713 successful refugee status claimants were approved for residence, compared with 785 in 2001/2002 and 698 in 2000/2001.

7.3.3 NATIONALITIES OF SUCCESSFUL REFUGEE STATUS CLAIMANTS GRANTED RESIDENCE

Figure 7.2 shows the nationalities of the successful refugee status claimants approved for residence in 2002/2003. The largest proportions were from Iran (27 percent) followed by Iraq (14 percent), Sri Lanka (8 percent) and Afghanistan (6 percent). In 2000/2001, the main source countries were Iran (22 percent), Sri Lanka (15 percent) and Afghanistan (12 percent). Iraq contributed only eight percent that year.

Figure 7.2 Successful refugee status claimants granted residence in 2002/2003.
Year total = 713



7.3.4 NUMBER OF PEOPLE PER APPROVED APPLICATION

There was an average of 2.0 successful refugee status claimants per approved residence application. The smallest approved application was for one person and the largest was for 13 people.

7.4 Samoan Quota

In 2002/2003, 463 people were approved through the Samoan Quota, which allows for up to 1,100 Samoan citizens to be granted residence in New Zealand each year, provided they have a job offer in New Zealand and meet other requirements. The smallest approved application was for one person and the largest was for 9 people. In 2001/2002, 1,042 people were approved through the Samoan Quota and in 2000/2001, 1,200 people were approved. The low number of approvals this year can be explained by several reasons, including that verifying the job offer can delay the final decision (at the time of writing this report, applications for 2002/2003 were still being decided).

7.5 Pacific Access Category

The Pacific Access Category (PAC) is a residence category that was established in July 2002 with Pacific countries with which New Zealand has close cultural and historical ties. The countries and the allocated annual quotas were: Tonga - 250, Tuvalu - 75 and Kiribati - 50. The PAC was extended in April 2003 to include a sub-quota for Fiji (250 places) and the number of places for Kiribati was increased to 75. The effects of these changes will not be evident until 2004.

Eligible applicants first lodge a registration application under the PAC to be entered into a pool. Registrations are drawn randomly from the pool and invited to apply for residence. All registrations must meet the requirements for the PAC to be included in the pool. There are separate registration pools for citizens of the four countries included in the PAC.

The total number of applications received for the 2002/2003 pool was 1,171, covering 3,425 individuals, for 375 places. PAC approvals for 2002/2003 are detailed below.

Table 7.2 Pacific Access Category (PAC) Approvals 2002/2003. *Year total = 139*

Category	Number of approvals
Tonga	129
Tuvalu	9
Kiribati	1
Total	139

8 Occupations

8.1 Introduction

From 1 October 2001, GSC migrants' previous main occupation began to be collected on application forms and entered into the immigration database. In addition, the occupation of job offers when required for points or residence has been captured for General Skills and Family Category sibling and adult children migrants. The information about occupations presented below applies only to those General Skills principal applicants whose residence applications were both approved and completed in 2002/2003.

Experience shows that migrants are likely to settle quickly, remain permanently and make a greater contribution to New Zealand's economic and social well-being if they are able to apply their particular skills in satisfying employment. The information presented here provides a basis to evaluate the impact of migrants on the New Zealand labour market. Only data for the GSC is provided in this analysis.

8.2 Methodology

Since 1 October 2001, GSC principal applicants for residence in New Zealand have been required to respond to the question *“what is your main occupation? (Your main occupation is the job you spent most hours doing in the last 12 months. If you have not worked in the last 12 months, please state your previous occupation. If you have not worked for the last 5 years or more, please state “Not applicable”)*”.

The New Zealand Standard Classification of Occupations is used to classify both the 'main' occupation and job offer occupation. The occupations have been collapsed to level 1 for reporting purposes. The data is only collected for the principal applicant in each application.

8.3 General Skills Category

Data is available for approximately 70 percent of the total number of approved principal applicants. This is due to several factors. Many principal applicants were approved on the pre-October 2001 application form and therefore did not record their 'main' occupation. Also only some principal applicants require points for a job offer.

The home (or main) occupations of the principal applicants in the GSC in 2002/2003 are illustrated in Table 8.1. Of the 7,833 principal applicants with data for a home occupation, 3,314 (42 percent) were classified as 'Professionals', followed by 'Technicians and associate professionals' (18 percent) and 'Legislators, administrators and managers' (17 percent). In 2001/2002, 49 percent were 'Professionals', 16 percent were 'Technicians and associate professionals' and 13 percent were 'Legislators, administrators and managers'.

Table 8.1 Occupation in Home Country for Principal Applicant in General Skills Category in 2002/2003. Year total = 7,833

Occupation in home country	Number	Percentage
Legislators, Administrators, Managers	1,331	17
Professionals	3,314	42
Technicians and associate professionals	1,443	18
Clerks	612	8
Service and sales workers	439	6
Agriculture and fishery workers	74	1
Trades workers	557	7
Plant and machine operators and assemblers	58	1
Elementary occupations	5	0.1
TOTAL	7,833	100%

Table 8.2 illustrates the New Zealand job offer for the principal applicants in the GSC. The occupation of the job offer was recorded for 5,469 principal applicants. The largest classification of occupations was ‘Professionals’ (35 percent) followed by ‘Technicians and associate professionals’ (18 percent) and ‘Legislators, administrators and managers’ (13 percent).

Table 8.2 Occupation of Job Offer in New Zealand for Principal Applicants in General Skills Category in 2002/2003. Year total = 5,469

Job offer occupation	Number	Percentage
Legislators, Administrators, Managers	686	13
Professionals	1,940	35
Technicians and associate professionals	958	18
Clerks	347	6
Service and sales workers	668	12
Agriculture and fishery workers	98	2
Trades workers	587	11
Plant and machine operators and assemblers	132	2
Elementary occupations	53	1
TOTAL	5,469	100%

In 2001/2002, 38 percent had job offers as ‘Professionals’, 15 percent as ‘Service and sales workers’ and 14 percent as ‘Technicians and associate professionals’. Only 7 percent were ‘Legislators, administrators and managers’.

Table 8.3 below provides a cross tabulation of the principal applicant’s home country occupation by the New Zealand job offer. Four thousand, four hundred and eighty-six principal applicants had both a home occupation and a job offer recorded. Of the 2,048 applicants whose occupation in their home country was classified as

'Professionals', 76 percent (1,565) had a 'Professionals' classification job offer in New Zealand.

Overall, there appears to be a correlation between the occupational classification in the 'home' country and the occupational classification of the job offer in New Zealand, with 74 percent having a job offer in the same classification as their home occupation. This proportion has fallen from 2001/2002, when it was 81 percent, although data was available for a smaller proportion of principal applicants that year.

Table 8.3 Occupation in Home Country by Job Offer in New Zealand for General Skills principal applicant in 2002/2003. Year total = 4,486

<i>Occupation in home country</i>	<i>Job offer occupation</i>									
	Legislators, Administrators, Managers	Professionals	Technicians and associate professionals	Clerks	Service and sales workers	Agriculture and fishery workers	Trades workers	Plant and machine operators and assemblers	Elementary occupations	TOTAL
Legislators, Administrators, Managers	348	44	30	16	35	4	5	2	3	487
Professionals	104	1565	170	41	99	15	27	14	13	2,048
Technicians and associate professionals	63	111	549	28	40	5	15	14	7	832
Clerks	14	14	19	122	54	1	3	4	2	233
Service and sales workers	23	12	20	8	218	2	5	4	5	297
Agriculture and fishery workers	2	1	2	1	1	50		1		58
Trades workers	4	13	14	2	11	1	427	15		487
Plant and machine operators and assemblers	2		2	1			6	29	1	41
Elementary occupations	1								2	3
TOTAL	561	1,760	806	219	458	78	488	83	33	4,486

8.4 Samoan Quota

In addition, other migrants are required to have a job offer in New Zealand. For example, the Treaty of Friendship signed by New Zealand and Samoa in 1962 requires the principal applicant to have a job offer. Under the scheme, 1,100 Samoans may be granted residence in New Zealand annually.

PART D

Temporary Migration

9 Temporary Migration

9.1 Introduction

This chapter provides information on the number of people coming to New Zealand on student and work permits and also the proportions who subsequently convert to residence.

All travellers arriving in New Zealand, including New Zealand citizens, must produce a valid passport or another form of recognised travel document. Except for New Zealand citizens (which includes people born in the Cook Islands, Niue and Tokelau), Australian citizens, and a small number of other people exempted under the Immigration Act 1987, everyone entering New Zealand is required to obtain a permit to be in New Zealand.

People who are in New Zealand on temporary permits are a potentially valuable source of residents. Those in New Zealand on work permits often have skills that are in demand and have proven New Zealand work experience. Those here on student permits are likely to be young and able to offer employers recognised New Zealand qualifications. Having participated in New Zealand society, both workers and students are likely to settle well and contribute to advancing the government's growth policies. It is increasingly being accepted that linking temporary immigration policy with residence policy can have significant benefits for both migrants and New Zealand.

9.2 Residents who had previously held a temporary permit⁶

In this section, the proportion of principal applicants who had previously held a temporary permit (a proxy for prior New Zealand experience) is analysed. In total, 16,018 principal applicants (65 percent of all principal applicants) approved for residence in 2002/2003 had previously held a student, work or visitor permit at some stage since July 1997.⁷ However, note the limitations section of the report (Section 3.3) regarding the undercounting of residents with previous visitor permits. In 2000/2001, 53 percent of principal applicants had previously held a temporary permit.

⁶ 'Permit' in this section of the report is used to denote both permits and visas. In the NZIS's operational reporting, an application is said to be finalised when either a visa is issued to an offshore applicant, or a permit is issued to an onshore applicant. When a person arrives at a New Zealand border with a visa they are issued with a corresponding permit – which is not counted again.

⁷ Only the principal applicant on the residence application was included in this analysis as they are the person assessed against the policy criteria. The analysis went back as far as 1 July 1997. This is as far back as reliable data was available from MIS.

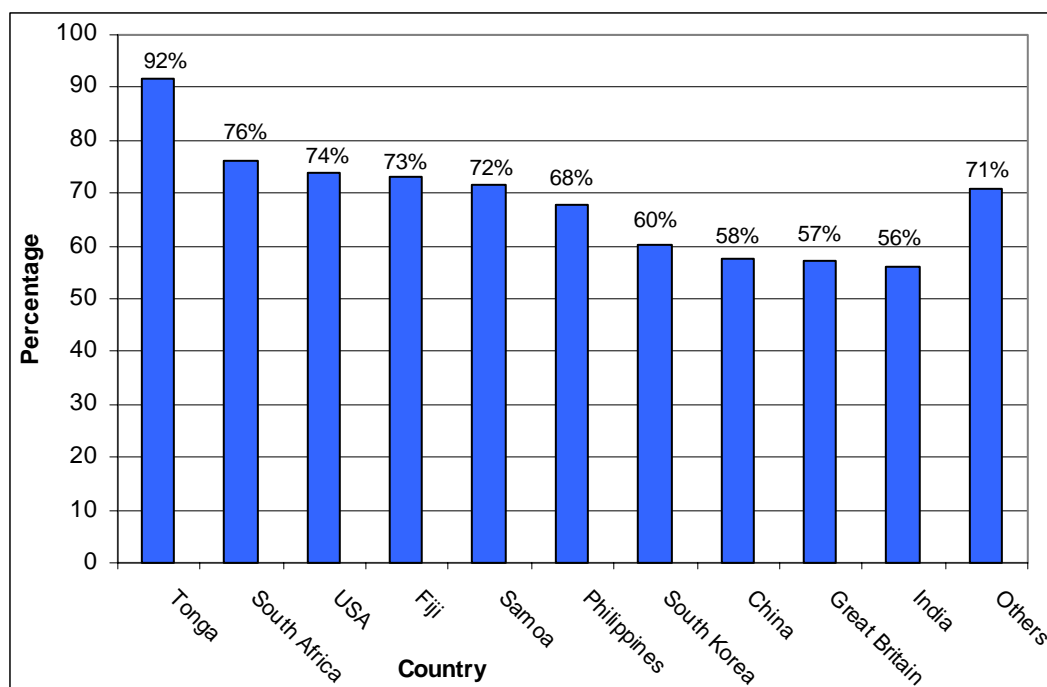
9.2.1 NATIONALITY OF RESIDENTS WHO PREVIOUSLY HELD A TEMPORARY PERMIT

As is illustrated in Figure 9.1 below, the proportions of principal applicants who had held a temporary permit at some stage prior to being approved for residence varied by nationality. Of the top ten residence nationalities in 2002/2003, the highest proportion of principal applicants who had held a temporary permit were from Tonga (92 percent), South Africa and the United States of America (76 and 74 percent respectively). A smaller proportion of principal applicants from China and India (58 and 56 percent respectively) had previously held a temporary permit, although in both cases the proportion has increased since 2000/2001, most dramatically for India (56 percent compared with 35 percent in 2001/2002 and 28 percent in 2000/2001). Note that the data below undercounts people here previously as visitors from visa waiver countries, which would help account for the comparatively low proportion of residents from, for example, Great Britain with a previous temporary permit.

The increase in the proportion of Indian principal applicants who had previously held a temporary permit is mainly a result of an increase in the number of Indians coming on work permits. The main types of work permit they held were General (skill shortage), Spouse of New Zealand citizen/resident and, after its introduction, the JSV. In 1997/1998, 134 of a total of 202 Indian principal applicants who had previously held a temporary permit had held a General work permit. In 2001/2002, 443 (of a total of 1,292) had held a General work permit, and in 2002/2003, 583 of 2,043 had. In 2001/2002, 430 had previously held a JSV. This increased to 885 in 2002/2003.

The increase in the proportion of Chinese principal applicants who had previously held a temporary permit is mainly a result of an increase in the number of Chinese coming on work and student permits. The main types of work permit they held were General (skill shortage), Spouse of New Zealand citizen/resident, Business Investor Category residence direct investor and, after its introduction, the JSV. In 1997/1998, 285 of a total of 418 Chinese principal applicants who had previously held a temporary permit had held a General work permit and 87 a Spouse work permit. These increased to 740 and 316 respectively (out of 2,268) in 2002/2003. In 1997/1998, 1 Chinese principal applicant had previously held a student permit. In 2002/2003, 264 Chinese principal applicants had held a student permit.

Figure 9.1 Proportion of principal applicants approved for residence in 2002/2003 who had held a temporary permit at some stage since July 1997 by top residence nationalities. Year total = 16,018



9.2.2 TYPE OF TEMPORARY PERMIT MOST RECENTLY HELD

Figure 9.2 shows the type of temporary permit most recently held by principal applicants prior to being approved for residence in 2002/2003. Work permits were the most common temporary permit type and student permits were the least common. Seventy percent of principal applicants had most recently held a work permit, 26 percent a visitor permit and 4 percent a student permit.⁸ In 2001/2002, 59 percent had previously held a work permit and 36 percent had previously held a visitor permit.

⁸ The visitor permit figure does not include people who visited New Zealand for up to three months (or up to six months for Great Britain citizens) from countries that New Zealand has visa-waiver agreements with. These people are currently recorded in MIS in a format that is not available for analysis and therefore the number of people who have previously visited New Zealand is substantially under-reported. If people from visa-waiver countries were included in the analysis, it is likely that visitor permits would have been the most common temporary permit type held prior to being approved for residence.

Figure 9.2 Most recent temporary permit type held by principal applicants prior to being approved for residence in 2002/2003. Year total = 16,018

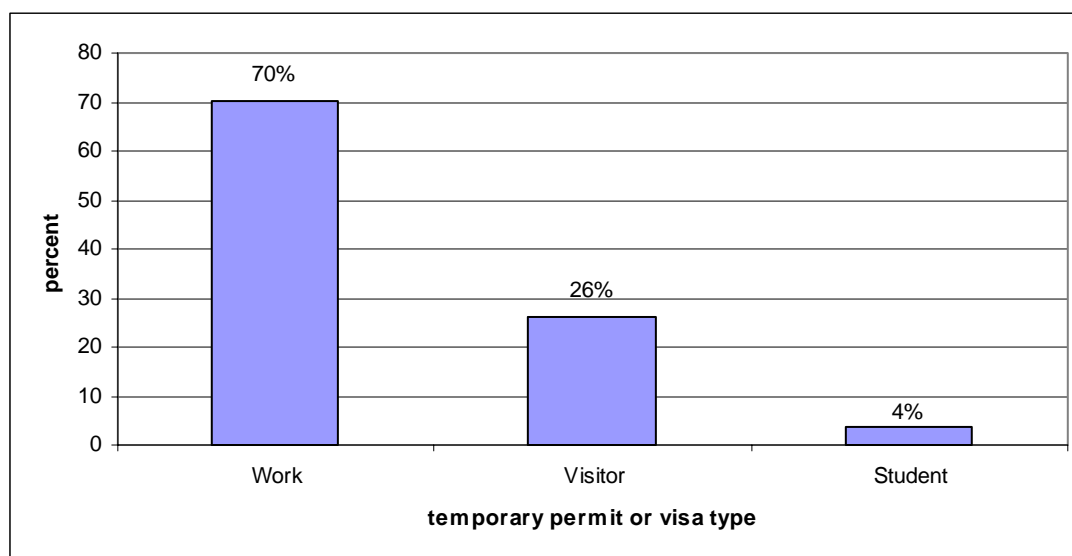


Table 9.1 shows the type of work permit held by the principal applicant prior to being approved for residence in 2002/2003. A spouse/partner permit, which is issued to spouses and partners of New Zealand citizens and residents so they can work in New Zealand, was the most common, followed by those issued for skill shortages. One hundred and sixty people previously here on a working holiday scheme had gone on to become residents. In 2001/2002, a higher proportion of principal applicants – 32 percent – had previously held a skill shortage work permit.

Table 9.1 Type of Work Permit held by principal applicant prior to being approved for residence. Year total = 11,249

Type of Work Permit held by principal applicant prior to being approved for residence	Count	Percent
Spouse/Partner	3,443	31%
Skill shortage	2,927	26%
Job search	2,138	19%
Transitional policy	1,082	10%
Asylum seeker	318	3%
Others	1,341	12%
Total	11,249	100%

9.3 Work and Student Permits Issued

9.3.1 WORK PERMITS

This section details the number of individuals who were granted a work or student permit in 2002/2003. If people had more than one work (or student) permit in a year, they are only counted once. Therefore this analysis is of individuals who at any time in the year had a permit, not of the number of permits issued per se.

The objective of New Zealand's work permit policy is to protect employment opportunities for New Zealand citizens and residents, while still allowing employers to recruit temporary workers from overseas to meet particular or seasonal skill needs which cannot be met from within New Zealand. Anyone who is not a New Zealand or Australian citizen or resident, and who wishes to work in New Zealand, must have a

work permit. In addition, each year work permits may be issued to up to 25,000 young people (aged 18-30 years) participating in reciprocal working holiday schemes which New Zealand has established with several countries. Spouses and partners of New Zealand citizens and residents can also be issued with a work permit. Job Search Visas, Talent Visas and Priority Occupation List Visas are also included here. The full list of work permits is described in Appendix E.

Table 9.2 shows the growth in work permit numbers between 1997/1998 and 2002/2003. Over this period the number of people obtaining a work permit annually has increased from 26,336 to 66,827 in 2002/2003. Overall, in 2002/2003, Great Britain was the largest source country with 26 percent, followed by Japan at 11 percent. Tables 9.2 to 9.4 are ordered by the top twelve countries of approvals in 2002/2003.

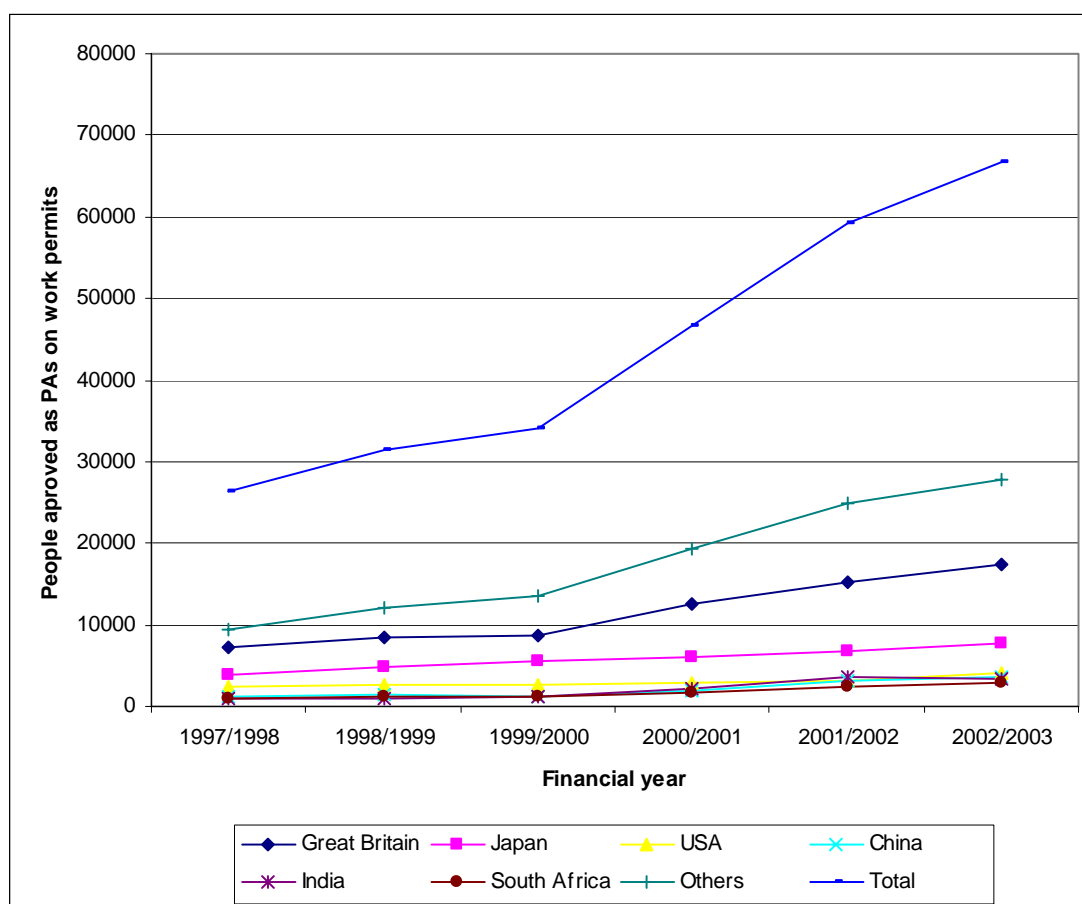
Table 9.2 Work permits – Principal Applicants granted work permits in top twelve countries 1997/1998 to 2002/2003*

Country	1997/1998	1998/1999	1999/2000	2000/2001	2001/2002	2002/2003	Percentage 2002/2003
Great Britain	7332	8366	8785	12475	15114	17473	26%
Japan	3934	4891	5545	6074	6716	7664	11%
USA	2419	2629	2621	2803	3201	3990	6%
China	1306	1420	1120	1955	3156	3618	5%
India	850	978	1281	2233	3639	3450	5%
South Africa	1000	1168	1278	1632	2509	2861	4%
South Korea	491	603	694	1431	2587	2768	4%
Germany	573	612	725	1116	1923	2601	4%
Ireland	536	549	761	1235	1543	2403	4%
Canada	1220	1307	1367	1422	1812	2121	3%
Zimbabwe	21	21	41	447	885	1551	2%
Fiji	946	730	798	1410	1779	1534	2%
Others	5708	8246	9059	12369	14284	14793	22%
Total	26,336	31,520	34,075	46,602	59,148	66,827	100%

* This table analyses individuals rather than number of permits issued. If a person had more than one work permit in any year, they are counted only once.

Figure 9.3 shows the trends for the top 6 countries. Growth in the number of people obtaining a work permit is particularly noticeable after the 1999/2000 year. The rate of growth has slowed somewhat in 2002/2003.

Figure 9.3 Work permits – Principal Applicants given work permits in top six countries 1997/1998 to 2002/2003.



Approximately 30 percent of the 40,000 work permit increase since 1997/1998 can be attributed to a growth in skill shortage work permits (which are labour market related), the remainder is mainly due to the expansion of working holiday schemes, and the introduction of a variety of new permits such as the Job Search Visa and Talent Visas. In addition, some of the many applicants in the GSC application backlog enter the country to work for employers using a work permit.

Skill shortage work permits are permits designed to fill skill shortages in New Zealand. They consist of General, Talent (Accredited Employer), Priority Occupation List, Medical, some Business policies, Machinery installers and Japanese interpreters.⁹ See Appendix E for work permits which are classified as skill shortages.

Table 9.3 shows the growth in skill shortage work permit numbers. In 1997/1998, 11,255 people were granted a skill shortage work permit. By 2002/2003 this had doubled to 23,200. Great Britain was the largest source country.

⁹ The General work permit is the standard 'skill shortage' work permit consisting of occupations on the Occupational Shortages List (OSL) and employment where a labour market test has been conducted to ensure no New Zealanders are available to do the work.

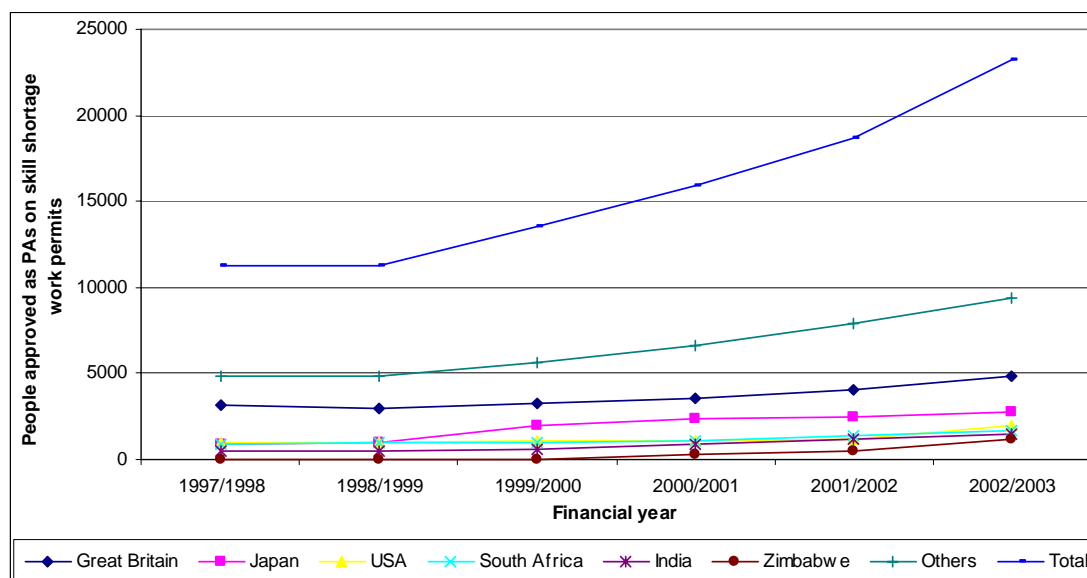
Table 9.3 Skill shortage work permits – Principal Applicants given skill shortage work permits in top twelve countries 1997/1998 to 2002/2003*.

Country	1997/1998	1998/1999	1999/2000	2000/2001	2001/2002	2002/2003	Percentage 2002/2003
Great Britain	3188	2926	3218	3590	4015	4807	21%
Japan	847	969	1992	2415	2430	2721	12%
USA	949	1032	1101	1074	1198	1964	8%
South Africa	845	989	1032	1046	1399	1702	7%
India	540	515	599	888	1174	1492	6%
Zimbabwe	12	18	27	269	520	1146	5%
China	561	289	257	564	795	1078	5%
South Korea	167	140	213	286	383	779	3%
Fiji	483	367	483	656	774	638	3%
Thailand	208	388	415	522	657	569	2%
Canada	722	566	472	417	478	553	2%
Germany	363	298	309	468	525	526	2%
Others	2370	2780	3468	3730	4283	5225	23%
Total	11,255	11,277	13,586	15,925	18,631	23,200	100%

* This table analyses individuals rather than number of permits issued. If a person had more than one skill shortage work permit in any year, they are counted only once.

Figure 9.4 shows the trends for the top six countries. Consistent growth in numbers is evident after the 1998/1999 financial year, although the rate of growth has increased somewhat in 2002/2003.

Figure 9.4 Skill Shortage Work permits - Principal Applicants given skill shortage work permits in top six countries 1997/1998 to 2002/2003.



9.3.2 STUDENT PERMITS

People who are not residents and who are attending a course for 3 months or less are not required to obtain a student permit. International students attending courses lasting over 3 months need to apply for a student visa before travelling or, if they are from a visa waiver country, may apply for a student permit in New Zealand.

In 2002/2003, 87,838 student permits were issued to individuals. This compares with 73,523 individuals approved for a student permit in 2001/2002 and only 17,923 in 1997/1998. The increase over six years is 390 percent. Table 9.4 shows this dramatic growth in student numbers since 1997/1998. China is the largest source country followed by South Korea. Currently nearly half of international students are from China, the country which is driving the increase.

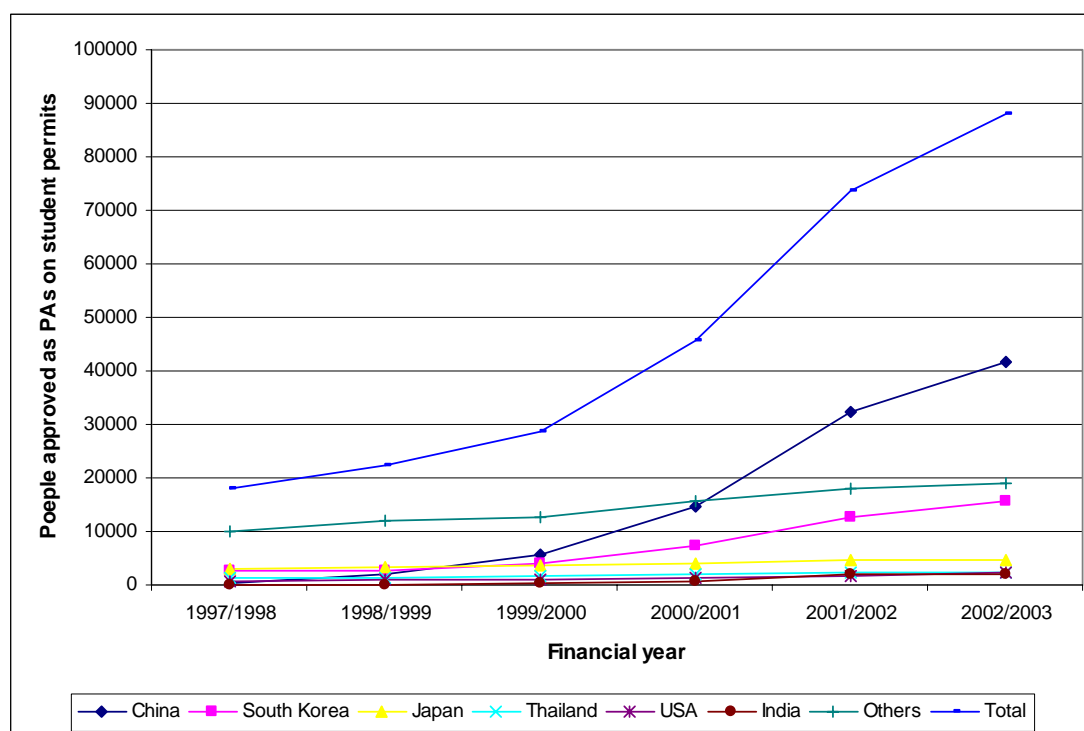
Table 9.4 Student permits – Principal Applicants who held student permits in top twelve countries from 1997/1998 to 2002/2003*

Country	1997/1998	1998/1999	1999/2000	2000/2001	2001/2002	2002/2003	Percentage 2002/2003
China	193	1851	5566	14655	32424	41598	47%
South Korea	2765	2627	3892	7216	12510	15590	18%
Japan	2873	3255	3586	4060	4529	4770	5%
Thailand	1315	1412	1569	2076	2475	2474	3%
USA	692	1024	1151	1360	1657	2211	3%
India	118	149	256	727	1834	2076	2%
Taiwan	1197	1362	1476	1656	1832	1672	2%
Great Britain	331	459	543	681	961	1499	2%
Germany	424	601	666	1007	1180	1483	2%
Hong Kong	851	981	1099	1292	1392	1374	2%
Malaysia	1763	1685	1363	1250	1194	1230	1%
Fiji	744	776	766	1167	1254	1117	1%
Others	4657	6238	6612	8672	10281	10744	12%
Total	17,923	22,420	28,545	45,819	73,523	87,838	100%

* This table analyses individuals rather than number of permits issued. If a person had more than one student permit in any year, they are counted only once.

Figure 9.5 shows the growth in international student numbers since 1997/1998. The rate of growth, which increased sharply in 1999/2000, has slowed somewhat in 2002/2003.

Figure 9.5 Student permits - Principal Applicants holding student permits in top six countries 1997/1998 to 2002/2003.



9.4 Cumulative take-up of residence by those who held a Student or Work permit between 1997/1998 and 2002/2003

Tables 9.5 to 9.7 below show the total number of principal applicants approved for work and student permits between 1997/1998 and 2002/2003 and the cumulative number of people subsequently approved for residence.

If a person had more than one work or student permit in a year, only their most recent permit was counted. However, if a person had more than one work or student permit over the six-year period they will be captured more than once in the data. For example, if a person had a work permit in 1997/1998 and then again in 1998/1999, they will be recorded once in 1997/1998 and once in 1998/1999. Therefore, a person's tendency to be approved for residence or not will also be counted in each of these years.

As illustrated in Tables 9.5 to 9.7, an increasing number of people have been approved for both work and student permits over the years.¹⁰ Table 9.5 shows that 28 percent of people issued with a work or student permit in 1997/1998 had become a resident by 2002/2003.

¹⁰ The total permit number for each year in these tables is the number of people identified when this analysis was first completed. Because of the dynamic nature of the immigration databases, these numbers differ slightly from the numbers presented in Tables 9.2 and 9.4, which were produced more recently.

Table 9.5 Total principal applicants approved for student and work permits between 1997/1998 and 2002/2003 and the numbers subsequently approved for residence between 1997/1998 and 2002/2003 ¹¹

Year subsequently approved for residence (cumulative)	Year approved for student or work permit					
	1997/1998	1998/1999	1999/2000	2000/2001	2001/2002	2002/2003
1997/1998	2,209 (5%)					
1998/1999	6,281 (14%)	3,116 (6%)				
1999/2000	9,038 (21%)	8,241 (15%)	4,015 (6%)			
2000/2001	10,632 (24%)	11,462 (21%)	9,485 (15%)	5,546 (6%)		
2001/2002	11,576 (26%)	13,269 (25%)	12,890 (21%)	12,529 (14%)	6,701 (5%)	
2002/2003	12,320 (28%)	14,514 (27%)	15,043 (24%)	18,489 (20%)	15,725 (12%)	7,986 (5%)

Total principal applicants approved for work and student permits in each year (originally identified cohort)					
43,822	53,508	62,303	92,015	132,124	153,984

The subsequent two tables show that people on work permits are more likely to convert from a temporary permit to residence than are students. This finding is as expected. Overall, 34 percent of people issued with a work permit in 1997/1998 have subsequently been approved for New Zealand residence. The comparable figure for students is 19 percent.

Table 9.6 Total principal applicants approved for work permits between 1997/1998 and 2002/2003 and the numbers subsequently approved for residence between 1997/1998 and 2002/2003

Year subsequently approved for residence (cumulative)	Year approved for work permit					
	1997/1998	1998/1999	1999/2000	2000/2001	2001/2002	2002/2003
1997/1998	1,973 (8%)					
1998/1999	5,241 (20%)	2,591 (8%)				
1999/2000	7,242 (28%)	6,494 (21%)	3,277 (10%)			
2000/2001	8,192 (31%)	8,582 (27%)	7,148 (21%)	4,375 (9%)		
2001/2002	8,675 (33%)	9,529 (30%)	9,139 (27%)	9,083 (20%)	5,316 (9%)	
2002/2003	9,025 (34%)	10,111 (32%)	10,223 (30%)	12,778 (27%)	11,749 (20%)	6,495 (10%)

Total principal applicants approved for work permits in each year (originally identified cohort)					
26,105	31,310	33,954	46,479	59,148	66,827

¹¹ Work permits were not counted if they were issued for the reason of 'replace', 'vary conditions' or 'assess overseas recruitment'.

Table 9.7 Total principal applicants approved for student permits between 1997/1998 and 2002/2003 and the numbers subsequently approved for residence between 1997/1998 and 2002/2003

Year subsequently approved for residence (cumulative)	Year approved for student permit					
	1997/1998	1998/1999	1999/2000	2000/2001	2001/2002	2002/2003
1997/1998	238 (1%)					
1998/1999	1,060 (6%)	535 (2%)				
1999/2000	1,841 (10%)	1,811 (8%)	764 (3%)			
2000/2001	2,499 (14%)	2,978 (13%)	2,428 (9%)	1,235 (3%)		
2001/2002	2,971 (17%)	3,859 (17%)	3,866 (14%)	3,615 (8%)	1,454 (2%)	
2002/2003	3,364 (19%)	4,534 (20%)	4,945 (17%)	5,925 (13%)	4,232 (6%)	1,578 (2%)

Total principal applicants approved for student permits in each year (originally identified cohort)					
17,920	22,416	28,552	46,038	73,523	87,838

Figures 9.6 and 9.7 below provide a graphical representation of Tables 9.6 and 9.7. The graphs are read as the cumulative proportion of each cohort (i.e. 1997/1998) who subsequently move to residence in New Zealand. As illustrated in Figure 9.6, the take-up of residence by those previously approved for a work permit tends to be greatest the year after the work permit was issued and then tails-off.

Figure 9.6 Cumulative residence take-up by principal applicants approved for a work permit between 1997/1998 and 2002/2003

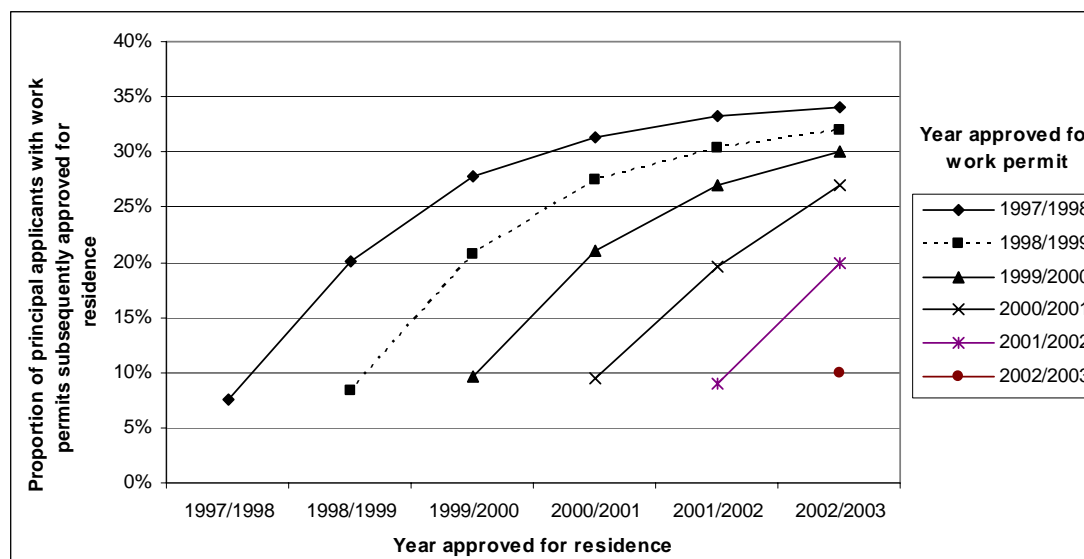
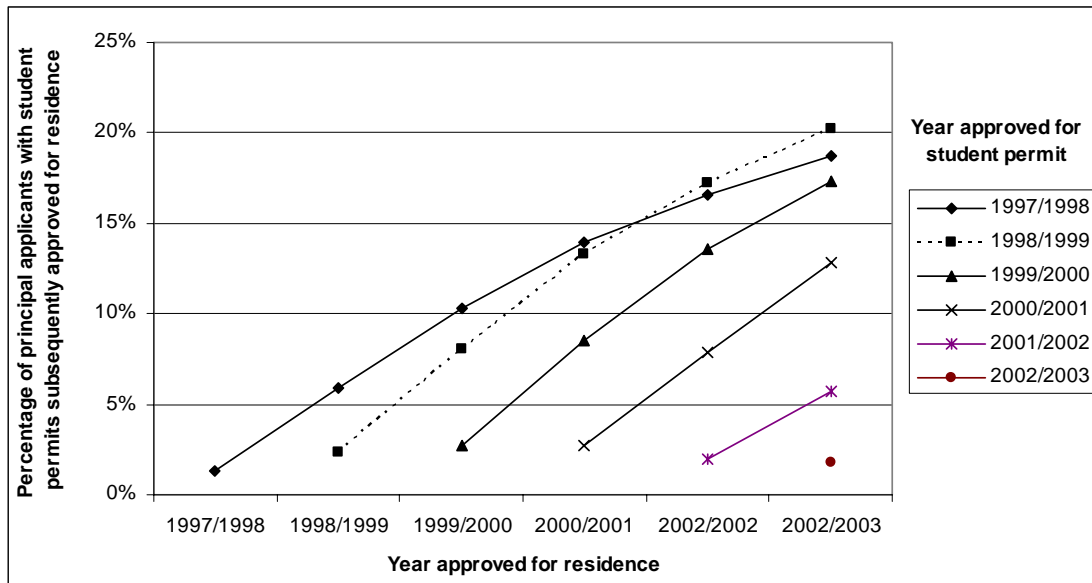


Figure 9.7 shows that the take-up of residence by those previously approved for a student permit tends to increase by approximately equal amounts for the first two or three years after a student permit was issued, and then tails-off. These cohorts of students and workers will continue to be tracked.

Figure 9.7 Cumulative residence take-up by principal applicants approved for a student permit between 1997/1998 and 2002/2003



PART E

Absence from

New Zealand

10 Long-term Absence of Residence Approved Clients

10.1 Introduction

One long-term measure of a migrant's successful settlement and contribution to the country is the extent to which a migrant remains in a country in the years following arrival or approval. It is important, however, to realise that people may leave the country for a number of reasons, only some of which may be related to 'unsuccessful' settlement. The globalisation of labour flows and opportunities means it is likely that skilled individuals will be mobile, which does not mean they do not contribute to the country while they are not here. Overseas family ties also mean that recent migrants are likely to spend time out of New Zealand.

In this analysis a cohort of migrants approved for residence during the calendar year of 1998 is tracked using data from the immigration database. For the purposes of this analysis, a person who has been absent for 181 days (approximately 6 months) or more will be regarded as being a long-term absentee migrant.

A sizeable lead-time is needed when undertaking this analysis. People approved at the end of 1998 would have had up to a year to arrive, meaning that they could potentially have arrived as late as the end of December 1999. The analysis presented in this section looks at the situation three and a half years after this date, as this time period is sufficient to allow migrants to either successfully settle here, or make decisions about returning home or on-migration.

There are some known technical issues with the processes by which clients are matched up to movements in the Customs and Immigration computer systems.¹² These issues mean that the following analysis should be seen as indicative of the patterns of absence rather than being definitive.

10.2 Overall number of people absent

Table 10.1 shows the rates of absenteeism from the country of the 27,338 people who were approved for residence in the 1998 calendar year. As can be seen, 26,576 people (97.2 percent) actually arrived to take up residence, or were approved while they were onshore.¹³ The analysis, relating to the situation as at 30 June 2003, shows that as of this date, 25 percent of people who had arrived or been approved onshore were absent from the country, and 19 percent had been absent for 181 days or more. Appendix G presents the rates of absence by country of origin. Sixteen percent had been absent from the country for a year or more. At the other end of the spectrum, three percent had been away for less than a month.

¹² There problems include:

- The administrative process of "client linking" can mean that a client's original identity is not matched up with their later movement records.
- Duplicate client records can prevent correct application matching to movements.
- In a few cases an application was reopened and then finalised after the person had travelled to New Zealand.
- There are also a small number of cases where movement information is not being successfully passed between Customs and Immigration, or is not being successfully outputted by the Immigration system.

¹³ Because of technical issues around 'client linking' from multiple databases, it is possible that more people have taken up residence than has been recorded.

Table 10.1 Long-term absence of a cohort of migrants approved for residence January 1998 to December 1998, as at 30 June 2003.

Total in cohort	27,338	
Those who arrived (or who were approved onshore)	26,576	
Those in cohort with post-approval movements	24,647	
Absent from the country between 1 and 30 days	683	2.57%
Absent from the country between 31 and 60 days	234	0.88%
Absent from the country between 61 and 120 days	390	1.47%
Absent from the country between 121 and 181 days	384	1.44%
Absent from the country between 181 and 365 days	704	2.65%
Absent from the country for more than 365 days	4,375	16.46%
Total absent from the country as at 30 June 2003	6,770	25.47%
Absent from the country for 181 days or more as at 30 June 2003	5,079	19.11%

10.3 Application Categories of long-term absent migrants

To show which categories of migrants are most likely to be absent long-term, a breakdown of the application categories of those who had been absent for six months or more was produced, and this can be seen below in Table 10.2.

This table shows a wide variation in the proportions of migrant absenteeism, depending on immigration approval category. Excluding the smaller categories where there are less than 50 migrants (and where a proportion comparison would be less reliable), categories where there are comparatively high rates of absenteeism include the 1995 Business Investor Category, the Family Parent sub-category, the Family Child Dependent sub-category and the General Skills Category. Categories where there are notably low rates of absenteeism include the Humanitarian Category and the Refugee Quota.

Table 10.2 Proportions of migrants approved for residence January 1998 to December 1998 who are long-term absent migrants, as at 30 June 2003.

Six months or more absent

Category	People who arrived, or approved onshore¹⁴	People absent	Proportion absent
Business Investment Category	10	0	0.00%
Business investor	152	43	28.29%
Family child adult	314	37	11.78%
Family child dependent	738	151	20.46%
Family de facto and same sex	717	128	17.85%
Family marriage	4,733	773	16.33%
Family parent	3,963	883	22.28%
Family sibling	342	56	16.37%
General Skills	12,045	2,645	21.96%
Humanitarian	1,090	87	7.98%
Refugee status	341	51	14.96%
Ministerial direction	197	21	10.66%
Pitcairn Islander	1	0	0.00%
Refugee Quota	891	66	7.41%
Samoan Quota	936	129	13.78%
Section 35A	11	0	0.00%
Special conditions for PRC nationals	6	0	0.00%
Transition 33(2) compliance	18	2	11.11%
Transition 33(2) voluntary	71	7	9.86%
TOTAL	26,576	5,079	19.11%

Appendix G presents the rates of absence by country of origin. Countries of origin featuring migrants with higher rates of long-term absence (6 months or more) and with over 100 people approved for residence in 1998 were Singapore (46 percent), followed by Taiwan (45 percent), United States of America (36 percent) and Hong Kong and Canada (35 percent each). In contrast, Tonga, Fiji and Vietnam had lower rates of absence (7, 6 and 2 percent respectively).

¹⁴ The numbers in this column vary slightly from quarter to quarter because they are extracted at different times from a dynamic database.

PART F

Conclusions

11 Conclusions

The main aim of this report was to identify and discuss trends in residence approvals during the period 1 July 2002 to 30 June 2003. Overall, this report improves our understanding of the trends and highlights a number of issues, some of which are noted below.

In 2002/2003, a total of 48,538 people were approved for residence in 24,562 applications. As in the previous two years, the majority of people approved were through the Skilled/Business Stream (63 percent of all approvals), 31 percent were through the Family Sponsored Stream and 7 percent through the International/Humanitarian Stream. Residence approvals in the Skilled/Business Stream were slightly above the 2002/2003 approval limit of 60 percent of all approvals. GSC approvals were 55 percent of the total in 2002/2003, down from 59 percent in 2001/2002 and the same proportion as in 2000/2001. Business Category approvals, which were 6 percent in 2000/2001, were 8 percent this year.

11.1 General residence trends

11.1.1 RESIDENCE APPLICATION INFLOWS

Inflows of General Skills and Business Category applications declined after the November 2002 policy changes, although for General Skills the decline started after the passmark increase to 29 points in September. The low inflow led to a gradual decline in the number of General Skills applications on hand.

Since November 2002, more Family Sponsored than General Skills applications were received. China continued to dominate Business Category application inflows at 70 percent of the total.

11.1.2 INCREASING CONCENTRATION OF RESIDENCE APPROVALS INTO THE TOP THREE COUNTRIES

Forty-six percent of all residence approvals were from three countries, rising from 38 percent in 2000/2001. These three countries were China and India (16 percent each) and Great Britain (14 percent). In 2000/2001, China was third with 12 percent of all approvals.

11.1.3 INCREASE IN THE PROPORTION OF PEOPLE APPLYING ON-SHORE

There was an increase in the proportion of principal and secondary applicants applying on-shore who were approved for residence – 37 percent compared with 30 percent in 2001/2002. Forty-eight percent of approved principal applicants applied onshore, up from 41 percent in 2001/2002.

11.2 Proportion of principal applicants with previous New Zealand experience

Overall, the proportion of principal applicants with a previous temporary permit (a proxy for prior New Zealand experience) increased to 65 percent compared with 53 percent in 2000/2001.

The proportion of Chinese and Indian principal applicants approved for residence with prior experience of New Zealand increased, most dramatically for those from India where 56 percent now have prior experience compared with 28 percent in 2000/2001. The increase in the proportion of Indian principal applicants who had previously held a temporary permit was mainly a result of an increase in the number of Indians coming on work permits, in particular, General (Skill shortage), Spouse of New Zealand citizen/resident and, after its introduction, the JSV. The increase in the proportion of Chinese principal applicants who had previously held a temporary permit is mainly a result of an increase in the number of Chinese coming on work and student permits. The main types of work permit they held were General (skill shortage), Spouse of New Zealand citizen/resident, Business Investor Category residence direct investor and, after its introduction, the JSV.

11.3 General Skills Category

11.3.1 CHANGES IN GENERAL SKILLS SOURCE MARKETS

In 2002/2003, the proportion of approved people from China increased, while the proportion from South Africa decreased. The decline in South African approvals may indicate a longer term decline in that market. In 2002/2003, South African GSC application inflows were 6 percent of the total. India was still the largest market for approved people (23 percent compared with 18 percent in 2000/2001).

11.3.2 INCREASING PROPORTION OF PRINCIPAL APPLICANTS WITH POINTS FOR JOB OFFERS

Sixty-one percent of GSC principal applicants had points for a job offer, a jump of 17 percent from the previous financial year. The rise is likely to reflect the increasing difficulty of meeting the passmark without having points for a job offer, and the general increase in people coming to New Zealand on a work permit. The proportion of applicants with job offers who lodged their applications off-shore increased from 26 percent in 2001/2002, to 45 percent in 2002/2003. Nearly all applicants who lodged their applications on-shore had job offers – 92 percent in 2002/2003, up from 80 percent in 2001/2002. Almost all points were for relevant job offers.

Thirty-five percent of job offers were in professional occupations, 18 percent as 'Technicians or associate professionals', and 13 percent as 'Legislators, administrators and managers'. The correlation between occupational classification in the 'home' country and the job offer in New Zealand was high, with a 74 percent match between them.

11.4 Business Categories

The proportion of approvals in the Investor Categories from South Korea increased from 8 percent in 2000/2001 to 11 in 2002/2003. By the end of June 2003, 88 of the 135 principal applicants (65 percent) who were granted an LTBV between 1 March 1999 and 30 June 2000 had converted to residence. These are people for whom the initial three year LTBV permit should have expired. Sixty people (68 percent of conversions to residence or 44 percent of the LTBV principal applicants) converted to residence through the Entrepreneur Category. It is expected that an increasing proportion of LTBV applicants will fall due for residence in the coming financial year, representing increased LTBV applications approved from late 2000.

11.5 Family Sponsored Category

Over half the approvals through the Family Category continued to be the spouse of a New Zealand citizen or resident.

The proportion of approvals through the Family Parent sub-category just about halved in 2002/2003 compared with 2000/2001. The decline in approvals from China was particularly noticeable and was a result of changes to sponsorship policy in October 2001. This flow is expected to pick up.

Family Sibling approvals have tripled since 2000/2001. After the changes to Family Category policy in October 2001, there was initially a large spike in application inflows through the Sibling sub-category, perhaps representing pent up demand for residence from siblings who also had their own family. However, the decline in application inflows following the spike suggests that the increase in residence approvals is short-term.

11.6 Temporary Migration

11.6.1 HIGH CONVERSION OF JOB SEARCH VISAS (JSV) TO RESIDENCE

At 92 percent, a very high proportion of the principal applicants issued with a JSV in 2001/2002 converted to residence by the end of 2002/2003. Of the 1,675 principal applicants issued with a JSV in 2002/2003, 71 percent had already converted to residence. This rate of conversion within the same financial year has increased – in 2001/2002, only 46 percent of those issued with a JSV had converted to residence by the end of that year.

11.6.2 INCREASING NUMBERS OF STUDENTS

The number of people on a student permit has increased by 390 percent since 1997/1998. The increase is still driven primarily by China. However, the rate of growth in student permits issued declined somewhat in 2002/2003.

11.6.3 INCREASING NUMBERS OF PEOPLE ON WORK PERMITS

The number of people on work permits more than doubled since 1997/1998 from 26,336 to 66,827. Great Britain has remained the largest source with 26 percent. Approximately 30 percent of the increase in work permits can be attributed to a growth in “skill shortage” work permits (which is labour market related), the remainder was mainly due to the expansion of working holiday schemes, and the introduction of a variety of new permits such as the JSV and Talent Visas. While the rate of growth in people on work permits declined somewhat in 2002/2003, it increased for skill shortage work permits.

11.6.4 HIGH RESIDENCE UPTAKE BY STUDENTS AND WORKERS

Of the people issued with a work or student permit in 1997/1998, 34 percent of workers have subsequently taken up residence, compared to 19 percent of students. Similar trends were evident for subsequent cohorts. The take-up of residence by those previously approved for a work permit tended to be greatest the year after the work permit was issued and then tailed-off. In contrast, the take-up of residence by those previously approved for a student permit tended to increase at a steady rate for the first two or three years after a student permit was issued, and then tailed-off.

11.7 Absence from New Zealand

Of those approved for residence in 1998, 19 percent were absent from the country for six months or more as at 30 June 2003, and 16 percent for one year or more. Categories with comparatively high rates of absenteeism included the 1995 Business Investor Category, the Family Parent sub-category, the Family Child Dependent sub-category and the GSC. Migrants from Taiwan, Singapore, United States of America, Hong Kong and Canada had absence rates of one third or more.

Appendix A: Residence Streams Categories

Stream	Categories
Skilled/Business Stream	<ul style="list-style-type: none"> • General/General Skills Category • Entrepreneur Category • Investor Category • Employees of Businesses Relocating
Family Sponsored Stream	<ul style="list-style-type: none"> • Family Category • Humanitarian Category (Closed 1 October 2001) • Family Quota (1 July 2002) • Refugee Family Sponsored (1 July 2002) • October 2000 Transitional policy
International/Humanitarian Stream	<ul style="list-style-type: none"> • Refugee Quota Programme • Successful Refugee Status Claimants • Samoan Quota • Pacific Access Category (1 July 2002) • Domestic Violence policy • Ministerial direction • October 2000 Transitional policy • Section 35A • Transition 33(2) compliance • Transition 33(2) voluntary

Appendix B: Permanent and Temporary Residence Approval Categories

The Immigration Programme

In managing immigration, the Government approves an annual immigration programme, including the number of persons that may be granted residence.¹⁵ The importance of stability in immigration flows is one of the factors taken into account by the Government when setting the approval programme.

General Rules

The principal applicant must meet the policy of the relevant category and, where appropriate, they can include their spouse / partner and dependent children in their application.

Everyone included in an application must pass a health check, and a character (police clearance) check (if they are 17 years or over) and where necessary English language requirements (if they are 17 years or over).

Residence Categories

Skilled/Business Stream

General Skills

The aim is to increase New Zealand's human capacity and foster international links.

- Based on the principal applicant meeting a minimum level of points, earned through a combination of their qualifications, work experience, job offer in New Zealand, age, and settlement factors. They must meet health and character requirements.
- The principal applicant must meet a minimum level of English and cannot be older than 54 years.

Business

The aim of the Business Category is to contribute to economic growth.

There are three separate residence sub categories:

- **Entrepreneur** - people who can demonstrate they have successfully set up and operated a business in New Zealand. Must meet the minimum standard of English, or be eligible to meet English language requirements through the pre-purchase of ESOL tuition, and meet health and character requirements.
- **Investor** – based on the principal applicant meeting a minimum level of points, earned through a combination of the money they have available for investment (minimum of \$1 million), age, business experience. Must meet the minimum standard of English, or be eligible to meet English language requirements through the pre-purchase of ESOL tuition, and meet health and character requirements.
- **Employees of relocating businesses** – key people in a business relocating to New Zealand, who do not qualify for residence under any other residence category. There is a two year employment period before the residence permit/ visa is endorsed. The employee must meet the minimum standard of English, or

¹⁵ It should be noted that the approval programme relates to residence approvals rather than arrivals.

be eligible to meet English language requirements through the pre-purchase of ESOL tuition, and meet health and character requirements.

One temporary sub category:

- **Long Term Business Visa** – three year permit for people aiming to set up a business in New Zealand and thus qualify for residence under the Entrepreneur policy. Most important prerequisite for approval through this sub category is a viable business plan.

Family Sponsored Stream

The aim of the Family Category is to enable people to unite with close family members.

- In some circumstances, parents, adult children, and adult siblings can gain residence through family policy.
- Spouses, de facto (including same-sex) partners, and dependent children have the highest priority for family reunification.
- A balloted family quota has been recently introduced for wider family members who would not qualify through other family policies. (This includes a set number of people being selected solely by ballot).
- A balloted refugee sponsored quota for refugee-linked applicants who do not qualify under the Refugee Quota or standard Family Category policy has been recently introduced.

International/Humanitarian Stream

The aim is to enable New Zealand to meet its international obligations. It includes:

- people granted residence through the Refugee Quota, or people granted refugee status and then residence if they claim asylum and are subsequently determined to be a refugee;
- the Samoan Quota and the recently established Pacific Access Category (for people from Tonga, Kiribati and Tuvalu), both of which are balloted;
- people who have been granted special directions by the Minister of Immigration; and
- people who have gained residence under the protection from Domestic Violence policy.

Temporary Categories

Visitor

The aim is to facilitate the entry of genuine visitors (i.e. people who will not work illegally, commit crime, or overstay their permits) to benefit New Zealand's economy.

At present, the nationals of 52 countries do not need to apply for a visa before travelling to New Zealand, and will be granted a permit upon arrival as long as they:

- have sufficient funds to cover their stay;
- have an outward ticket to a destination which will accept them and which means they intend to stay for three months or less (six months if they are citizens of the United Kingdom); and
- do not represent a character risk to New Zealand.

Australian nationals are treated like New Zealanders (unless they have some criminal convictions) and Australian permanent residents are treated like New Zealand permanent residents.

Other nationals have to apply in advance, demonstrate they meet the tests above (genuine, sufficient funds, outward ticket etc), and get a visa to travel here.

Student

The main aims are to facilitate the entry of foreign students to help develop international linkages (including through exchange schemes) and to earn foreign exchange.

Work

The aim is to contribute to building New Zealand's human capability base. This is done through facilitating the access of New Zealand employers and New Zealand industry to global skills and knowledge, while complementing the Government's education and employment policies.

Skill shortage work visas/permits – for employers who cannot find a New Zealander to fill their skilled vacancy.

In addition, a wide range of people may be granted open work permits usually with some conditions (any employer may hire them without having to prove that a New Zealander is not available). They include:

- people on working holiday schemes. These are reciprocal arrangements with 15 countries for young people (usually aged 18 – 30) to travel and work;
- students who have completed a degree (for up to two years) or who are undertaking long term study and are therefore allowed to work part time;
- refugee status applicants who have been granted a work permit while their application is being determined; and
- spouses and partners are entitled to a work permit.

Work to residence policies – are like Long Term Business Visas, as they smooth the pathway from temporary to permanent residence. People granted a work visa or permit under this policy may qualify for residence in two years as long as they still have an offer of ongoing employment:

- Priority occupations – occupations deemed to be in “absolute shortage” (not enough skilled workers in New Zealand) so employers do not have to prove an individual need.
- Talent visa – allows employers who have been accredited to recruit directly from overseas, without having to prove an individual need, and allows individuals with an international reputation in a cultural or sporting field to be granted a talent visa.¹⁶

¹⁶ To be an accredited employer they must meet criteria such as having good HR practices and a history of compliance with relevant immigration and employment legislation. A salary floor of \$45,000 pa applies.

Appendix C: Residence Approvals in 2002/2003, Nationalities and Streams of Approvals

Country	Skilled/ Business	Family Sponsored	International/ Humanitarian	TOTAL
Afghanistan		76	134	210
Albania		1	3	4
Algeria	2	3	14	19
American Samoa		11	1	12
Angola			1	1
Argentina	37	24		61
Armenia	9	2		11
Austria	17	16		33
Azerbaijan	4	1		5
Bahamas	1			1
Bahrain			1	1
Bangladesh	126	57	14	197
Belarus	2	7		9
Belgium	9	15		24
Belize	7			7
Bolivia		4	1	5
Bosnia & Herzegovina	2	13		15
Botswana	3			3
Brazil	48	39	1	88
Bulgaria	54	10		64
Burundi			1	1
Cambodia	10	372	10	392
Cameroon		2		2
Canada	118	169	1	288
Chad	1			1
Chile	22	21		43
China	5894	1945	151	7990
Colombia	16	6	17	39
Congo			1	1
Costa Rica		1		1
Croatia	4	16		20
Cuba		2		2
Czech Republic	14	13	11	38
Democratic Republic of Congo			1	1
Denmark	17	22		39
Dominica			2	2
Ecuador		1		1
Egypt	107	16	3	126
El Salvador	3			3
Eritrea		1	1	2
Ethiopia	4	33	25	62
Federated States of Micronesia		1		1
Fiji	1229	1278	95	2602

Country	Skilled/ Business	Family Sponsored	International/ Humanitarian	TOTAL
Finland	12	12		24
France	75	78		153
Gambia	1			1
Georgia	6	5		11
Germany	195	126	7	328
Ghana	9	9	2	20
Great Britain	4340	2357	32	6729
Greece	3	2		5
Grenada	5			5
Guatemala		1		1
Guyana		3		3
Haiti	1			1
Honduras	1	3		4
Hong Kong	179	134	7	320
Hungary	10	9	4	23
Iceland	7	3		10
India	6253	1263	72	7588
Indonesia	313	92	22	427
Iran	38	59	210	307
Iraq	50	244	515	809
Ireland	122	113	1	236
Israel	104	40		144
Italy	17	24		41
Ivory Coast			1	1
Jamaica		1		1
Japan	282	239	16	537
Jordan	70	14	9	93
Kazakhstan	24	17		41
Kenya	15	1	1	17
Kiribati	13	26	1	40
Kosovo		2		2
Kuwait			34	34
Kyrgyzstan		5		5
Laos		9	3	12
Latvia	5	3		8
Lebanon	15	12	4	31
Liberia		1	1	2
Libya	1	1	3	5
Lithuania	7	3	2	12
Luxembourg	2	2		4
Macau	2	3	1	6
Macedonia	23	32	2	57
Madagascar	1	2		3
Malawi	6			6
Malaysia	982	137	21	1140
Maldives	3	4		7
Malta	2			2

Country	Skilled/ Business	Family Sponsored	International/ Humanitarian	TOTAL
Mauritius	4	1		5
Mexico	10	6		16
Moldova	6	3		9
Mongolia	2	2		4
Morocco		9	4	13
Myanmar	12	9	22	43
Namibia	9	4		13
Nauru	1	5		6
Nepal	20	24	6	50
Netherlands	215	94	2	311
Nigeria	17	24	2	43
North Korea	1			1
Norway	3	7		10
Oman	5	1		6
Pacific Island Trust Territory	1			1
Pakistan	238	84	15	337
Palestine		2	21	23
Papua New Guinea	4	15		19
Paraguay	1	1		2
Peru	5	27	1	33
Philippines	1058	359	39	1456
Poland	36	29		65
Portugal	7	8		15
Qatar			2	2
Reunion	2			2
Romania	359	35		394
Russia	213	177	3	393
Rwanda			2	2
Samoa	22	1004	652	1678
Serbia & Montenegro	17	24		41
Sierra Leone		1	6	7
Singapore	293	61	2	356
Slovakia	11	14		25
Slovenia	3	2		5
Solomon Islands	8	10		18
Somalia	16	57	44	117
South Africa	2184	441	9	2634
South Korea	2045	304	23	2372
Spain	6	12		18
Sri Lanka	320	122	85	527
St Lucia		1		1
St Vincent and the Grenadines	1			1
Sudan	7	1	19	27
Swaziland	1			1
Sweden	15	48		63
Switzerland	33	32	1	66
Syria	2	12	17	31

Country	Skilled/ Business	Family Sponsored	International/ Humanitarian	TOTAL
Taiwan	729	146	5	880
Tajikistan		3		3
Tanzania		2		2
Thailand	82	372	67	521
Togo			2	2
Tonga	156	917	556	1629
Trinidad and Tobago		4		4
Tunisia		3	2	5
Turkemenistan		1		1
Turkey	15	26	11	52
Turks and Caicos Islands		1		1
Tuvalu	8	39	37	84
Uganda	2			2
Ukraine	40	68	1	109
United Arab Emirates	1			1
United States of America	597	474	52	1123
Unknown	6	6	59	71
Uruguay	6			6
Uzbekistan	23	4		27
Vanuatu	2	7	2	11
Venezuela	4	1		5
Vietnam	12	300	13	325
Zambia	19	3	1	23
Zimbabwe	574	91	41	706
TOTAL	30,443	14,809	3,286	48,538

Appendix D: Numbers of people, by country, issued with one or more Work or Student visas/permits in 2002/2003

Country	Work	Student	Total
Afghanistan	45	1	46
Albania	10	4	14
Algeria	28	2	30
American Samoa	3	2	5
Angola	1	1	2
Argentina	289	93	382
Armenia	3		3
Australia	1		1
Austria	114	66	180
Azerbaijan	6	1	7
Bahamas	1		1
Bahrain	1	21	22
Bangladesh	126	156	282
Barbados	1	2	3
Belarus	6	2	8
Belgium	54	38	92
Belize	2	2	4
Benin	1		1
Bermuda		1	1
Bhutan		4	4
Bolivia	10	12	22
Bosnia & Herzegovina	8	2	10
Botswana	2	5	7
Brazil	237	864	1101
Brunei Darussalam	9	25	34
Bulgaria	46	19	65
Cambodia	240	306	546
Cameroon	5	3	8
Canada	2125	503	2628
Chad		4	4
Chile	400	128	528
China	3900	41627	45527
Colombia	43	96	139
Congo	7	2	9
Costa Rica	7	12	19
Croatia	43	28	71
Cuba	42		42
Czech Republic	239	107	346
Democratic Republic of Congo	10	2	12
Denmark	392	122	514
Dominica	2		2
Dominican Republic	1		1
East Timor	1	15	16
Ecuador	8	4	12
Egypt	43	15	58

Country	Work	Student	Total
El Salvador	2		2
Eritrea	3	3	6
Estonia	5	1	6
Ethiopia	17	2	19
Federated States of Micronesia	1	4	5
Fiji	1547	1127	2674
Finland	62	74	136
France	1264	386	1650
French Polynesia	4	7	11
Gabon	1		1
Gambia		1	1
Georgia	6	2	8
Germany	2604	1484	4088
Ghana	20	15	35
Great Britain	17594	1555	19149
Greece	11	6	17
Guatemala	6	9	15
Guinea	1		1
Guyana	3	4	7
Haiti	3	3	6
Honduras	3	2	5
Hong Kong	263	1369	1632
Hungary	238	43	281
Iceland	12	5	17
India	3475	2079	5554
Indonesia	528	688	1216
Iran	245	60	305
Iraq	109	17	126
Ireland	2403	31	2434
Israel	186	86	272
Italy	392	127	519
Ivory Coast			0
Jamaica	23	6	29
Japan	7719	4770	12489
Jordan	23	13	36
Kazakhstan	12	9	21
Kenya	26	44	70
Kiribati	64	48	112
Kosovo	1	1	2
Kuwait	14		14
Kyrgyzstan	2	6	8
Laos	8	27	35
Latvia	19	24	43
Lebanon	20	2	22
Lesotho	1	3	4
Liberia	3		3
Libya	3	3	6
Lithuania	13	12	25

Country	Work	Student	Total
Luxembourg	2	2	4
Macau	2	31	33
Macedonia	68	31	99
Madagascar	5		5
Malawi	4	6	10
Malaysia	709	1230	1939
Maldives	3	49	52
Malta	34		34
Marshall Islands		8	8
Mauritania		2	2
Mauritius	16	10	26
Mexico	47	67	114
Moldova	8	5	13
Mongolia	4	18	22
Montserrat		1	1
Morocco	15	1	16
Mozambique	2		2
Myanmar	30	34	64
Namibia	13	12	25
Nauru	6	24	30
Nepal	83	54	137
Netherlands	1117	128	1245
New Caledonia	2	3	5
Nicaragua		2	2
Nigeria	61	36	97
North Korea		3	3
Norway	90	256	346
Oman	2	34	36
Pacific Island Trust Territory		1	1
Pakistan	239	137	376
Palau		1	1
Palestine	3		3
Panama	1	5	6
Papua New Guinea	124	128	252
Paraguay	3	19	22
Peru	47	25	72
Philippines	813	214	1027
Poland	524	21	545
Portugal	25	32	57
Reunion	6	1	7
Romania	314	58	372
Russia	332	345	677
Rwanda	4	1	5
Samoa	329	200	529
Saudi Arabia	4	123	127
Senegal	8		8
Serbia & Montenegro	61	17	78
Seychelles	2	29	31

Country	Work	Student	Total
Sierra Leone	12	3	15
Singapore	173	220	393
Slovakia	43	39	82
Slovenia	23	26	49
Solomon Islands	58	132	190
Somalia	26	4	30
South Africa	2869	985	3854
South Korea	2775	15631	18406
Spain	89	30	119
Sri Lanka	304	224	528
St Kitts - Nevis	1		1
St Lucia	2	6	8
St Vincent and the Grenadines	1		1
Sudan	11	5	16
Swaziland	3	6	9
Sweden	501	275	776
Switzerland	247	222	469
Syria	21	4	25
Taiwan	441	1673	2114
Tajikistan		5	5
Tanzania	4	10	14
Thailand	984	2473	3457
Togo	2	1	3
Tonga	439	260	699
Trinidad and Tobago	6	3	9
Tunisia	4		4
Turkemenistan	1		1
Turkey	101	45	146
Tuvalu	58	74	132
Uganda	6	2	8
Ukraine	1213	41	1254
United Arab Emirates	2	2	4
Unknown	9	12	21
United States of America	4053	2217	6270
Uruguay	36	17	53
US Pacific Islands	1		1
Uzbekistan	9	4	13
Vanuatu	22	45	67
Vatican City		1	1
Venezuela	18	10	28
Vietnam	272	919	1191
Yemen	3	4	7
Zambia	41	26	67
Zimbabwe	1553	531	2084
TOTAL	69,070	88,046	157,116

Note: The figures in this table include secondary applicants, hence differ from others presented in the report.

Appendix E: Work Permit Criteria including Skill Shortage Work Permits

Work Permit Criteria	Classified as a Skill Shortage Work Permit
Assess Overseas Recruitment	
Asylum Seeker	
BIC Residence Direct Investor	
Canada Working Holiday Scheme	
Chile Work Holiday Scheme	
Crew Of Foreign Fishing Vessel	
Dance/Music Examiner	
Denmark Work Holiday Scheme	
De Facto Partner Of NZ Citizen/Resident	
Domestic Staff For Consular Personnel	
Domestic Staff For Seconded Business Personnel	
Entertainer/Performing Artist & Support	
Exchange (Work), Private	
Fiance(e) Of NZ Citizen/Resident	
French Working Holiday Scheme	
German Law Student/Graduate	
German Working Holiday Scheme	
Homosexual Partner Of NZ Citizen/Resident	
Hong Kong Working Holiday Scheme	
Irish Working Holiday Scheme	
Italian Working Holiday Scheme	
Japan Working Holiday Scheme	
Job Search	
Kiribati Work Permit Scheme	
Korea/NZ Working Holiday Scheme	
Long Term Business	
Malaysia Working Holiday Scheme	
Medical & Dental Trainee	
Minister/Missionary/Pastor	
Netherlands Working Holiday Scheme	
NZ Racing Conference Apprentice	
Normal	
Oct 2000 - 5 Yrs In NZ	
Oct 2000 - 5 Yrs In NZ (Lawful)	
Oct 2000 - Defacto To NZ Citizen/Resident	
Oct 2000 - Defacto To NZ Citizen/Resident (Lawful)	
Oct 2000 - Dependent Student	
Oct 2000 - Marriage To NZ Citizen/Resident	
Oct 2000 - Marriage To NZ Citizen/Resident (Lawful)	
Oct 2000 - Parent Of NZ Born Child	
Oct 2000 - Parent Of NZ Born Child (Lawful)	
Operation Deep Freeze	
Partner & Child Of NZ Citizen/Resident	
Reconsideration	
Replace	
Research/Post Doctoral Fellow	
S35a Request	
Show Judge/Sports Referee	
Singapore/NZ Work Exchange Programme	
Sports Player/Professional Coach	

Work Permit Criteria	Classified as a Skill Shortage Work Permit
Spouse Of NZ Citizen/Resident	
Spouse/Dependent Of US Govt Personnel	
Spouse/Partner Long Term Business Visa	
Spouse/Partner Of Worker	
Swedish Citizens' Working Holiday Scheme	
Tuvalu Work Permit Scheme	
United Kingdom Citizens' Working Holiday Scheme	
University Lecturers	
Vary Conditions	
Victims Of Domestic Violence	
Work Experience For Student	
General	Yes
Business – long term executive	Yes
Business – short term	Yes
Japanese interpreter	Yes
Machinery installer/servicer	Yes
Medical & dental personnel	Yes
Specialist Skills	Yes
Priority Occupations	Yes
Talent Visa (Accredited Employer)	Yes

Appendix F: Skilled/Business Stream IELTS assessment scores by top 12 countries for 2002/2003¹⁷

Year total = 7,423

Country	Applicant type	Number sitting test	Average listening score	Average oral score	Average reading score	Average writing score	Average score
South Africa	Principal	66	6.96	7.65	6.69	7.18	7.12
	Secondary	58	6.41	7.29	6.27	6.74	6.68
Philippines	Principal	290	6.47	6.72	5.71	6.48	6.34
	Secondary	225	6.06	6.18	5.30	6.09	5.91
Sri Lanka	Principal	73	6.22	6.66	5.90	6.29	6.27
	Secondary	64	5.78	6.19	5.40	5.88	5.81
India	Principal	1,562	6.12	6.57	5.72	6.43	6.21
	Secondary	920	5.67	6.24	5.28	6.11	5.83
Pakistan	Principal	76	5.93	6.26	5.55	5.91	5.92
	Secondary	23	5.52	5.70	5.17	5.70	5.52
Romania	Principal	137	5.85	5.99	5.85	5.95	5.91
	Secondary	99	5.68	5.81	5.62	5.75	5.72
Indonesia	Principal	78	6.04	5.66	5.93	5.33	5.74
	Secondary	58	5.58	5.42	5.43	5.09	5.38
Russia	Principal	75	5.59	5.90	5.45	5.89	5.71
	Secondary	24	5.92	6.10	5.69	6.00	5.93
Taiwan	Principal	72	5.32	5.67	5.93	5.63	5.64
	Secondary	35	5.01	5.27	5.33	5.06	5.17
Japan	Principal	100	5.67	5.73	5.53	5.59	5.63
	Secondary	37	5.42	5.34	5.22	5.43	5.35
China	Principal	1,539	5.46	5.63	5.73	5.63	5.61
	Secondary	320	5.10	5.29	5.40	5.30	5.27
South Korea	Principal	412	5.39	5.38	5.37	5.40	5.39
	Secondary	151	5.25	5.02	5.04	4.93	5.06
Other countries	Principal	546	6.25	6.70	6.09	6.27	6.33
	Secondary	383	5.68	6.09	5.45	5.74	5.74
Overall averages	Principal	5,026	5.86	6.13	5.73	6.00	5.93
	Secondary	2,397	5.66	5.97	5.40	5.83	5.72

¹⁷ The 12 countries with the most principal applicants sitting the IELTS test are ranked in this table in descending order of the principal applicants' average total score.

Appendix G: Rates of Long-term Absence Among 1998 Residence Approvals by Country of Origin, as at 30 June 2003

(Absent for 6 months or more)

Countries with more than 100 people approved for residence in 1998	People who had taken up NZ residence	People absent for 6 months or more	Percent absent
Singapore	260	120	46.15%
Taiwan	378	170	44.97%
United States of America	742	265	35.71%
Canada	308	109	35.39%
Hong Kong	306	108	35.29%
Ireland	137	43	31.39%
Yugoslavia	153	47	30.72%
Indonesia	163	49	30.06%
Switzerland	141	40	28.37%
Malaysia	309	80	25.89%
Japan	304	69	22.70%
India	2034	461	22.66%
China	3388	767	22.64%
Netherlands	252	57	22.62%
Iran	119	26	21.85%
Germany	379	77	20.32%
Great Britain	4261	849	19.92%
Sri Lanka	596	112	18.79%
Iraq	239	39	16.32%
Pakistan	117	18	15.38%
South Africa	3298	492	14.92%
Samoa	1521	224	14.73%
Ethiopia	117	17	14.53%
Somalia	426	58	13.62%
Russia	234	31	13.25%
South Korea	497	63	12.68%
Thailand	202	23	11.39%
Philippines	603	55	9.12%
Cambodia	333	24	7.21%
Tonga	1017	71	6.98%
Fiji	1570	91	5.80%
Vietnam	123	2	1.63%
Total for countries with 100 or more migrants	24,527	4,657	18.99%
Total 'Other' Countries	2,049	422	20.60%
Combined Total	26,576	5,079	19.11%

