

Migration Trends Key Indicators Report

December 2013



**MINISTRY OF BUSINESS,
INNOVATION & EMPLOYMENT**
HĪKINA WHAKATUTUKI



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Migration Trends Key Indicators Report: December 2013

Purpose

This report summarises key indicators of migration trends for the 2013/14 financial year to date (1 July 2013 through 31 December 2013). The report focuses on two areas: the New Zealand Residence Programme (NZRP) and temporary visa entry.

All New Zealand immigration data is sourced from the Ministry of Business, Innovation and Employment and, unless otherwise stated, is reported as a count of individual people rather than the number of applications. The purpose of this reporting is to show the number of people who enter New Zealand rather than the number of visas they were granted. In practice, counting individual people gives lower numbers for temporary workers and students than when reporting the number of applications decided, as individuals can make more than one application in a year.¹

Summary of key points

- In July-December 2013, 18,577 people were approved for residence, up 9 percent from the 17,016 approved in July-December 2012. China is now the largest source country (17 percent) for residence approvals followed by India (13 percent), the United Kingdom (12 percent) and the Philippines (8 percent).
- Skilled Migrant Category (SMC) approvals (8,119 people) accounted for 44% of all residence approvals in July-December 2013. The number of SMC approvals was down 1 percent from the same period in 2012 though the decline was more modest than in previous years.
- India (19 percent) was the top source country of SMC approvals in July-December 2013 and decreased, for the first time in recent years, by 1 percent from the same period in 2012. The majority of SMC approvals from India are former Indian international students who transition to temporary work and then to permanent residence.
- In July-December 2013, 93 percent of SMC principal applicants had a job or job offer in skilled employment compared with 95 percent in July-December 2012.
- The number of people approved for a temporary work visa in July-December 2013 increased by 7 percent from the same period in 2012. This is due to increases in the number of working holidaymakers, Essential Skills workers, and horticulture and viticulture seasonal workers.²
- Essential Skills temporary workers approved in July-December 2013 increased 19 percent from the same period in 2012. This was the first increase in Essential Skills workers since the start of the global economic slowdown and reflects the growth in labour demand in Canterbury.

¹ The Ministry of Business, Innovation and Employment also reports temporary work and student data as counts of applicants or applications, which are higher than the number of individuals reported here (for example, see the Immigration New Zealand website at www.immigration.govt.nz/statistics). The permanent residence statistics are uniform across the Ministry of Business, Innovation and Employment.

² This is a count of individuals approved a work visa rather than the number of applications.

- In July-December 2013, 25 percent of Essential Skills workers employed in the Canterbury region were Construction Trades Workers, as the region rebuilds from the February 2011 Christchurch earthquake.
- In July-December 2013, the number of international students approved to study in New Zealand (32,632 students) was up 10 percent from the same period in 2012.³ The number of new international students in July-December 2013 increased 14 percent from the same period in the previous year. The largest source countries of students were China (31 percent), India (16 percent), and South Korea (7 percent).
- The number of visitor arrivals (628,322 people) for July-December 2013 increased by 8 percent from the same period in 2012. The top source countries for visitor arrivals in July-December 2013 were China (15 percent), the United States (14 percent) and the United Kingdom (13 percent).⁴ In recent years, China has become a major source country for visitors into New Zealand compensating for the loss of visitors from the United Kingdom.

New Zealand Residence Programme

The New Zealand Residence Programme (NZRP) target planning range is 135,000-150,000 permanent residence approvals over the three year period, 2011/12 to 2013/14.

Residence approvals

In July-December 2013, 18,577 people were approved for residence. This is up 9 percent from the 17,016 approved in July-December 2012 and also higher than the 18,372 approved in the same period in 2011. The decline rate for residence applications in July-December 2013 was 14 percent compared with 16 percent for the same period in 2012. Table 1 shows the breakdown of residence approvals by stream.

Table 1: Residence approvals by stream, July-December period from 2011 to 2013

Stream	Jul-Dec 2011	Jul-Dec 2012	Jul-Dec 2013
Skilled/Business stream	9,219	9,017	9,309
Uncapped Family stream	5,072	4,863	5,092
Capped Family stream	2,892	1,717	2,660
International/Humanitarian stream	1,189	1,419	1,516
Total	18,372	17,016	18,577

The top source countries for residence approvals in July-December 2013 were China (17 percent), India (13 percent), the United Kingdom (12 percent), and the Philippines (8 percent). These four countries contributed half of all residence approvals in July-December 2013.

Compared with the period July-December 2012, there was an increase in residence approvals from China (59 percent increase) and India (4 percent increase) with a decrease in residence approvals from the United Kingdom (4 percent decrease). The number of residence approvals from the Philippines in July-December 2013 is similar to the same period in 2012.

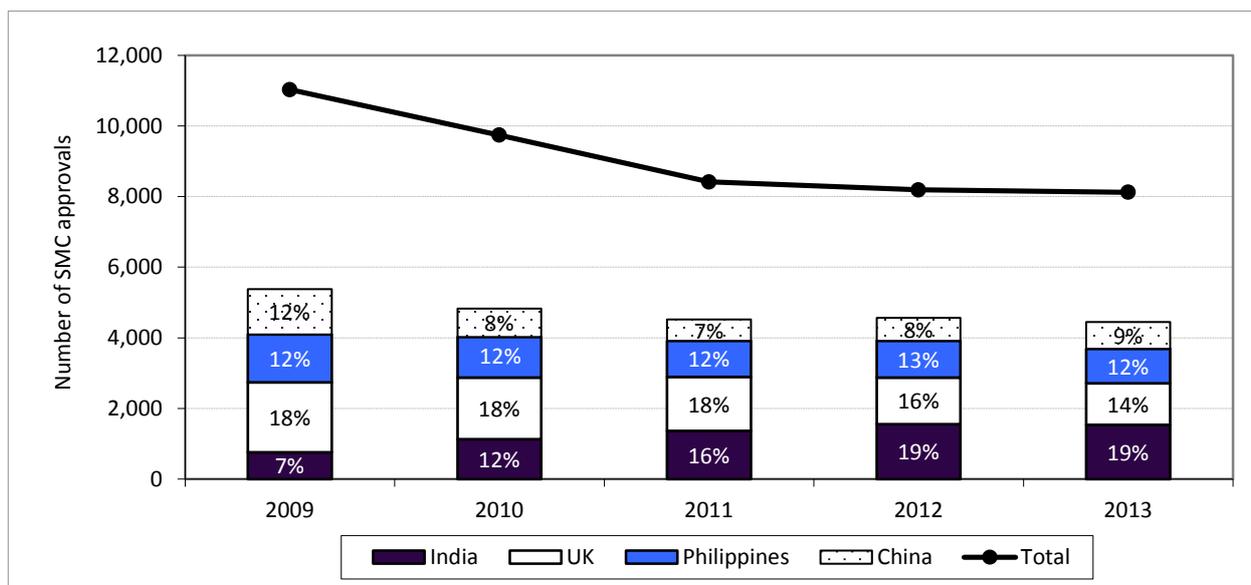
³ This is a count of individuals approved a student visa rather than the number of applications and will be different from the number of student enrolments reported by MoE.

⁴ Australia remains the top source country of arrivals but is excluded from this analysis of visitor arrivals as their citizens are issued a resident visa on arrival.

Skilled Migrant Category (SMC)

In July-December 2013, 8,119 people were approved for residence through the SMC, accounting for 44 percent of all people approved residence. The number of people approved through the SMC in July-December 2013 decreased by 1 percent compared with the same period in 2012 (8,190 people). But this decrease is very small compared to previous years since the onset of the global economic slowdown in October 2008 (refer Figure 1).

Figure 1: Number of people approved residence through SMC, July-December period from 2009 to 2013



The top source countries of SMC approvals, in July-December 2013, were India (19 percent), the United Kingdom (14 percent), the Philippines (12 percent) and China (9 percent). SMC approvals from India decreased, for the first time in recent years, by 1 percent from the period July-December 2012. The large proportion of SMC approvals from India reflects the long-term trend of former Indian international students transitioning to temporary work and then to permanent residence. For the July-December period, SMC approvals from the United Kingdom have continued to fall (on average 12 percent each year) over the last 4 years.

In July-December 2013, 93 percent of SMC principal applicants had a job or job offer in skilled employment (compared with 95 percent in July-December 2012) and 64 percent gained points for recognised work experience (same proportion compared with July-December 2012).

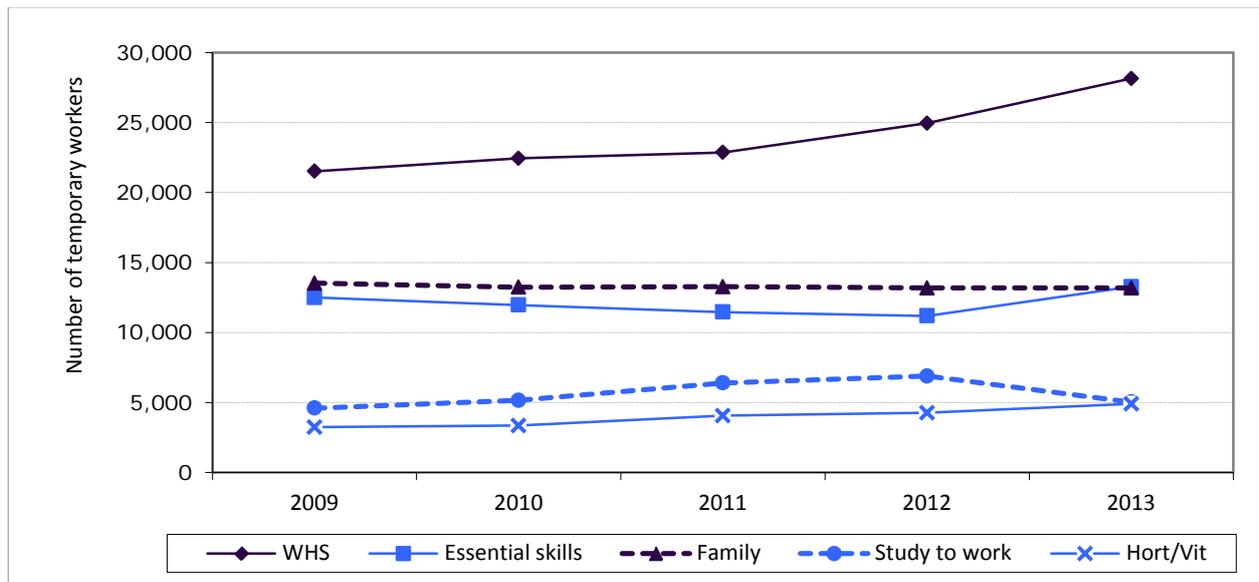
In July-December 2013, most SMC principal applicants were approved onshore (88 percent), of whom 99 percent had a job or job offer. Of the 12 percent approved offshore, 52 percent had a job or job offer.

Temporary migration

Workers

The number of people approved for a work visa in July-December 2013 was 78,269, an increase of 7 percent from the 73,154 approvals for the same period in 2012.⁵ The number of working holidaymakers increased 13 percent, Essential Skills workers increased 19 percent, and horticulture and viticulture seasonal workers increased 15 percent, while those approved a 'study to work' visa⁶ decreased 27 percent (refer Figure 2).

Figure 2: Number of temporary workers approved by stream, July-December period from 2009 to 2013



The main source countries of temporary workers in July-December 2013 were the United Kingdom (13 percent), Germany (11 percent), India and China (9 percent each). Of these countries, Germany had the largest increase in temporary workers (up 23 percent) due to an increase in the number of working holidaymakers to New Zealand.

Essential Skills workers⁷

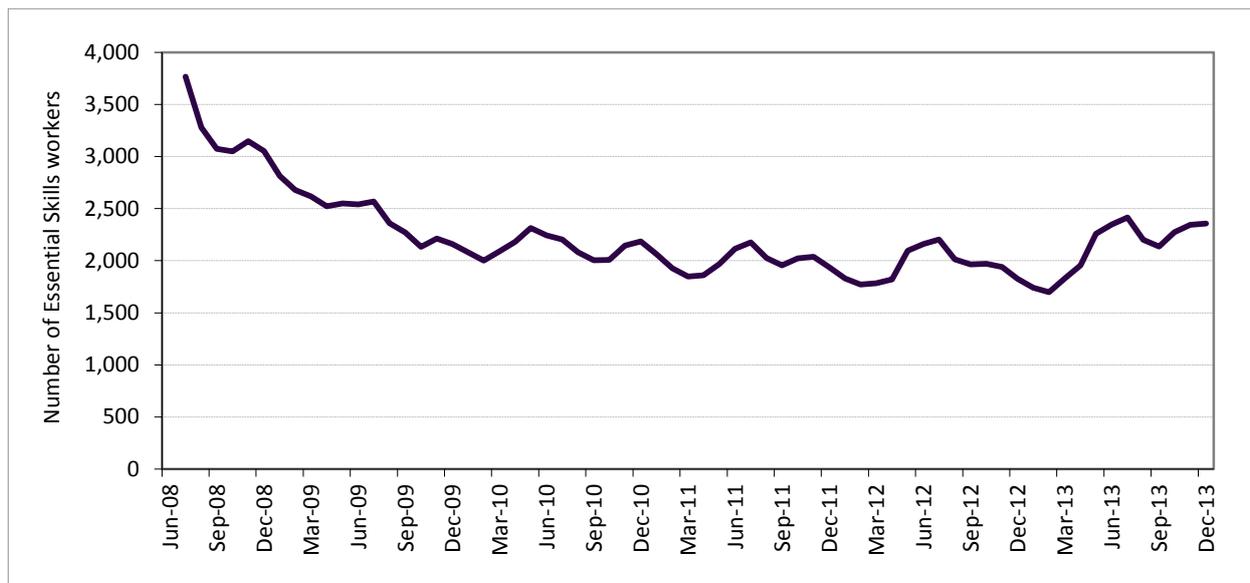
The demand for Essential Skills workers slowed from October 2008 with the onset of the global economic slowdown and its effect on the domestic economy (refer Figure 3). However, this long downward trend has turned with numbers increasing throughout 2013.

⁵ This is a count of individuals approved a work visa rather than the number of applications.

⁶ Includes the Graduate Job Search, Graduate Work Experience and Practical Experience Post Study policies.

⁷ Includes the following policies: Approved in Principle, Essential Skills, Essential Skills - Skill Level 1, General, and Specialist skills.

Figure 3: Number of Essential Skills workers approved, July 2008 to December 2013



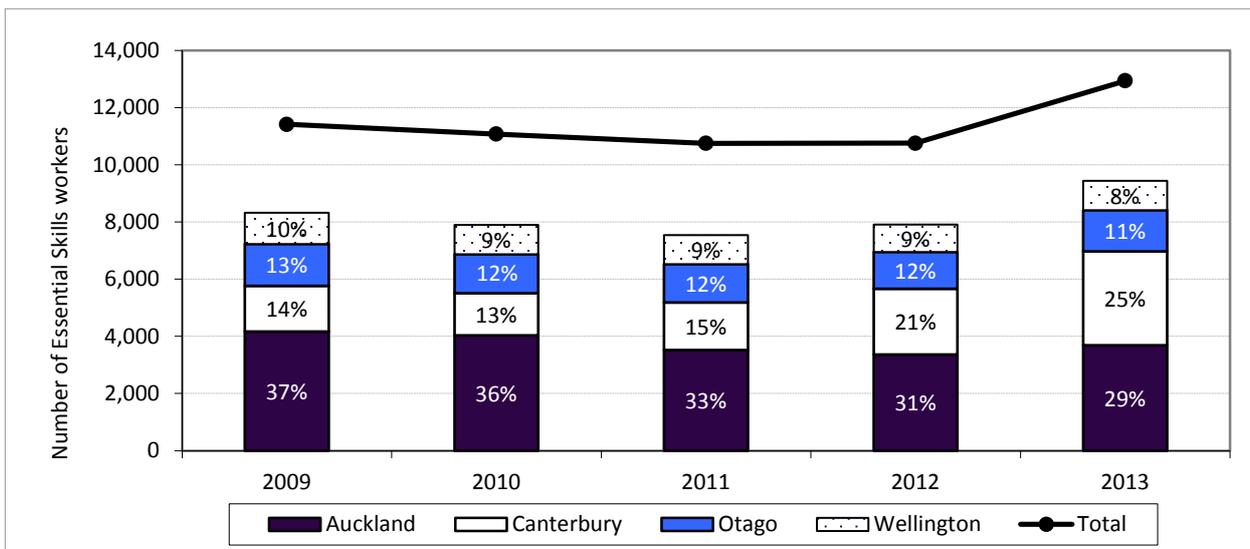
Note: 3 month moving average applied.

Essential Skills workers approved in July-December 2013 increased by 19 percent compared with the same period in 2012, the first increase since the onset of the global economic slowdown in October 2008. The main source countries of Essential Skills workers in July-December 2013 were the United Kingdom (16 percent), the Philippines (14 percent) and India (12 percent). All these countries had increases in Essential Skills workers compared with the same period in 2012.

In July-December 2013, 97 percent of Essential Skills workers specified a region of employment in New Zealand. Auckland remains the main region of employment in New Zealand for Essential Skills workers (refer Figure 4). However, there were big increases in Essential Skills workers with a job offer in the Canterbury region (up 39 percent in July-December 2012 and up 43 percent in July-December 2013) as it rebuilds from the February 2011 Christchurch earthquake. Of the occupations recorded in the Canterbury region using the ANZSCO classification, 25 percent were Construction Trades Workers in July-December 2013.⁸ This figure does not include people on other work visas (WHS, partner of a worker for example) who may have sought or gained employment in Canterbury for the period July-December 2013.

⁸ ANZSCO is the Australian and New Zealand Standard Classification of Occupations.

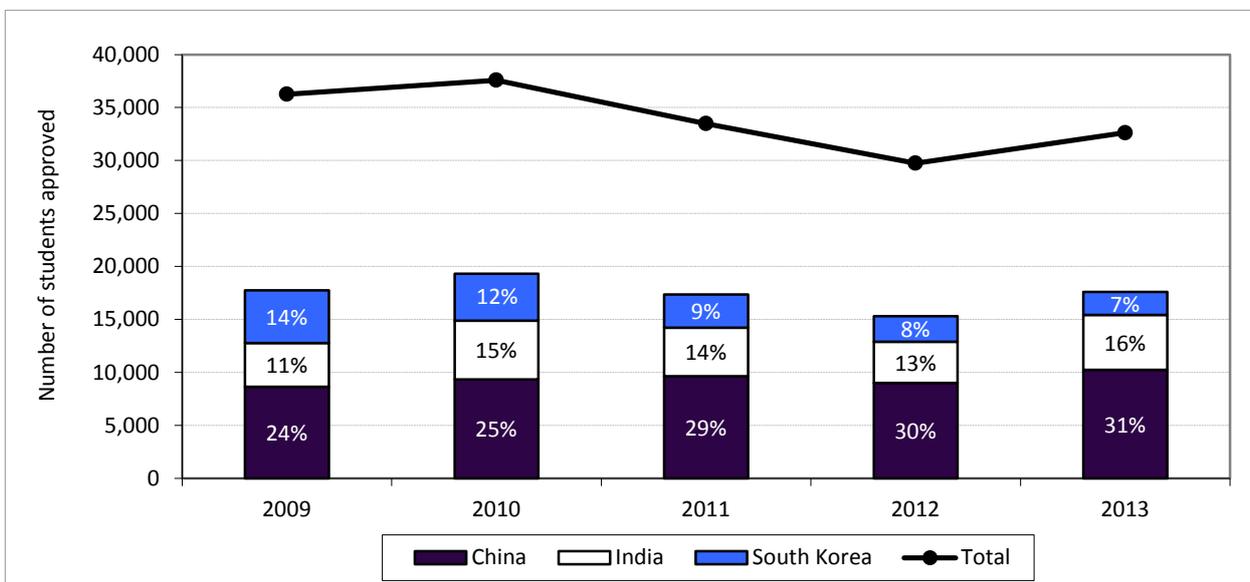
Figure 4: Region of employment of Essential Skills workers, July-December period from 2009 to 2013



International Students

In July-December 2013, the number of international students approved to study in New Zealand (32,632 students) was up 10 percent from the same period in 2012, the majority being full fee-paying students.⁹ The number of new international students in July-December 2013 increased 14 percent from the same period in the previous year. Figure 5 shows the total number of students approved for the July-December period over the last five years and the proportion from each of the three main source countries.

Figure 5: Number of students compared to top source countries, July-December period from 2009 to 2013¹⁰



⁹ This is a count of individuals approved a student visa rather than the number of applications and will be different from the number of student enrolments reported by MoE.

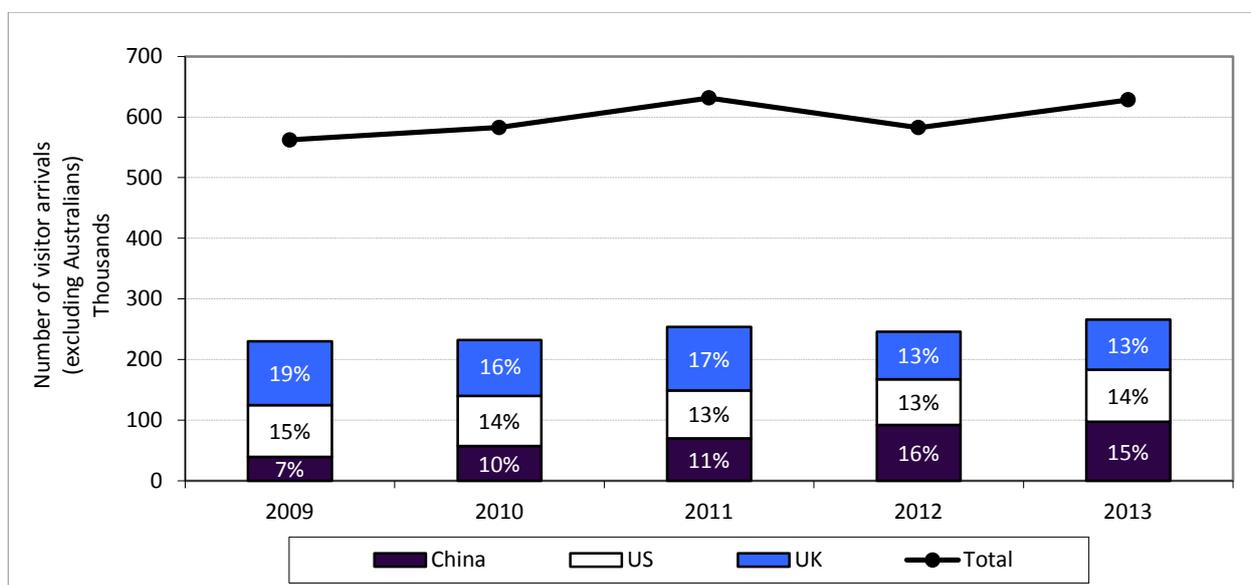
¹⁰ Includes fee paying and domestic students.

In July-December 2013, the largest source countries of students were China (31 percent), India (16 percent), and South Korea (7 percent). Compared with the same period in 2012, the number of students from China and India increased by 14 percent and 33 percent respectively, while the number of students from South Korea decreased by 9 percent.

Visitors (excluding Australians)

The number of visitor visa arrivals (628,322 people) for July-December 2013 increased by 8 percent from the same period in 2012 (refer Figure 6). Australia is the largest source country of international visitors but visitor visa statistics excludes Australian citizens and resident visa holders, as they are issued a resident visa on arrival.

Figure 6: Number of visitor arrivals (excluding Australians), July-December period from 2009 to 2013



The top source countries for visitor arrivals in July-December 2013 were China (15 percent), the United States (14 percent) and the United Kingdom (13 percent). In recent years, China has become a major source country for visitors into New Zealand, compensating for the loss of visitors from the United Kingdom. Compared with July-December 2012, visitor arrivals from these top three source countries increased.

China is now becoming an important market for international visitors to New Zealand with expenditure by Chinese visitors reaching [\\$555 million](#) in the year ended September 2012.¹¹

For further information please visit <http://dol.govt.nz/research> or email research@mbie.govt.nz.

¹¹ Other information on visitors' expenditure can be found in the Regional Tourism Indicators page on <http://www.med.govt.nz/sectors-industries/tourism/tourism-research-data/regional-tourism-indicators/international-data>.

