



MIGRATION TRENDS

2005/06



Paul Merwood
Research Analyst
Department of Labour

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Department of Labour
PO Box 3705
Wellington
New Zealand

www.dol.govt.nz

For Immigration Research visit
www.immigration.govt.nz/research

ISSN 1176-8479



Hon David Cunliffe
Minister of Immigration

FOREWORD

New Zealand's population is shaped by migration. One in five New Zealanders were born overseas. Immigration will play an increasingly important role in the future as our population ages and we seek to attract the skills and talent to support economic transformation. Immigration can bring people with ideas, experience, and international connections to contribute to New Zealand's dynamic economy and vibrant culture.

Internationally, the nature of immigration is changing. Migrants are increasingly mobile, with increasing volumes of temporary migrants in a climate of global competition and opportunities for skilled people. New Zealand's desire to meet the challenges of this environment, and to balance the benefits and risks of immigration, has necessitated a fundamental shift in the way our immigration system operates.

In 2005/06, the Department of Labour launched a program of work that will ensure that immigration is well placed to deliver what New Zealand needs in the future. The Immigration Change Programme is underpinned by three specific elements: legislative reform, a review of key aspects of New Zealand's immigration policy, and business changes within the Department of Labour.

Research is a valuable part of immigration policy development. Quality research can identify the kinds of migrants we attract, their participation in the labour market, and their settlement outcomes in New Zealand. This report features a special analysis on migrants who study or work in New Zealand and their transition to permanent residence, a trend that has become increasingly important in recent years. This research is used to inform immigration policy, marketing strategies, and settlement services.

The Department of Labour's Migration Trends report is in its sixth year and continues to contribute to our understanding of emerging immigration trends, and the characteristics and settlement outcomes of migrants. The findings in this report will be used by the Department to ensure that future policy meets New Zealand's needs, addresses labour market demands, and continues to deliver good settlement outcomes for migrants.

Hon David Cunliffe
Minister of Immigration

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Table of commonly used acronyms

Acronym	Full Name
AMS	Application Management System
EOI	Expression of Interest
ESOL	English for Speakers of Other Languages
GSC	General Skills Category
IELTS	International English Language Testing System
ISSL	Immediate Skill Shortage List
ITA	Invitation to Apply
IGSC	Interim General Skills Category
JSV	Job Search Visa
LTSSL	Long Term Skill Shortage List
LTBV	Long Term Business Visa
MIS	Management Information System
NZRP	New Zealand Residence Programme
PAC	Pacific Access Category
SMC	Skilled Migrant Category
WHS	Working Holiday Scheme

EXECUTIVE SUMMARY

Introduction

This report is the sixth in a series produced annually to provide information about trends in temporary and permanent migration to New Zealand. The reports are written in a readily accessible format to make the data useful for informing policy decisions, identifying trends in migration flows, and increasing the public's understanding of immigration. Trends in this format have been monitored since July 2000 and now constitute a time series, enabling comparisons of recent migration patterns with those identified in previous years. The current report provides data for the 2005/06 financial year.

The nature of migration is changing. Migrants are becoming increasingly mobile in a climate of global competition and opportunities for skilled people. The changes in migrants' mobility and migration patterns, coupled with increasing security risks worldwide, have necessitated a fundamental shift in the way New Zealand's immigration system operates.

In 2005/06, the Department of Labour launched a programme of work that will bring about significant changes to New Zealand's immigration system. The Department's programme of change is underpinned by three specific elements: legislative reform, a review of key aspects of New Zealand's immigration policy, and business changes within the Department. The programme of legislative reform comprises a review of the Immigration Act (1987) and the introduction of the Immigration Advisers Licensing Bill.¹

Migrant transitions

An increasing number of migrants visit, study, or work in New Zealand prior to gaining permanent residence. People in New Zealand on temporary permits are often well placed to become permanent residents. Those on work permits often have skills that are in demand, while students can offer employers recognised New Zealand qualifications.

Eighty-seven percent of principal applicants approved for residence in 2005/06 had previously held a temporary visitor, student, or work permit. Approximately 30 percent of work permit holders and 20 percent of international students gain permanent residence within five years of being issued their first permit. This report features a special analysis exploring migrant transitions from temporary to permanent residence.

Migration flows

Almost 1.5 million people were issued a temporary permit to visit, study, or work in New Zealand in 2005/06. In addition, almost 700,000 Australians travelled to New Zealand. Visitors made up the largest number of temporary entrants, followed by workers and international students.

Over time, the flow of people into and out of New Zealand has resulted in periods of net permanent and long term (PLT) inflows and periods of net PLT outflows. Over the last 25 years, more people have arrived than departed, contributing to a general pattern of continual population growth for New Zealand. Migrant source countries have changed

¹ The public consultation on the Immigration Act review was launched in April 2006. The Immigration Advisers Licensing Bill was introduced in June 2006.

over the last two decades, with fewer migrants from Oceania and an increasing number from Asia and Europe.

Temporary migration

New Zealand's growing economy has increased demand for labour, and a low unemployment rate has implications for the supply of labour. In 2005/06, there has been a strong focus on meeting New Zealand's labour shortages, and this focus is predominantly on New Zealand's acute skills needs. Additionally, the high demand for seasonal labour in the horticulture and viticulture sectors saw the introduction of a pilot scheme to help employers in these industries meet their labour shortages by using temporary workers.

Work permits are also issued to young people participating in working holiday schemes, partners of New Zealand citizens or residents, partners of work permit holders, and people applying through the Work to Residence policies. Over 99,500 people were issued a work permit in 2005/06, an increase of 21 percent from 2004/05.

Almost 70,000 students from over 165 nationalities were granted a permit to study in 2005/06. This is down 11 percent from 2004/05. Student permit numbers have decreased each year after peaking at over 87,000 people in 2002/03. In 2004, the government announced a significant fiscal commitment to international education, and in July 2005, the Department of Labour introduced a range of policy initiatives that aim to make New Zealand a more competitive destination for students and their partners.

Permanent residence approvals

There were 51,236 people approved for permanent residence in New Zealand in 2005/06. Sixty-two percent of people were approved through the Skilled/Business Stream, 29 percent through the Family Sponsored Stream, and nine percent through the International/Humanitarian Stream. The number of places available in the New Zealand Residence Programme (NZRP) in 2005/06 was 51,500 people, the highest level since 2001/02 (when almost 53,000 people were approved).

Demand for places in the NZRP remains strong, and residence application inflows were higher overall than in 2004/05, although inflows fluctuated across the three residence streams. There were substantially higher flows through the skilled categories, while inflows through the Family Sponsored Stream and the International/Humanitarian Stream were lower overall than in 2004/05.

The UK is currently the largest source country of migrants – 29 percent of all residence approvals in 2005/06. China is the second largest at 13 percent, up from 10 percent in 2004/05. UK migrants accounted for 37 percent of Skilled/Business Stream approvals and 18 percent of Family Sponsored Stream approvals. China was the source of 13 percent of the Skilled/Business Stream and 18 percent of the Family Sponsored Stream. Samoa and Tonga were the largest source countries of approvals through the International/ Humanitarian Stream (31 percent and 12 percent respectively).

Skilled/Business Stream

Skilled Migrant Category (SMC) applications were prioritised in 2005/06 and additional places were made available in the NZRP for skilled migrants. Changes to the SMC selection mechanism in December 2005 gave priority to highly skilled migrants and those

with a skilled job or offer. There were 27,539 people approved through the SMC in 2005/06. Seventy-five percent of SMC principal applicants had a skilled job or offer, many had work experience or qualifications in an area of absolute skill shortage, and over half claimed bonus points for employment outside of the Auckland region.

The UK was the largest source country of SMC approvals (41 percent), followed by South Africa (12 percent) and China (11 percent). A growing number of Chinese students are applying for residence through the SMC after gaining New Zealand qualifications. This has contributed to an increase in the number of young people (aged 20–29) approved through the SMC, an increase in the number of skilled migrants with New Zealand qualifications, and a decrease in the average size of skilled migrants' families.

Application inflows through the Investor and Entrepreneur categories decreased in 2005/06. There were 538 people approved through the Investor Category and 2,902 approved through the Entrepreneur Category. Entrepreneur inflows have been high in recent years, but decreasing numbers of Long Term Business Visa (LTBV) holders since 2002 will mean fewer Entrepreneur Category migrants over the next 12 months. The rate of transition to residence for LTBV holders is high – 60 percent have gained permanent residence after holding their permit for at least three years, and most of these people (85 percent) were approved through the Entrepreneur Category.

Family Sponsored Stream

Demand for residence through the Family Sponsored Stream remains high, but overall inflows were slightly lower than in 2004/05. Partners and dependent children meeting specific criteria were prioritised in 2005/06, reducing the backlog of applications in these categories and in this stream overall. The UK and China were the largest source countries of approvals through the Family Sponsored Stream (18 percent each). From July 2007, partners and dependent children will be approved through a new, separate residence stream with no cap on the number of places.

International/Humanitarian Stream

In 2005/06, 791 people were approved for residence through the Refugee Quota, and a further 162 successful refugee status claimants (asylum seekers) were granted residence. The number of people seeking asylum in New Zealand has decreased significantly since 1998/99.

The number of people approved through the Samoan Quota and the Pacific Access Category (PAC) has increased following changes to the policies in 2004 and the Department of Labour's promotion of these policies. In 2005/06, 1,330 people were approved through the Samoan Quota and 1,114 people were approved through the PAC. Many of the people granted permanent residence in 2005/06 were approved through unfilled places in previous years' ballots.

Migrant movement patterns

Research has shown that some migrants are highly mobile, and for some, settlement in New Zealand is not permanent. An analysis of migrants' movement patterns showed that 15 percent of people approved for residence between 1998 and 2004 had been out of New Zealand for six months or more as at December 2005, and that the rate of absence for each cohort of migrants increases over time. Twenty-four percent of people approved in 1998 had left New Zealand long term as at December 2005

SPECIAL FEATURE: A STUDY OF MIGRANT TRANSITIONS

This section features a special analysis on the links between temporary and permanent migration. It examines the types of temporary permits formerly held by people approved for permanent residence, and the patterns of transition to residence for people approved to work or study in New Zealand. This special analysis on a current immigration topic is the first in what will be an ongoing feature of the annual Migration Trends report.

Introduction

It is increasingly accepted that linking temporary immigration policy with residence policy can have significant benefits for both migrants and New Zealand. Having participated in New Zealand society, both workers and students are likely to settle well and contribute to the country. Research has shown a positive link between migrants' New Zealand work experience in New Zealand prior to residence and their employment outcomes after gaining residence.²

In 2001, the Department of Labour undertook a review of temporary work policy. A key outcome from that review was Cabinet's agreement to an overarching work policy objective, which was that work policy should complement residence policy by contributing to developing New Zealand's capacity base. The review also proposed the introduction of a Talent Visa, in essence a temporary work policy that would facilitate the transition from skilled worker to permanent resident. The link to permanent residence was intended to help New Zealand retain these highly skilled and talented migrants.

In April 2002, three new Work to Residence policies came into effect. These included the Talent (Accredited Employers), Talent (Arts, Culture and Sports), and the Priority Occupations List (now known as the Long Term Skill Shortage List Occupation policy, or LTSSL). Applicants through these three work permit categories are issued a multiple entry work visa or permit allowing a stay in New Zealand of 30 months, and become eligible for permanent residence after two years if they meet the requirements of the associated residence policy.

The Talent Visa and LTSSL policies, however, are not the only policies that link temporary and permanent residence. Since 1999, the Long Term Business Visa has provided an avenue for business people to establish themselves in New Zealand (on a temporary permit) prior to gaining permanent residence through the Entrepreneur Category. Under the Skilled Migrant Category (SMC), applicants who are unable to demonstrate their ability to settle and contribute, but who demonstrate that potential, may be issued a work permit to establish themselves in skilled employment in New Zealand.³

While there are no specific policies providing a pathway to permanent residence for international students, some work and residence policies recognise migrants who have studied in New Zealand. In 2005/06, a number of student policy changes strengthened the link between study and work (see Chapter 4), and the purpose of New Zealand's student policy was amended to focus on attracting and developing students who have the skills and talent New Zealand needs. Under the SMC, applicants can gain bonus points if

² Dunstan, S., Boyd, S., and Crichton, S. (2004). *Migrants' Experiences of New Zealand. Pilot Survey Report, Longitudinal Immigration Survey: New Zealand (LisNZ)*. Department of Labour. Wellington.

³ The General Skills Category (now closed) also had a work to residence component (the Job Search Visa) for principal applicants who were within five points of the passmark.

they have a recognised New Zealand qualification and at least two years' study in New Zealand.

This analysis examines patterns of transition from two angles. The first section takes the 2005/06 cohort of residence approvals and examines the types of temporary permits held prior to residence. This analysis is useful as an indicator of migrants' previous experience in New Zealand as a visitor, student, or temporary worker. The second section examines all migrants approved to work or study in New Zealand since 1997/98 and describes their transition patterns to permanent residence over subsequent years.

Permanent residents' prior experience in New Zealand

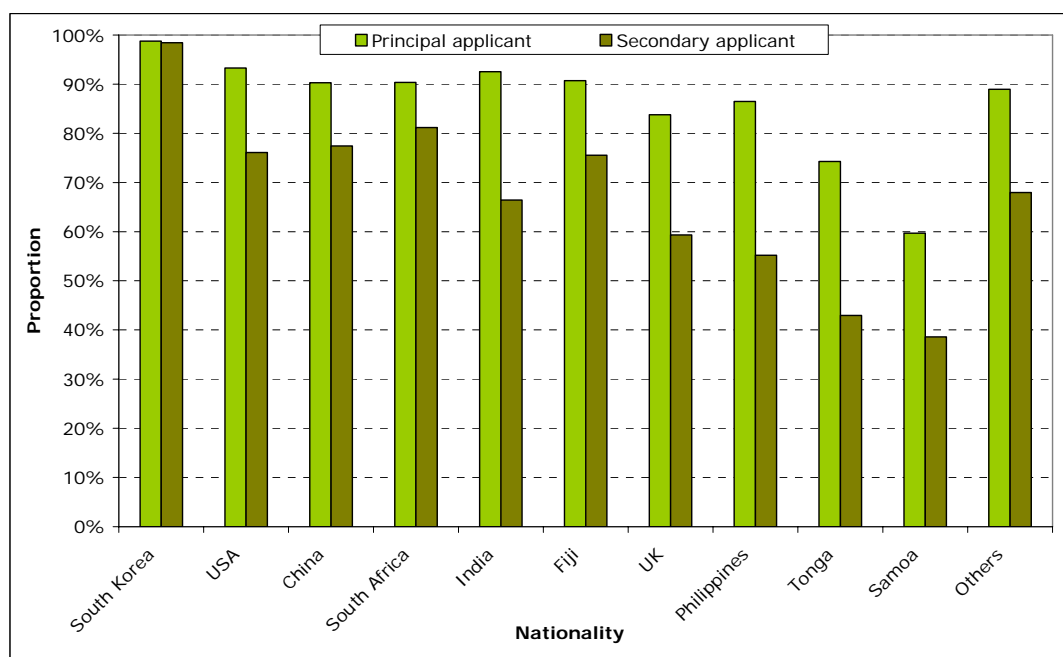
This analysis examines the cohort of people approved for permanent residence in 2005/06 and identifies any previous temporary permits held by these migrants. The analysis shows that, of the 51,236 people approved for residence, 78 percent had previously held a temporary permit.⁴ Of the 26,938 principal applicants approved for residence in 2005/06 (out of 51,236 people), 87 percent had previously held a temporary permit. Sixty-eight percent of secondary applicants had previously held a temporary permit.

Overall, people approved through the Skilled/Business Stream and the Family Sponsored Stream were more likely to have held a temporary permit than those approved through the International/Humanitarian Stream. Seventy-nine percent of Skilled/Business approvals and 83 percent of Family Sponsored approvals had previously held a temporary permit, compared to 52 percent of International/Humanitarian approvals.

The figure below shows the proportion of people by nationality who held a temporary permit prior to residence approval. Of the top ten residence nationalities in 2005/06, over 90 percent of principal applicants from South Korea, the USA, India, and Fiji had held a temporary permit prior to residence approval. In general, principal applicants are much more likely to have held a previous permit than secondary applicants.

⁴ The temporary permit types included in this analysis were those issued to visit, study, or work in New Zealand. The analysis of previous permit types went back as far as 1 July 1997.

Proportion of people granted residence in 2005/06 who had previously held a temporary permit



Most recently held temporary permit

The most recently held temporary permit was identified for those migrants who had held a visitor, student, or work permit prior to residence. Overall, work permits were the most recently held temporary permit type for those approved through each of the three residence streams. Of the migrants approved in 2005/06 with prior experience in New Zealand, 52 percent had most recently held a work permit. The table below shows that there were significant differences between principal and secondary applicants, and between people approved through the various streams.

Type of temporary permit most recently held by people approved permanent residence in 2005/06

Residence approval stream	Applicant type	Residence approvals in 05/06	% who held a temporary permit*	Most recent temporary permit		
				Student	Visitor	Work
	n	n	%	Row %		
Skilled/ Business	Principal	13,691	89%	2%	20%	78%
	Secondary	18,179	72%	33%	35%	32%
	Sub-total	31,870	79%	18%	28%	54%
Family Sponsored	Principal	11,452	88%	3%	39%	58%
	Secondary	3,515	66%	20%	76%	4%
	Sub-total	14,967	83%	6%	46%	48%
International/ Humanitarian	Principal	1,795	67%	1%	27%	72%
	Secondary	2,604	41%	35%	40%	25%
	Sub-total	4,399	52%	17%	33%	50%
Totals	Principal	26,938	87%	2%	29%	69%
	Secondary	24,298	68%	31%	41%	28%
	Total	51,236	78%	14%	34%	52%

* The proportion of approvals who held a temporary permit at some point between July 1997 and June 2006.

Of those principal applicants who had held a temporary permit, 69 percent had most recently held a work permit. The proportion of principal applicants who previously held a work permit has increased considerably in recent years, up from 59 percent in 2001/02. Twenty-nine percent had most recently held a visitor permit, and only two percent had most recently held a student permit.

Skilled/Business principal applicants were more likely to have recently held a work permit (78 percent) than those approved through the Family Sponsored Stream (58 percent) or the International/Humanitarian Stream (72 percent). A high proportion of SMC principal applicants work in New Zealand on a temporary permit prior to gaining residence, and many Business category approvals were formerly Long Term Business Visa (LTBV) holders. The Work to Residence policies have also had an impact on the number of migrants working in New Zealand prior to gaining residence.

Of those secondary applicants who had held a temporary permit, 41 percent had most recently held a visitor permit, 31 percent a student permit, and 28 percent a work permit. Many secondary applicants were dependent children, and therefore a much lower proportion of secondary applicants held a work permit prior to residence.

Most recently held work permit

This analysis is of principal applicants who most recently held a work permit prior to residence. In 2005/06, 23,490 principal applicants out of 26,938 (87 percent) had previously held a temporary permit. Of the 87 percent, 69 percent had most recently held a work permit.

The table below shows the type of work permit held by principal applicants prior to residence approval in 2005/06. Labour market tested work permits were the most common (49 percent), particularly those issued through General work permit policy. Thirty-three percent of work permits were issued to partners of New Zealand citizens or residents. Working holidaymakers accounted for two percent, the majority of whom were from the UK, Ireland, the USA, and Germany. Other work permit types included LTBVs or those issued to international students on completion of their New Zealand qualifications.

Type of work permit held by principal applicants prior to residence approval

Type of work permit held	n	%
Labour market tested	7,929	49%
Partnership (spouse/partner)	5,394	33%
s35A Request	834	5%
Working holidaymaker	305	2%
Other	1,712	11%
Total	16,174	100%

Temporary permit holders moving to permanent residence

The section examines all migrants approved to work or study in New Zealand between July 1997 and June 2006 and describes their transition patterns to permanent residence. Many migrants in this analysis had more than one temporary permit issued over the nine-year period. The analysis method used in this section included the first student or work permit held for an individual and tracked their transition to permanent residence.⁵

Transition from work to residence

The table below shows the number of principal applicants approved for their first work permit between 1997/98 and 2005/06 and the cumulative proportion of these people subsequently approved for residence. The table is read as the cumulative proportion of work permit holders in each cohort who convert to residence in subsequent years. The shaded cells indicate comparable proportions across the cohorts.

On average, seven percent of work permit holders gained permanent residence in the same financial year as their first work permit was issued. The number of work permit holders converting to residence increases over time for any given cohort. Twenty-five percent of work permit holders granted their permit between 1997/98 and 2005/06 had gained permanent residence by June 2006, although this figure is lessened by the inclusion of the most recent cohorts (where migrants have had less time in New Zealand). Approximately 30 percent of work permit holders gain permanent residence within five years of being issued their first work permit.

Although the proportion of work permit holders converting to residence is relatively steady over time, the increasing number of people approved for a work permit since 1997/98 has seen a growing number of temporary workers converting to permanent residence. Thirty-seven percent of people issued their first work permit in 1997/98 had gained permanent residence by June 2006.

Principal applicants approved for a work permit between 1997/98 and 2005/06 and the proportion subsequently approved for residence*

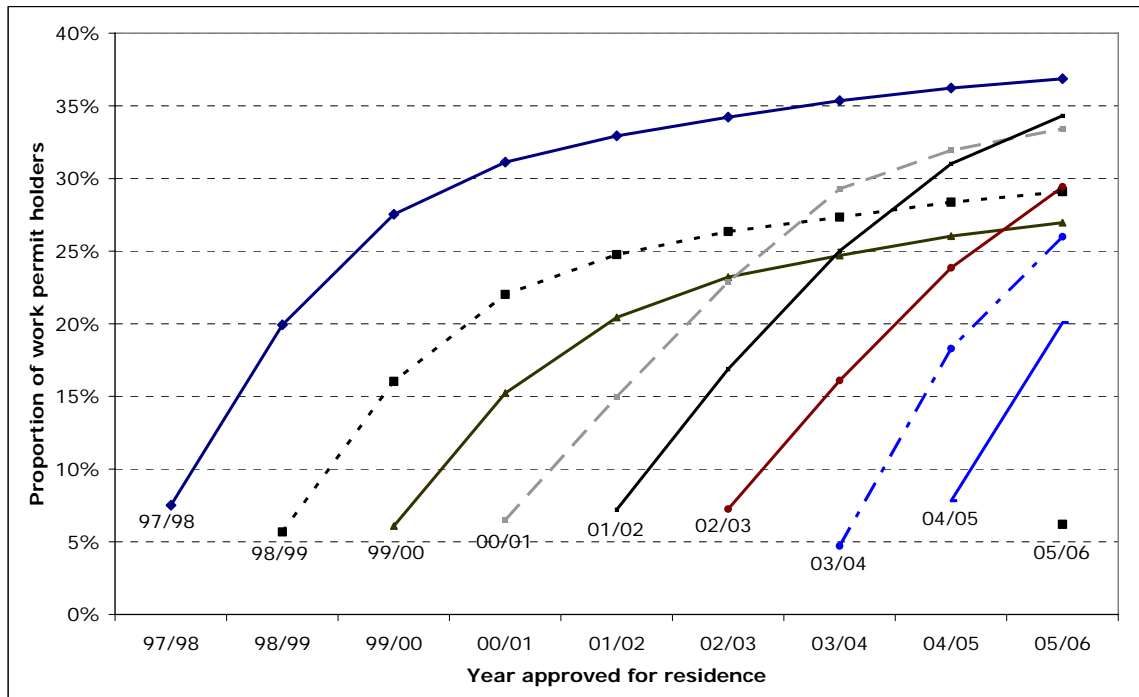
		Year first work permit approved								
		97/98	98/99	99/00	00/01	01/02	02/03	03/04	04/05	05/06
Cumulative proportion converted to residence	97/98	8%								
	98/99	20%	6%							
	99/00	28%	16%	6%						
	00/01	31%	22%	15%	6%					
	01/02	33%	25%	20%	15%	7%				
	02/03	34%	26%	23%	23%	17%	7%			
	03/04	35%	27%	25%	29%	25%	16%	5%		
	04/05	36%	28%	26%	32%	31%	24%	18%	8%	
	05/06	37%	29%	27%	33%	34%	29%	26%	20%	6%
	Total converted to residence	9,710	7,480	7,030	12,390	16,370	15,250	14,020	11,770	4,560
Total in cohort	26,330	25,730	26,090	37,090	47,700	51,830	53,950	58,630	73,650	

* Raw numbers are rounded to the nearest multiple of 10.

⁵ This analysis examines work permit holders and student permit holders separately. However, some migrants had held both a work permit and a student permit over the analysis period, and were therefore counted once in each analysis.

The figure below represents the proportion of work permit holders converting to residence over time. The graph is read as the cumulative proportion of people in each cohort who converted to residence in subsequent years. The take-up of residence by those previously approved for a work permit tended to be greatest in the first two years after the work permit was issued. The high proportion of work permit holders in the 2003/04 and 2004/05 cohort subsequently approved for residence indicates the growing number of skilled migrants working in New Zealand prior to residence.

Cumulative residence take-up by principal applicants approved for their first work permit between 1997/98 and 2005/06*



* Each line represents a separate cohort

Transition by work permit type

This section examines the rate of transition to residence by work permit type. For many migrants, the pathway to temporary residence is complex. This analysis identifies the first work permit granted to an individual, but many migrants were granted more than one permit in the years prior to residence. Rates of transition to residence differed between work permit types, as did the policies through which work permit holders gained permanent residence. The table below provides a breakdown of the rate of transition to residence for migrants issued their first work permit between 1997/98 and 2005/06 and the stream through which residence was granted.

People issued a work permit through Partnership policy had the highest rate of transition to permanent residence (60 percent) compared to work permit types. Furthermore, 67 percent of these work permit holders were granted residence through the Family Sponsored Stream. LTBV holders also had a higher than average rate of transition (52 percent), and most gained residence through the Skilled/Business Stream. Thirty-percent of labour market tested/skilled work permits had gained residence by the end of

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the analysis period, of which 83 percent gained residence through the Skilled/Business Stream.⁶

Working holidaymakers had the lowest rate of transition to residence – six percent of all working holidaymakers between 1997/98 and 2005/06 had gained permanent residence by June 2006. However, the latest cohorts of work permit holders tend to reduce the transition rates overall, since these migrants have had less time in New Zealand. When the last three cohorts were removed (2003/04 to 2005/06), the rate for working holidaymakers increased to nine percent.

Transition to residence stream by work permit type*

Work permit category**	First permit 97/98–05/06	Transition rate		Residence approval stream		
		n	%	Skilled/Business	Family Sponsored	International/Humanitarian
Labour market tested/Other skilled	112,220	34,110	30%	83%	13%	5%
Partnership	57,150	34,540	60%	31%	67%	1%
Working holidaymakers	143,060	8,340	6%	60%	40%	0%
LTBV	4,450	2,310	52%	94%	5%	1%
Other	77,550	14,290	18%	41%	26%	33%
Total	400,980	98,580	25%	58%	35%	7%

* Raw numbers are rounded to the nearest multiple of 10.

** Work permit types were aggregated into five broad categories.

Transition by nationality

This section examines the rate of transition to residence by nationality for the top 20 source countries of work permits. Rates of transition to residence differed considerably between nationalities, as did the policies through which work permit holders gained permanent residence. In general, migrants from countries with access to Working Holiday Schemes with New Zealand had lower transition rates overall. The previous section showed that transition rates for working holidaymakers were lower than other work permit types, and this trend is reflected in the lower transition rates for migrants from the UK, USA, Canada, and a number of European countries. The table below shows the rate of transition by nationality and the stream through which residence was granted.

Amongst the largest source countries, China and India had the highest transition rates, with 40 percent and 44 percent respectively. Many of these migrants gained residence through the Skilled/Business Stream, reflecting the high proportion who held General work permits, Job Search Visas (now closed), and LTBVs (particularly for Chinese migrants). Japan was the second largest source country for work permits but had the lowest transition rate out of the top 20 source countries. Working holidaymakers made up a large proportion of Japanese work permit holders, which contributed to the low

⁶ Most permits in this group were issued through General policy. Other policies included were the Work to Residence policies, the Job Search Visa (now closed), and work permits issued through the Work to Residence component of the SMC.

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transition rate. However, even those approved a work permit through General policy had a relatively low transition rate (6 percent) compared to the average (31 percent).

South Africa was a smaller source country overall but had a high transition rate (61 percent). These migrants typically gained a work permit through General policy, and the majority were approved through the Skilled/Business Stream.

Transition rates were highest for migrants from Samoa and Tonga overall (62 percent each), but both are relatively small source countries. A high number of migrants from Samoa and Tonga were granted work permits through the October 2000 Transitional policy or through Partnership policy. Most of these migrants gained residence through the Family Sponsored or International/Humanitarian Stream.

Transition to residence stream by nationality*

Nationality	First permit 97/98–05/06	Transition rate		Residence approval stream		
		n	%	Skilled/ Business	Family Sponsored	International/ Humanitarian
UK	102,340	22,510	22%	70%	29%	1%
Japan	44,220	2,670	6%	49%	50%	1%
USA	27,080	3,650	13%	46%	52%	2%
China	26,940	10,660	40%	67%	30%	3%
Germany	18,960	1,690	9%	62%	37%	1%
India	17,210	7,590	44%	63%	35%	3%
South Korea	14,710	3,550	24%	81%	18%	1%
South Africa	14,410	8,840	61%	86%	13%	1%
Canada	14,220	1,690	12%	47%	52%	1%
Ireland	12,930	1,260	10%	54%	45%	1%
Fiji	9,270	4,730	51%	45%	44%	11%
France	7,890	660	8%	49%	50%	1%
Netherlands	7,290	1,010	14%	66%	33%	1%
Philippines	5,810	2,610	45%	57%	40%	3%
Thailand	5,240	1,680	32%	12%	78%	9%
Malaysia	4,920	1,510	31%	63%	30%	7%
Tonga	3,970	2,450	62%	3%	53%	44%
Indonesia	3,930	820	21%	52%	42%	6%
Samoa	3,770	2,350	62%	2%	51%	48%
Taiwan	3,530	390	11%	48%	50%	2%
Others	52,400	16,280	31%	42%	41%	17%
Total	401,040	98,600	25%	58%	35%	7%

* Raw numbers are rounded to the nearest multiple of 10.

Transition from study to residence

The table below shows the number of principal applicants approved for their first student permit between 1997/98 and 2005/06 and the cumulative proportion of these people subsequently approved for residence. The table is read as the cumulative proportion of student permit holders in each cohort who convert to residence in subsequent years. The shaded cells indicate comparable proportions across the cohorts.

On average, the transition to residence for students is lower than it is for work permit holders, and students tend to take longer to make the transition. As is the case with work permit holders, the number of students converting to residence increases over time for any given cohort. Seventeen percent of students granted their permit between 1997/98 and 2005/06 had gained permanent residence by June 2006, although this figure is lessened by the inclusion of the most recent cohorts (where migrants have had less time in New Zealand). If sufficient time is allowed, approximately 20 percent of students gain permanent residence in New Zealand.

With the growth in overall student numbers in recent years there has been a corresponding increase in the number gaining permanent residence, even though the proportion of students converting to residence is relatively steady across the cohorts.

Principal applicants approved for a student permit between 1997/98 and 2005/06 and the proportion subsequently approved for residence*

		Year first student permit approved									
		97/98	98/99	99/00	00/01	01/02	02/03	03/04	04/05	05/06	
Cumulative proportion converted to residence	97/98	1%									
	98/99	6%	3%								
	99/00	10%	8%	2%							
	00/01	14%	13%	7%	2%						
	01/02	17%	17%	12%	7%	2%					
	02/03	19%	20%	15%	11%	5%	2%				
	03/04	20%	22%	19%	16%	8%	5%	2%			
	04/05	22%	24%	22%	20%	13%	8%	9%	6%		
	05/06	23%	26%	26%	25%	18%	13%	13%	12%	4%	
	Total converted to residence	4,090	3,700	4,610	7,510	8,470	5,600	4,160	3,130	1,010	
Total in cohort	17,920	14,090	17,900	30,420	47,560	43,370	31,150	26,090	27,380		

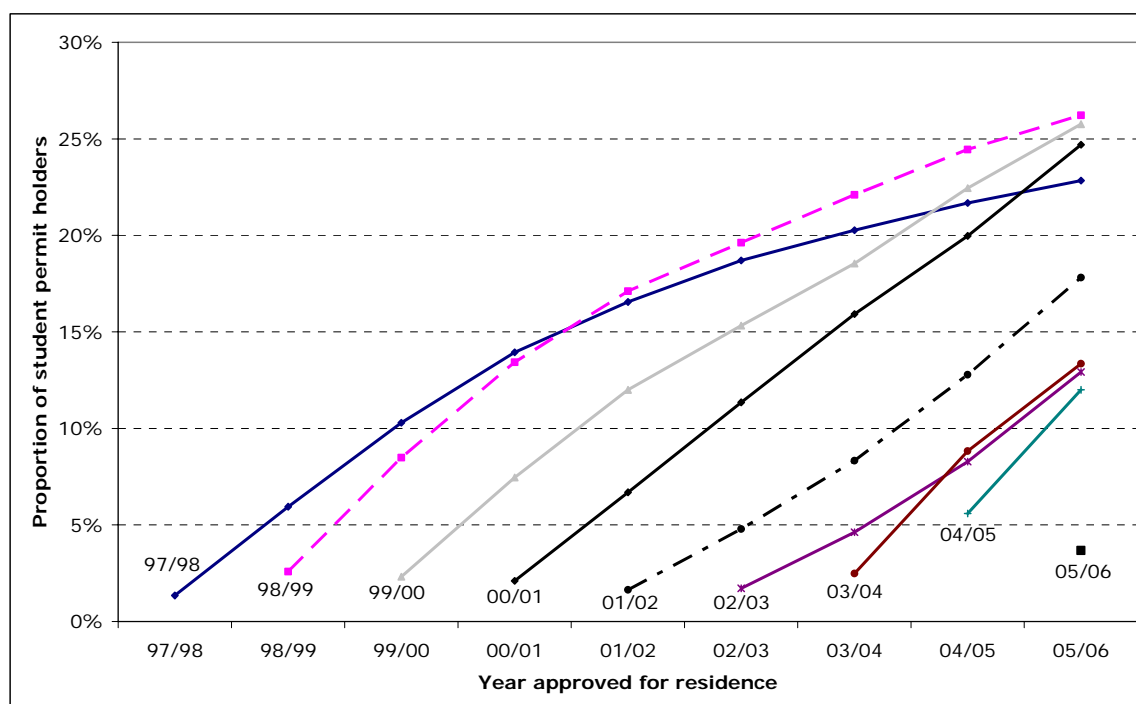
* Raw numbers are rounded to the nearest multiple of 10.

The figure below represents the proportion of student permit holders transferring to residence over time. The graph is read as the cumulative proportion of people in each cohort who converted to residence in subsequent years. The take-up of residence by students approved in the earlier cohorts tended to be greatest in the first 2–3 years after the student permit was issued. Since 2000/01, however, the trend becomes more constant, with a steady take-up of residence over time. This trend coincides with an increasing number of international tertiary students.

From 2003/04 onwards, transition rates are relatively high in the first two years compared to the transition rates for earlier cohorts. This reflects a high number of

students gaining residence as dependents, and corresponds to the increase in work permit holders (their parents) gaining residence over the same period.

Cumulative residence take-up by principal applicants approved for a student permit between 1997/98 and 2005/06*



* Each line represents a separate cohort.

Transition by student permit type

This section examines the rate of transition to residence for three broad groups of students, including full fee paying students, dependents, and other miscellaneous student categories. Full fee paying students are the largest group, comprising English language students and foreign fee paying tertiary students. Dependent students include the dependent children of work permit holders. Other students include those studying on scholarships, student exchanges, and some vocational trainees.

This analysis identifies the first student permit granted to an individual. Many students were granted more than one permit in the years prior to residence, and for some students, the route to residence included a transition from study to work before permanent residence. Rates of transition to residence differed between student permit types, as did the policies through which students gained permanent residence. The table below shows the rate of transition for migrants issued their first student permit between 1997/98 and 2005/06 and the stream through which residence was granted.

Over half (51 percent) of all dependent students had gained residence as at June 2006. The majority had gained residence through the Skilled/Business Stream although, as dependents, the residence application would usually have been made by a parent.

The transition rate for fee paying students was 13 percent, although the latest cohorts of student permit holders tend to reduce the transition rates overall (since these migrants have had less time in New Zealand). When the last three cohorts were removed (2003/04 to 2005/06), the transition rate for fee paying students increased to 17

percent. Sixty-seven percent of fee paying students who gained residence did so through the Skilled/Business Stream, the majority as skilled migrants.

Transition to residence stream by student permit type*

Student category	First permit 97/98–05/06	Transition rate		Residence approval stream		
		n	%	Skilled/ Business	Family Sponsored	International/ Humanitarian
Fee paying	207,200	27,120	13%	67%	29%	3%
Dependents	25,900	13,190	51%	83%	10%	7%
Other	22,730	1,980	9%	54%	31%	14%
Total	255,830	42,280	17%	72%	23%	5%

* Raw numbers are rounded to the nearest multiple of 10.

Transition by nationality

This section examines the rate of transition to residence by nationality for the top source countries of international students. Rates of transition to residence differed considerably between nationalities, as did the policies through which students gained permanent residence. In general, the countries with the highest transition rates (South Africa and the UK) were those where a high number of students were the children of work permit holders.

Younger students (under 20 years) had a high transition rate overall because many were dependents. Over 92 percent of fee paying students were under 30 years old, with a transition rate of 13 percent. In general, older fee paying students were more likely to gain permanent residence than younger students, although the overall number of older students (30 or older) was relatively small. Over two-thirds of fee-paying students who gained permanent residence did so as skilled or business migrants, regardless of age.

China, South Korea, and Japan were the largest student source countries overall and for each country, most students were fee paying. Of the three largest source countries, Chinese students had the highest transition rates (16 percent), and the majority (76 percent) gained residence as skilled or business migrants. For South Korea, the transition rate was lower (11 percent), but a higher proportion gained residence through the Skilled/ Business Stream (85 percent).

Japanese students had a very low transition rate (4 percent), of which 59 percent gained residence through the Skilled/Business Stream. Fijian students had a relatively high transition rate (43 percent), and a greater tendency to gain residence through the International/Humanitarian Stream. Many of these students were dependents who gained residence as secondary applicants through the Pacific Access Category. The following table shows the rate of transition by nationality and the stream through which residence was granted.

Transition to residence stream by nationality*

Nationality	First permit 97/98–05/06	Transition rate		Residence approval stream		
		n	%	Skilled/ Business	Family Sponsored	International/ Humanitarian
China	61,720	9,960	16%	76%	23%	0%
South Korea	44,790	4,890	11%	85%	14%	1%
Japan	22,770	820	4%	59%	39%	2%
USA	14,520	900	6%	60%	36%	5%
Germany	10,430	390	4%	69%	29%	2%
UK	9,120	4,540	50%	88%	11%	1%
Thailand	8,480	750	9%	35%	62%	2%
India	7,150	2,250	31%	81%	18%	1%
Malaysia	6,550	980	15%	77%	21%	2%
Taiwan	6,400	670	10%	67%	32%	1%
South Africa	5,480	3,870	71%	92%	6%	1%
Fiji	5,410	2,320	43%	53%	33%	13%
Brazil	4,800	120	3%	47%	52%	1%
Hong Kong	4,120	430	10%	53%	44%	3%
Canada	3,070	320	10%	61%	37%	2%
Vietnam	2,950	450	15%	18%	78%	4%
Indonesia	2,540	510	20%	78%	20%	2%
Others	35,540	8,120	23%	52%	31%	18%
Total	255,830	42,280	17%	72%	23%	5%

* Raw numbers are rounded to the nearest multiple of 10.

Summary

- There is a strong link between temporary migration and permanent residence, and a number of immigration policies support this link. An increasing number of migrants visit, study, or work in New Zealand prior to gaining permanent residence.
- Eighty-seven percent of principal applicants approved for residence in 2005/06 had previously held a temporary visitor, student, or work permit. Skilled/Business and Family Sponsored Stream migrants were more likely to have held a temporary permit than International/Humanitarian migrants.
- Of the migrants with prior experience in New Zealand, principal applicants had often worked in New Zealand before gaining residence, while secondary applicants were more likely to have been visitors or students.
- Approximately 30 percent of work permit holders gain permanent residence within five years of being issued their first work permit. The equivalent figure for international students is approximately 20 percent.
- Rates of transition to residence differed for various work permit categories, as did the residence categories through which work permit holders gained residence. In general, skilled temporary workers gained residence through skilled categories, and migrants granted a work permit through a family relationship gained residence through the Family Sponsored Stream.
- Work permits issued on the basis of a family relationship (Partnership) had high transition rates, as did LTBV holders. Working holidaymakers had relatively low transition rates.
- Over half of all dependent students (51 percent) gained permanent residence and of these, the majority (83 percent) gained residence through the Skilled/Business Stream. Over time, approximately 17 percent of fee paying students gained permanent residence and of these, 67 percent gained residence as skilled or business migrants.
- China was the largest source country of fee paying students and 16 percent had gained permanent residence – the majority as skilled or business migrants. Students from the UK and South Africa had high transition rates, but most were dependents. Japan was the third largest student source country, but very few students (4 percent) gained permanent residence.

1 INTRODUCTION AND BACKGROUND

1.1 Introduction

Over the past year, the Department of Labour has launched a programme of work that will bring about significant changes to New Zealand's immigration system. New Zealand benefits from the temporary and permanent entry of citizens from other countries, for instance, as visitors, skilled workers, and international students. However, the nature of migration is changing. Migrants are increasingly mobile, evidenced by the growth in temporary entry numbers and increasing competition for skilled people in a global labour market. Furthermore, the traditional distinctions between temporary entrants and permanent migration have lessened, as a greater number of people experience New Zealand as visitors, students, or temporary workers, before settling permanently.

The changes in migrants' mobility and migration patterns, coupled with increasing security risks worldwide, have necessitated a fundamental shift in the way New Zealand's immigration system operates. The Department's programme of change is underpinned by three specific elements: legislative reform, a review of key aspects of New Zealand's immigration policy, and business changes within the Department of Labour. The process of legislative reform is now underway – public consultation on the review of the Immigration Act (1987) was launched in April 2006, and the Immigration Advisers Licensing Bill was introduced in June 2006.

In 2005/06, there has been a strong focus on meeting New Zealand's labour shortages, and this focus is predominantly on New Zealand's acute skills needs. However, the high demand for seasonal labour in the horticulture and viticulture sectors saw the introduction of a pilot scheme to help employers in these industries meet their labour shortages by using temporary workers. Immigration continues to enable migrants, both temporary and permanent, to participate in New Zealand's workforce, reducing skill shortages and benefiting New Zealand workplaces and the economy with their skills and knowledge.

This report is the sixth in a series produced annually to provide background information about trends in temporary and permanent migration. The report is prepared for two audiences:

- policymakers concerned with migration flows and their impact, and
- the wider public, particularly those with an interest in migration policy and outcomes.

Immigration trends 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.

1.2 Report structure

The report is presented as follows:

- Chapter 1 is an introduction to immigration policies.
- Chapter 2 outlines the methodology used in this report.
- Chapter 3 describes migration flows in and out of New Zealand.
- Chapter 4 describes the characteristics of people granted student or work permits.
- Chapter 5 summarises residence approval data over time.
- Chapters 6 to 8 detail approvals through the three residence streams.
- Chapter 9 discusses the movement patterns of permanent migrants.
- Chapter 10 summarises the data and provides conclusions.
- Appendices A to I contain information on immigration policies, as well as supplementary tables and analyses.

1.3 Temporary entry policy

The objectives of New Zealand's temporary entry policy are to facilitate the entry of genuine visitors, students, and temporary workers, while managing the associated risks; and to contribute to building strong international links, attracting foreign exchange earnings, and addressing skills shortages. Appendix A provides a breakdown of temporary entry policies.

1.4 Permanent residence policy

People who wish to migrate permanently to New Zealand must apply through one of the three residence streams of the New Zealand Residence Programme (NZRP), formerly known as the New Zealand Immigration Programme, or NZIP. The streams are: Skilled/Business, Family Sponsored, and International/Humanitarian. Each stream has a number of categories and a separate approval limit. Table 1.1 details the approval limits for 2005/06.

Table 1.1 New Zealand Residence Programme 2005/06

Stream	Approval Limit	Proportion of NZRP
Skilled/Business	27,000 (+5,000)	60%
Family Sponsored	13,500 (+750)	30%
International/Humanitarian	4,500 (+750)	10%
Total	45,000 (+6,500)	100%

1.4.1 Skilled/Business Stream

The Skilled/Business Stream includes the Skilled Migrant Category (SMC), the Work to Residence categories, and the Business categories.⁷

1.4.1.1 Skilled Migrant Category

A person who is interested in applying for residence under the SMC must first submit an Expression of Interest (EOI). Points are awarded for employability and capacity building factors, including skilled employment, work experience, qualifications, and age. An EOI is entered into a pool if the applicant meets prerequisites for health, character, and English language proficiency, and has a point score of 100 or more.

⁷ In 2005/06, a small number of people were approved through the General Skills Category (GSC), which closed on 1 July 2003. Very few GSC applications remained to be processed at the end of the 2005/06 financial year.

A number of changes were made to the selection process in December 2005. Up until December 2005, EOIs were selected from the pool based on a selection point that was set at each draw. From December 2005, principal applicants who score 140 points or more in their EOI have been selected from the pool automatically. Applicants who score between 100 and 140 points and have a skilled job or offer are now ranked and selected in sufficient numbers to meet the required places for the Skilled/Business Stream at the time of that selection. If further places are available in any given selection, additional EOIs may be selected from the pool on the basis of criteria set by the Minister of Immigration (see Chapter 6 for details).

A second tier assessment involves a formal assessment of an applicant's ability to settle and contribute to New Zealand. Applicants may be granted residence if they can demonstrate this ability – such evidence includes skilled employment in New Zealand (or an offer of skilled employment), or New Zealand qualifications that are to a specified level, in an area of identified growth, or relevant to an occupation that is in absolute shortage.

Applicants who are unable to demonstrate their ability to settle and contribute as specified above may undergo further assessment, which may include a face-to-face interview. Depending on their assessed potential, they may be granted a six-month work permit, or have their application for residence declined. If a work permit is issued, they could be approved for residence through the SMC if they hold a skilled job for three months or more in that six-month period.

1.4.1.2 Business categories

The Business categories include an Investor, Entrepreneur, and Employees of Relocating Businesses Category.⁸ The Long Term Business Visa (LTBV) allows an applicant to establish a business in New Zealand before applying for residence through the Entrepreneur Category. The Investor Category aims to provide targeted use of investor funds and attract skilled business people to New Zealand. This category operates in a similar manner to the SMC, where applicants must first submit an EOI, after which the applicant may be invited to apply for residence.

1.4.1.3 Work to Residence

The Work to Residence policies were introduced on 29 April 2002. After holding one of these work permits for two years, applicants are eligible for permanent residence provided they have met the conditions of their permit, will continue to work in New Zealand, and meet the English language, health, and character requirements. Applicants are counted against the NZRP only if they become residents. Work to Residence policies include:

- Talent (Accredited Employers)
- Talent (Arts, Culture and Sports)
- Long Term Skill Shortage List Occupation.

⁸ The majority of Investor Category approvals in 2005/06 were processed through the old Investor Category, which closed on 13 June 2005. The new Investor Category came into effect from 4 July 2005.

1.4.2 Family Sponsored Stream

This stream includes spouses and partners, dependent children, parents, adult siblings, and children of New Zealand residents and citizens.⁹ The Family Sponsored Stream allows for New Zealand citizens and residents to sponsor family members to live in New Zealand under some circumstances. Under Partnership policy (a category of the Family Sponsored Stream), a couple must provide evidence that their relationship is genuine and stable. Applicants must have been living in a genuine and stable partnership for 12 months or more at the time they lodge their application.

Sponsors of less dependent relatives (parents, siblings, and adult children) 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. The Family Quota (when available) provides for residents wanting to sponsor parents, siblings, adult children, and grandparents, when those family members do not qualify for residence under any other residence policies.¹⁰

From July 2007, there will no longer be a cap on the number of places available in the NZRP for partners and dependent children of New Zealand residents or citizens. These categories will be approved through a new, separate stream to the Family Sponsored Stream. Limits will still be imposed on the number of parents, siblings, and adult children of New Zealand sponsors.

1.4.3 International/Humanitarian Stream

This stream provides for New Zealand to fulfil its international commitments regarding refugees and its special relationship with some Pacific nations, as expressed by the Pacific Access Category and the Samoan Quota. Details of the quotas and categories in this stream are given in Appendix A.

⁹ This stream also includes residence approvals through the Humanitarian Category (now closed), the Family Quota, and the October 2000 Transitional Policy. The Humanitarian Category closed in October 2001, and most remaining applications on hand have now been processed. Details are provided in Appendix A.

¹⁰ The Family Quota operates only when there are sufficient places available in the Family Sponsored Stream. There were no places available in the Family Quota in 2004 and 2005, and no places have been made available in 2006.

2 METHODOLOGY

2.1 Introduction

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

Data for the report was generated using SAS to query MIS on the variables of interest. The MIS data was extracted in the week starting 3 July 2006. Since MIS is a dynamic database, the data represents the state of data as of that week. The data covers the period 1 July 2005 to 30 June 2006. Further data analysis was carried out using SAS, Microsoft Access, and Microsoft Excel.

2.2 Definitions

Below is a description of some of the key immigration terms used in the report. Descriptions of the NZRP, residence streams, and categories are included in Appendix A.

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 database of immigration applications and is used as the source of reporting on many aspects of the business's performance. AMS is the immigration database and is used to enter details of applications by staff assessing applications.

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.

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 A. 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. The Skilled/Business Stream includes the SMC (and its forerunner the General Skills Category, or GSC), the Work to Residence categories, and the Business categories. The Family Sponsored Stream includes the Family and former Humanitarian

Category, while the International/Humanitarian Stream includes the Samoan Quota, Pacific Access Category, Refugee Quota, Refugee Status, Ministerial direction, and various other policies. 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 for the 2005/06 financial year, which is from 1 July 2005 to 30 June 2006.

2.3 Limitations

The data reported relates to the number of people approved for residence rather than the number of migrants arriving during the reporting period. People approved for residence offshore 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.¹¹

The data used in this report relates to the date the residence application was decided, rather than the date the residence application was completed (with the exception of the migrant movement analysis in Chapter 9). Date decided refers to the date the decision was made to approve a person for residence. Date completed refers to the date 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 Department of Labour reporting.

2.4 Data analysis

Percentages within this report are rounded to the nearest whole number and, for this reason, may not always add to 100 percent.

¹¹ In some cases, an applicant may have more than one residence application recorded in the period of interest. These duplicate records typically occur for administrative reasons. For example, an Immigration Officer may discover that an applicant's surname has been entered incorrectly. Where this occurs, a new application is created with the amended spelling. Duplicate client codes were removed before the data was analysed for this report.

3 MIGRATION FLOWS

3.1 Introduction

New Zealand's population is affected by a number of migration flows. Migration flows include trans-Tasman migration, the arrival and departure of New Zealand and Australian citizens and residents, the arrival and departure of visitors and people on work and student permits, and the arrival of permanent residents through the New Zealand Residence Programme (NZRP). Net migration flows take into account the difference between the number of permanent and long term (PLT) arrivals and PLT departures.¹²

Many factors affect migration flows. Research on permanent migrants to New Zealand has shown that New Zealand's environment, people, lifestyle choices, and safety from crime or violence are some of the reasons skilled migrants want to live in New Zealand.¹³ However, these same migrants report that the distance from their home country or family is a negative aspect of life in New Zealand. These and other reasons play an important role in attracting people to New Zealand as tourists, students, temporary workers, or permanent residents. These same reasons also help to determine whether migrants stay in New Zealand permanently, return to their home country, or choose to live in another country.

3.2 Temporary arrivals in New Zealand

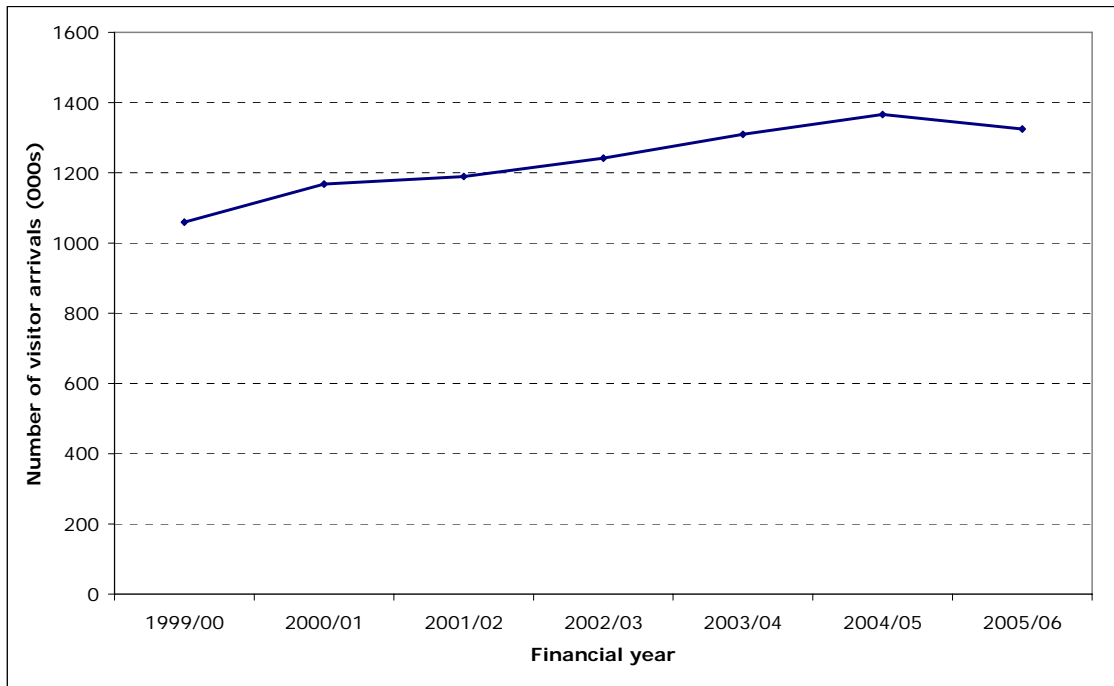
The majority of people arriving in New Zealand are either overseas visitors intending to stay for less than 12 months or New Zealand residents returning from a short trip overseas. The majority of those who leave are either overseas visitors returning from a short stay or departing New Zealand residents who intend to return to the country within 12 months. Within any given year, there are seasonal fluctuations in flows, with large numbers of visitors arriving over the summer months.

In 2005/06, nearly 1.5 million people were granted a temporary visitor, student, or work permit upon arrival in New Zealand. In addition, almost 700,000 Australian citizens travelled to New Zealand (Australian citizens do not require a permit to enter New Zealand). Visitor numbers show seasonal fluctuations and peak over the summer months or during particular events. In mid-2005, the British and Irish Lions rugby tour had a significant impact on visitor numbers from the UK and Ireland. Figure 3.1 illustrates the steady growth in visitors to New Zealand since 1999/00.

¹² An arrival or departure is permanent and long term if the intended length of stay or absence is 12 months or more.

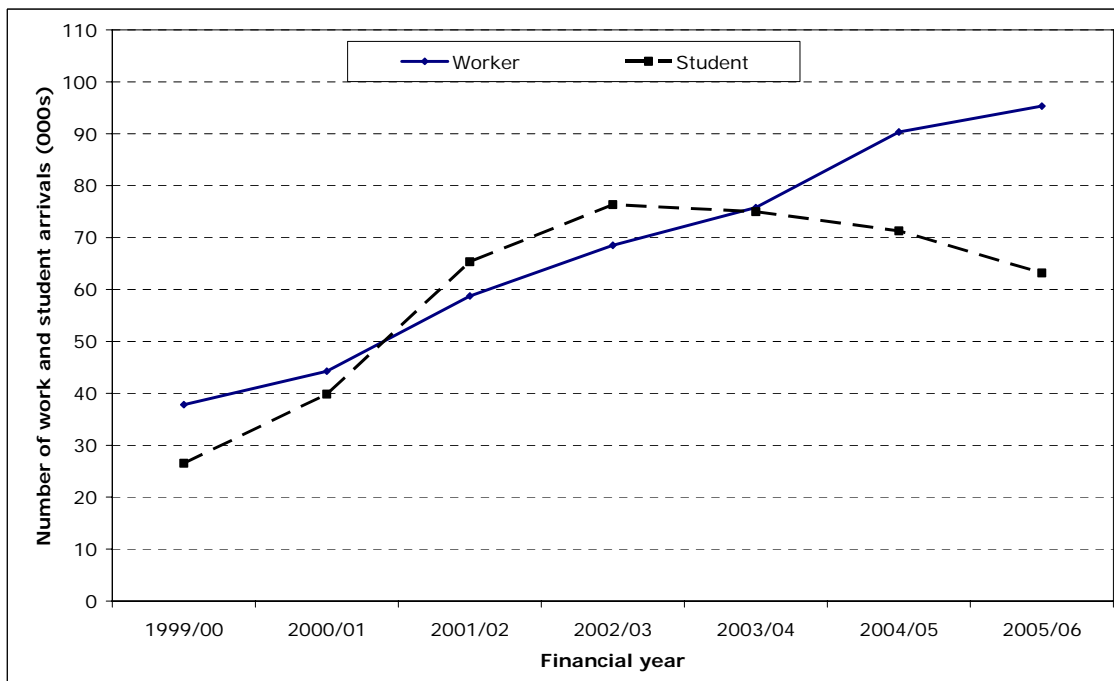
¹³ Wallis, R. (2006): *Skilled Migrants in New Zealand: A study of settlement outcomes*. Department of Labour. Wellington.

Figure 3.1 Visitor arrivals between 1999/00 and 2005/06



In recent years, there has been rapid growth in the number of migrants coming to New Zealand for work or study. The number of people arriving in New Zealand to study peaks at times relevant to the academic year such as in January or February, and again in July. There is less seasonal fluctuation for those coming to New Zealand to work, with a relatively small increase around the beginning of the year. Figure 3.2 shows the sustained increase in the number of work permit holders entering New Zealand since 1999/00. International student numbers increased sharply between 1999/00 and 2002/03 and have declined in recent years.

Figure 3.2 Work and student arrivals between 1999/00 and 2005/06

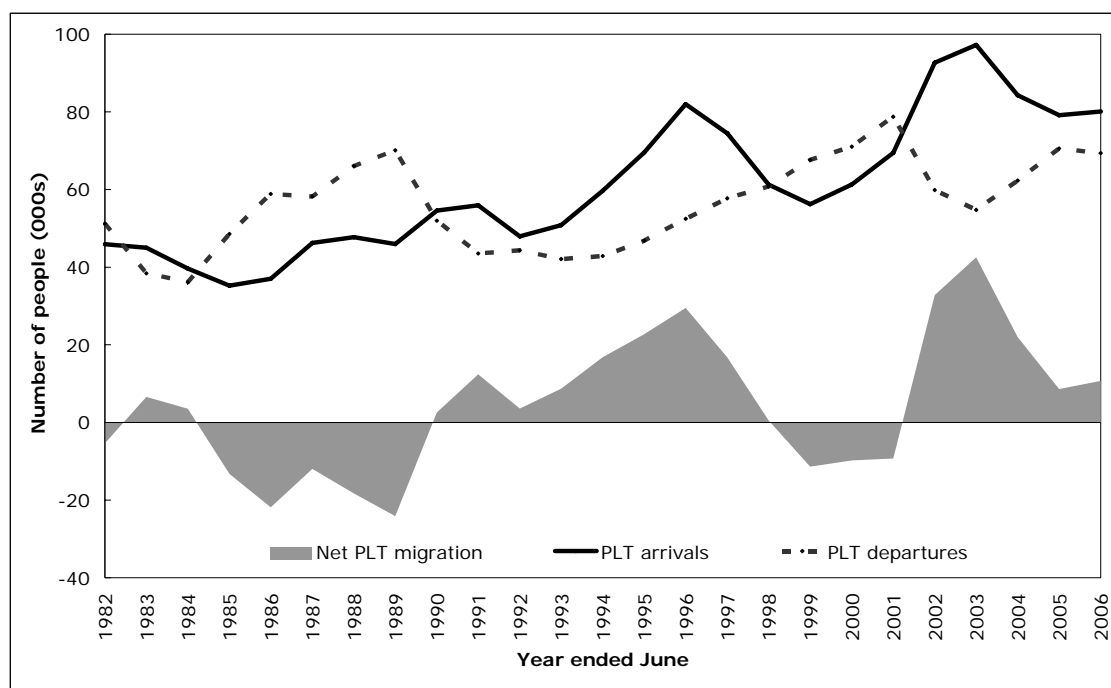


3.3 Permanent and long term migration

Permanent and long term (PLT) arrivals include people who arrive in New Zealand intending to stay for a period of 12 months or more. This includes people granted permanent New Zealand residence, as well as New Zealand residents returning after an absence of 12 months or more, and some students and work permit holders. PLT departures include New Zealand residents departing for an intended period of 12 months or more, as well as overseas visitors, students, or work permit holders leaving New Zealand after a stay of 12 months or more. Net PLT migration is the difference between the number of PLT arrivals and the number of PLT departures.

The total number of people migrating to and from New Zealand has fluctuated over time, but in general, the trend has been one of continual growth. New Zealand has had periods of net outflows of people, such as in the 1980s and late 1990s, followed by periods of net inflows. Over the last decade, there has been an average net gain of 10,300 people per annum. Figure 3.3 shows the increase in PLT arrivals and departures over the last 25 years and the fluctuations in net migration inflows and outflows.

Figure 3.3 Annual migration flows from 1982 to 2006



Source: Statistics New Zealand.

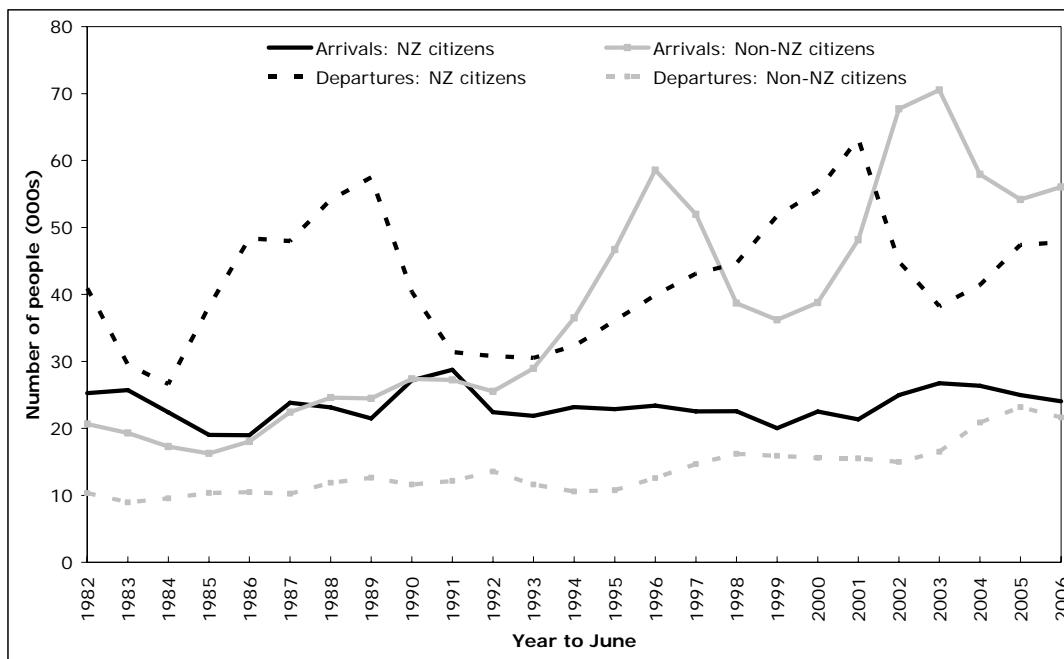
The movement of non-New Zealand citizens has increased steadily over the last 25 years, with a much greater number of arrivals compared to departures. In general, the number of migrants coming from Oceania has decreased since the 1980s, while the number from Asia and Europe has increased. The number of migrants coming from Asia increased rapidly between 2000 and 2003, largely a result of significant growth in the export education industry.

Since 2003, the number of PLT arrivals from Asia has decreased, while those from Europe have increased. The decrease from Asia is largely because of falling international student numbers, but also from a shift in the main source countries for permanent residence in New Zealand. Over the last three years, the number of Asian people

granted permanent residence has decreased, particularly from China and India, while numbers have increased for Europe, particularly from the UK.

Over the last 25 years, the number of New Zealand citizens returning after being away for 12 months or more has been relatively constant. Conversely, the number of PLT departures has fluctuated, but generally increased. Figure 3.4 shows that the number of New Zealand citizens departing long term has been consistently greater than those returning, resulting in a steady loss of New Zealand citizens over time. Figure 3.4 shows the different patterns of migration between New Zealand citizens and non-New Zealand citizens.

Figure 3.4 Annual migration flows by citizenship from 1982 to 2006



Source: Statistics New Zealand.

In 2006, the net inflow of PLT migration to New Zealand was 10,700 – the balance of 80,100 PLT arrivals and 69,400 PLT departures. Table 3.1 shows that the net inflow in the year to June 2006 was greater than in the previous year (up from 8,600). This resulted from an increase in the number of overseas citizens arriving (particularly from the UK) and a fall in the number of overseas citizens departing, especially to Asia.

The number of New Zealand citizens returning decreased from 25,000 in 2005 to 24,000 in 2006, as fewer New Zealanders returned from the UK/Ireland. Over the last 12 months, the number of New Zealand citizens departing increased slightly from 47,400 to 47,800, although departures to Australia decreased over the last six months.

Table 3.1 Yearly permanent and long term migration flows

Year to June	NZ citizens		Non-NZ citizens		Total	
	2005	2006	2005	2006	2005	2006
PLT arrivals	25,000	24,000	54,200	56,000	79,100	80,100
PLT departures	47,400	47,800	23,200	21,600	70,500	69,400
Net PLT migration	-22,400	-23,700	31,000	34,400	8,600	10,700

Source: External Migration, Statistics New Zealand.

3.4 Summary

- In any given year, a large volume of people crosses New Zealand's borders. Most movements into and out of New Zealand are short term.
- In 2005/06, almost 1.5 million people were issued a temporary permit to visit, study, or work in New Zealand. In addition, almost 700,000 Australians travelled to New Zealand.
- Temporary migrant inflows are subject to seasonal fluctuations. Visitor numbers peak during the summer months, and international student arrivals coincide with events related to the academic year.
- The number of people coming to New Zealand to work on a temporary permit has grown steadily since 1999/00. Student numbers increased rapidly from 1990/00 to 2002/03, but have decreased gradually since then.
- The number of PLT departures and arrivals has grown over the last two decades, but numbers fluctuate. Over the last 25 years, more people have arrived than departed, contributing to a general pattern of population growth for New Zealand.
- Migrant source countries change over time. Over the last 25 years, the number of migrants coming from Oceania has decreased, while the number from Asia and Europe has increased.
- The number of New Zealand citizens departing long term has been consistently greater than the number returning, resulting in a steady loss of New Zealand citizens over time.
- In the year to June 2006, the net inflow of PLT immigration to New Zealand was 10,700 people, up from 8,600 in the previous year.

4 TEMPORARY MIGRATION

4.1 Introduction

Temporary workers and students make an important contribution to New Zealand's economy. People on work permits are an important source of labour and skills, offering skills and experience that New Zealand employers' need. Many work permit holders become permanent residents over time, and there is now an established link between temporary workers and permanent, skilled migration.

International students contribute to New Zealand through foreign exchange earnings, by promoting international links, and by participating in the labour force after their study. A growing number of international students gain permanent residence in New Zealand after completing their studies. These students can offer employers New Zealand qualifications and, having participated in New Zealand society, are likely to settle well and contribute to New Zealand. This chapter describes the trends in the number of people coming to New Zealand on temporary student or work permits.¹⁴

4.2 Work permits

Anyone who wishes to work in New Zealand (except New Zealand or Australian citizens or residents) must have a work permit. Work permit policy allows people to enter New Zealand for a variety of work-related purposes. Some policies allow employers to recruit temporary workers from overseas to meet particular or seasonal skill needs that cannot be met from within New Zealand (see section 4.2.1). Other policies allow family members to participate in the labour market, and these migrants make an important contribution to the current environment of skill and labour shortage. Work permits are also issued to young people (aged 18–30 years) participating in working holiday schemes that New Zealand has established with a number of countries, and to people applying through the Work to Residence policies. A full list of work permits is given in Appendix B.

In 2005/06, 99,674 individuals were issued work permits, 21 percent more than in 2004/05. A number of factors have contributed to the growth in work permit numbers in recent years. These include the expansion of the working holiday schemes, the introduction of Work to Residence policies, and a growing number of work permits issued to partners of New Zealand citizens or residents, or partners of work permit holders. In 2005/06, much of the increase came from working holidaymakers, the piloting of a seasonal work permit scheme, and an increase in the number of permits issued to people for specific purposes or events.¹⁵

The UK was the largest source country in the current period (19 percent) followed by China (12 percent). The number of Chinese people granted work permits has increased significantly in recent years, almost tripling from 4,023 in 2003/04 to 11,954 in 2005/06.

¹⁴ This analysis is of individuals who at any time in the 2005/06 financial year were issued a permit, not of the total number of permits issued per se. If a person was issued more than one permit in the current period, only the most recently held permit is used in this analysis.

¹⁵ Applicants may be granted a work permit under Specific Purpose or Event Policy if they are coming to New Zealand for a specific purpose or event for a particular period, and are skilled in areas relevant to that specific purpose or event. Examples of specific purposes or events include specific types of business or sporting activities, entertainers, performing artists, film, and video production crew who meet certain requirements. The objective of this policy is to facilitate entry to New Zealand for a specific purpose or event for which the applicant has demonstrated skills, expertise, or attributes that are likely to benefit individuals and/or New Zealand and where there is no risk of a negative impact on opportunities for New Zealand.

Much of this growth has stemmed from the introduction of work permit policies for international students upon the completion of their New Zealand qualification. Eighty-three percent of all Graduate Job Search permits (3,676 out of 4,437) were issued to Chinese graduates. The number of labour market tested work permits issued to Chinese workers, and those issued to Chinese partners of New Zealand citizens or residents, has also increased in recent years. Table 4.1 shows the top source countries of work permit holders.

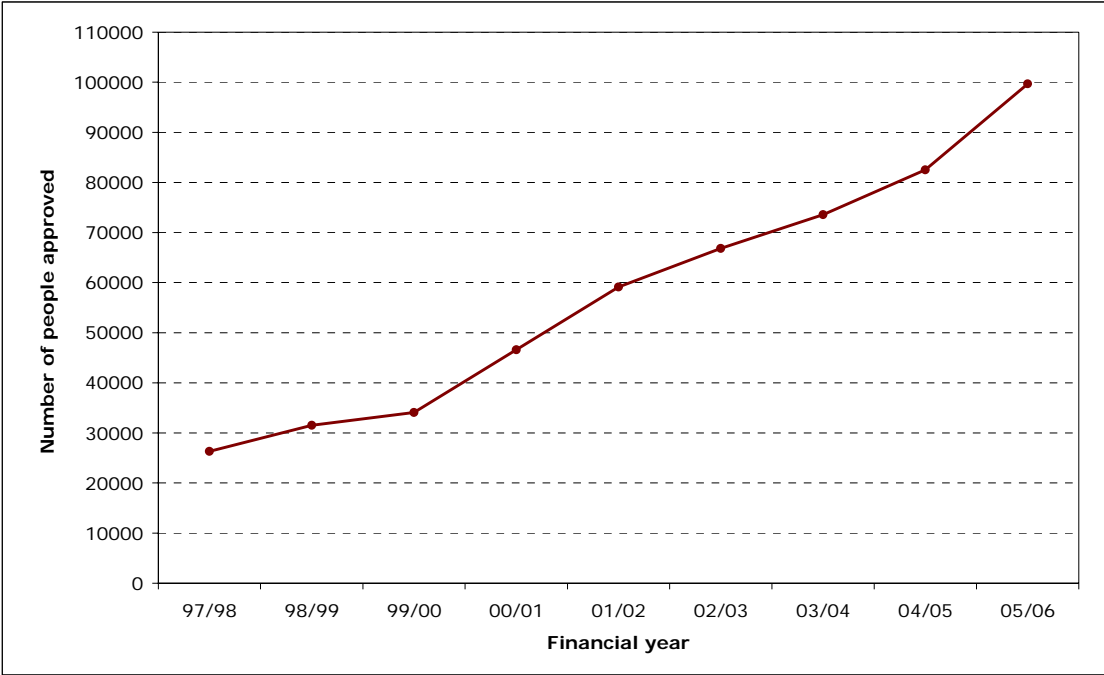
Table 4.1 Principal applicants granted work permits in the top twelve countries since 1999/00*

Country	99/00	00/01	01/02	02/03	03/04	04/05	05/06	05/06 %
UK	8,785	12,475	15,114	17,473	19,185	19,346	18,659	19%
China	1,120	1,955	3,156	3,618	4,023	6,953	11,954	12%
USA	2,621	2,803	3,201	3,990	4,504	5,146	6,327	6%
Germany	725	1,116	1,923	2,601	3,530	3,971	6,241	6%
Japan	5,545	6,074	6,716	7,664	6,957	6,664	6,142	6%
India	1,281	2,233	3,639	3,450	3,659	4,473	4,889	5%
South Korea	694	1,431	2,587	2,768	3,311	3,615	4,063	4%
South Africa	1,278	1,632	2,509	2,861	3,062	3,314	3,420	3%
Fiji	798	1,410	1,779	1,534	1,680	2,214	3,278	3%
Canada	1,367	1,422	1,812	2,121	2,427	2,619	3,042	3%
Ireland	761	1,235	1,543	2,403	2,609	2,833	2,921	3%
Philippines	473	636	805	812	913	1,175	2,176	2%
Others	8,627	12,180	14,364	15,532	17,727	20,174	26,562	27%
Total	34,075	46,602	59,148	66,827	73,587	82,497	99,674	100%

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

Figure 4.1 shows the growth in the number of people issued a work permit since 1997/98.

Figure 4.1 Principal applicants granted work permits since 1997/98



4.2.1 Labour market tested work permits

The objective of labour market tested work permits is to fill skill shortages in New Zealand where no New Zealanders are available to do the work. They consist of the General work permit, Talent (Accredited Employers), LTSSL (formerly known as the Priority Occupations List), some business policies, machinery installers, specialist skill areas, seasonal work permit policy, and Japanese interpreters.¹⁶

Table 4.2 shows the growth in labour market tested work permit numbers. In 1999/00, 13,586 people were granted a labour market tested work permit. By 2005/06 this increased to 29,503. The UK has remained the largest source country with 19 percent of all labour market tested work permits in 2005/06, and China is the second largest source country with 12 percent.

Table 4.2 Principal applicants granted labour market tested work permits since 1999/00*

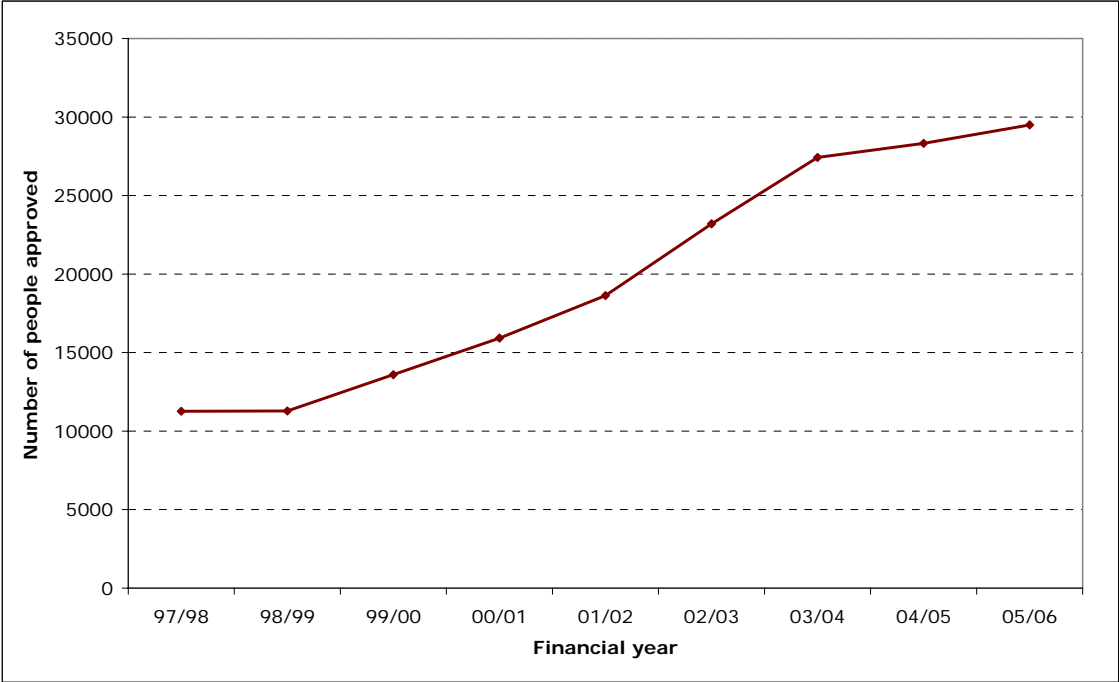
Country	99/00	00/01	01/02	02/03	03/04	04/05	05/06	05/06 %
UK	3,218	3,590	4,015	4,807	6,081	6,345	5,545	19%
China	257	564	795	1,078	1,933	3,355	3,087	12%
South Africa	1,032	1,046	1,399	1,702	1,787	1,885	1,916	6%
India	599	888	1,174	1,492	1,655	2,051	1,866	6%
USA	1,101	1,074	1,198	1,964	2,129	1,931	1,682	6%
South Korea	213	286	383	779	1,426	1,663	1,654	6%
Fiji	483	656	774	638	667	931	1,457	5%
Brazil	24	33	64	129	280	424	1,381	5%
Japan	1,992	2,415	2,430	2,721	2,409	1,313	1,002	3%
Malaysia	333	328	364	373	548	483	831	3%
Philippines	263	330	349	386	413	503	757	3%
Germany	309	468	525	526	600	629	721	2%
Others	3,762	4,247	5,161	6,605	7,498	6,804	7,604	26%
Total	13,586	15,925	18,631	23,200	27,426	28,317	29,503	100%

* This table analyses individuals rather than number of permits issued.

Figure 4.2 shows the growth in the number of people issued a labour market tested work permit since 1997/98.

¹⁶ The General work permit is the standard 'skill shortage' work permit consisting of occupations on the Immediate Skill Shortage List (formerly known as the Occupational Shortages List) or where a labour market test has been conducted to ensure no New Zealanders are available to do the work. Some of the policies listed, such as the Talent (Accredited Employers) or LTSSL Occupation policy, do not require a labour market test per se, but it is inherent in the policy that the applicants' skills are in shortage.

Figure 4.2 Principal applicants granted labour market tested work permits since 1997/98



4.2.1.1 Occupations of people on labour market tested work permits

This section details the types of occupations recorded against work permit holders where the granting of the work permit is subject to a labour market check, or where it is inherent in the policy that the applicant’s skills are in shortage (such as LTSSL Occupation policy). This analysis excludes work permit holders approved on the basis of a family relationship, a working holiday scheme, refugee claimants, or those issued to international students upon completion of their New Zealand qualification.

Table 4.3 lists the most common occupational groups recorded against labour market tested work permit holders, using the New Zealand Standard Classification of Occupations (NZSCO). The most common occupational group for work permit holders was Professional (19 percent), followed by Service and sales workers (17 percent). Agriculture and fishery workers accounted for 14 percent in 2005/06, up from 7 percent in 2004/05. This increase resulted from the piloting of seasonal work permits in the horticulture and viticulture industries.¹⁷ Occupations in the tourism and travel industry featured prominently, as did chefs, health professionals, business managers, IT specialists, and occupations in the education sector.

¹⁷ The purpose of the seasonal work permit pilot was to allow employers in the horticulture and viticulture industries to employ foreign workers to plant, maintain, harvest, and pack crops in the horticulture and viticulture industries, in regions where the Ministry of Social Development had identified an absolute labour shortage. The initial number of places available through this policy was 4,000. A new seasonal labour policy will come into effect from April 2007 – the Recognised Seasonal Employer Policy.

Table 4.3 Most common occupational groups of labour market tested work permit holders

Occupational group	Number of work permit holders	% of work permit holders
Legislators, Administrators, Managers	3,261	12%
Professionals	5,392	19%
Technicians and associate professionals	3,649	13%
Clerks	863	3%
Service and sales workers	4,806	17%
Agriculture and fishery workers	3,806	14%
Trades workers	2,624	9%
Plant and machine operators and assemblers	1,474	5%
Elementary occupations*	1,947	7%
Total**	27,822	100%

* Includes occupations not listed in the NZSCO or unidentifiable responses.

** In 2005/06, 29,503 principal applicants were issued a labour market tested work permit, but the occupation was not recorded in every instance.

Table 4.4 illustrates the diversity of occupations of labour market tested work permit holders.

Table 4.4 Examples of the most common occupations of principal applicants issued a labour market tested work permit in 2005/06

Main occupation group	Examples of occupations
Legislators, Administrators, Managers	<ul style="list-style-type: none"> • General Manager • Sales/Marketing Manager • Project Manager • Restaurant/Tavern Manager
Professionals	<ul style="list-style-type: none"> • Nurse • Secondary School Teacher • University Lecturer • IT/software related occupations
Technicians and associate professionals	<ul style="list-style-type: none"> • Sports Coach or Trainer • Mechanical Engineering Technician • Musician • Graphic Designer
Clerks	<ul style="list-style-type: none"> • Researcher • Accounts Administrator • Receptionist
Service and sales workers	<ul style="list-style-type: none"> • Chef • Tour/Travel Guide • Caregiver • Hairdresser • Sales Attendant

Agriculture and fishery workers	<ul style="list-style-type: none"> • Orchard/Vineyard Worker • Dairy Farmer/Dairy Farm Worker • Crop and Livestock Farmer
Trades workers	<ul style="list-style-type: none"> • Motor Mechanic • Electrician • Carpenter/Joiner • Baker • Fitter Welder
Plant and machine operators and assemblers	<ul style="list-style-type: none"> • Sewing Machinist • Heavy Truck Driver • General Welder • Ship Crew Member • Linesperson
Elementary occupations	<ul style="list-style-type: none"> • Builder's Labourer • Cleaner

4.2.2 Working holiday schemes

Working holiday schemes (WHSs) allow young people to experience living and working in New Zealand. The schemes help to strengthen international links, and contribute to New Zealand's economy through tourism and employment. WHSs allow 18–30 year olds from partner countries to spend 12 months (two years for UK working holidaymakers) in New Zealand and undertake work of a temporary nature. WHSs also allow young New Zealanders to work overseas under reciprocal agreements. New Zealand currently has WHSs with 25 countries, with 36,000 places available in 2005/06.

New WHSs commenced with Norway and Thailand in 2005/06, and a number of policy changes came into effect:

- The number of places available in the schemes increased from 31,000 in 2004/05 to 36,000 in 2005/06, and will increase to 40,000 in 2006/07.
- 10,000 additional places were divided between the WHSs for Belgium, Canada, Denmark, Finland, France, Ireland, Italy, Norway, and the USA.
- The cap was removed for WHSs with the UK, Germany, Sweden, and the Netherlands.
- Work restrictions were eased for some schemes, allowing working holidaymakers from Belgium, the Netherlands, Sweden, and the USA to work for up to 12 months with one employer.
- Working holidaymakers from the UK can now stay for up to two years.
- Online processing became available for most WHSs.

These changes have had a significant impact on the number of young people travelling to New Zealand through the various schemes, with 28,540 working holidaymakers approved in 2005/06, up from 21,025 in 2004/05. Table 4.5 shows the annual cap for each WHS partner country, and the number of people issued working holidaymaker permits in

2005/06. In 2005/06, there were substantial increases in the number of working holidaymakers from Germany, the UK, the USA, and the Czech Republic.

Table 4.5 People issued working holidaymaker permits by country in 2005/06

Country	Places available in the scheme*	People issued permits in 2005/06**
Argentina	500	792
Belgium	2,000	208
Canada	2,000	1,454
Chile	500	594
Czech	1,000	766
Denmark	2,000	228
Finland	2,000	120
France	5,000	1,327
Germany	No Cap	4,432
Hong Kong	200	117
Ireland	2,800	2,033
Italy	1,000	258
Japan	No Cap	2,863
South Korea	1,500	1,064
Malaysia	1,150	323
Malta	50	2
Netherlands	No Cap	705
Norway	No Cap	45
Singapore	200	11
Sweden	No Cap	570
Taiwan	600	455
Thailand	100	100
United Kingdom	No Cap	8,291
United States of America	1,000	1,728
Uruguay	100	54
Total		28,540

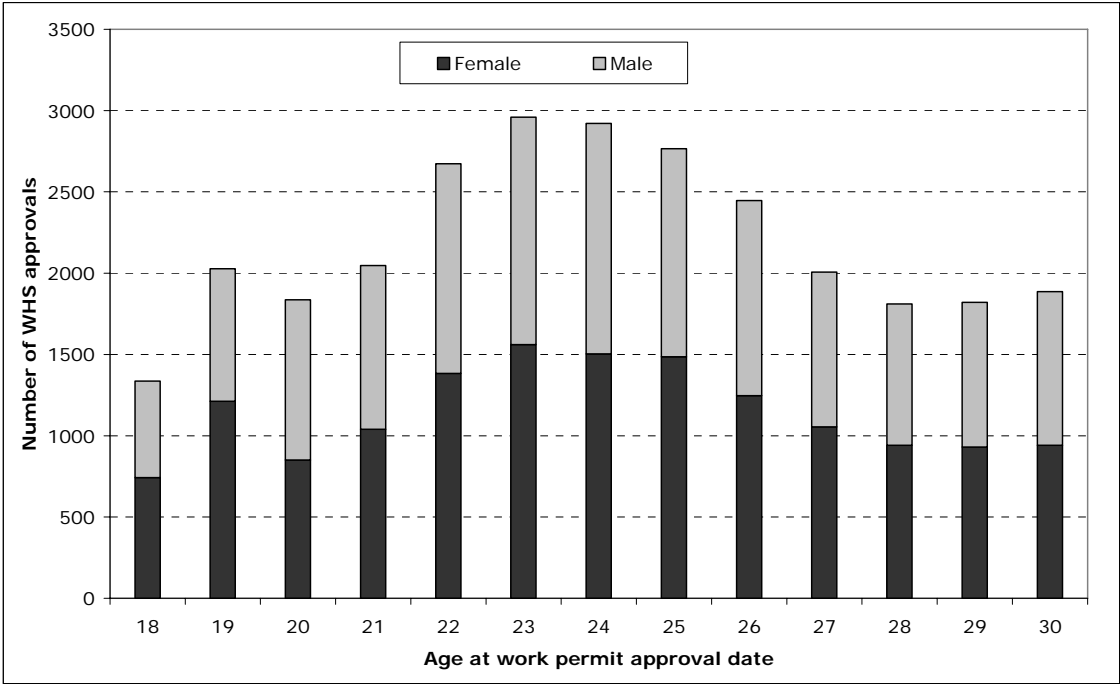
* The number of places available through some schemes will increase in 2006/07. The number of places in the USA scheme will increase to 5,000, and the number of places in the Chile and Argentina schemes will increase to 1,000 each.

** Individual schemes have differing years over which the annual cap operates, depending on when the agreement with each country was signed. Therefore the annual caps indicated do not correspond to a July–June financial year, and are only provided for the information of the reader.

Slightly more women (52 percent) than men were issued work permits across all WHSs. For some schemes, however, the gender differences were more notable. For the schemes with Japan, Taiwan, Thailand, and Hong Kong, there was a much higher proportion of women (at least 50 percent more) than men participating in the schemes. For other schemes, such as Belgium, Chile, Italy, and Uruguay, there were greater proportions of men (at least 75 percent more), although overall numbers in some of these schemes were relatively low.

A high proportion of working holidaymakers were in their early twenties, with 40 percent between 22 and 25 years old. There were slightly more women than men across all ages with the exception of 20 year olds, where there were slightly more men. Figure 4.3 shows the age and gender distribution of working holidaymakers in 2005/06. Appendix I-2 provides a breakdown of the ratio of women to men approved for all work permits (by age group and nationality) in 2005/06.

Figure 4.3 Age and gender of working holidaymakers in 2005/06 (n = 28,540)



4.3 Student permits

The objective of student immigration policy is to facilitate the entry of foreign students, with a focus on attracting and developing students who have the skills and talent New Zealand needs. New Zealand’s international student population has grown rapidly in recent years, peaking in 2002/03 with over 87,000 students issued a permit. More recently, however, the number of students coming from New Zealand’s main source country, China, has been in decline. Decreasing numbers of Chinese students have had a marked impact on the overall numbers of international students.

Decreasing international student numbers will impact upon the supply of migrants for New Zealand’s workforce and the New Zealand Residence Programme. Students who began their study in the years when numbers were at their highest (2001/02 to 2003/04) are now graduating from their courses. In the short term, this will mean a large number of students looking to participate in New Zealand’s workforce and potentially looking to gain permanent residence. The impact of lower student numbers in 2004/05 and 2005/06 will likely be felt in 3–4 years, when fewer graduates look to enter the workforce.

Research published by the Ministry of Education shows that the declining student numbers have had a significant impact on enrolments in schools and English language training providers.¹⁸ Conversely, enrolments by international students in universities and polytechnics/institutes of technology have grown steadily in recent years. In 2004, the government announced a significant commitment to supporting international education. This commitment was increased in April 2005, bringing the government’s investment in international education to over \$70 million over the five years beginning June 2004.¹⁹

¹⁸ Ministry of Education, 2005: *The New Zealand International Education Sector – Trends from 1999 to 2004*.
¹⁹ One such initiative included funding to lower the cost of study for international PhD students (to domestic fee levels) and to allow the dependent children of PhD children to attend school without paying international school fees. These changes came into effect for PhD students (and their dependent children) in January 2006. Since May 2006, dependent children of New Zealand citizens or residents who are applying for citizenship or residence have had domestic student status.

In 2005/06, 69,223 people were approved for a student permit, a decrease of 11 percent from 2004/05, and a fall of 21 percent from its peak in 2002/03. Declining numbers from the top source countries (China, South Korea, Japan, and the USA) all contributed to the overall decrease. Student numbers have remained relatively constant for many of the smaller source countries, and a number have increased in recent years, such as Germany, India, Malaysia, Fiji, and South Africa.

In 2005/06, Chinese students accounted for 39 percent of those issued a permit, but international students come from a diverse range of countries. Permits were granted to students from over 165 different nationalities in 2005/06. Appendix C lists the nationalities of all students granted a permit in 2005/06. Table 4.6 provides a breakdown of the top source countries since 1999/00.

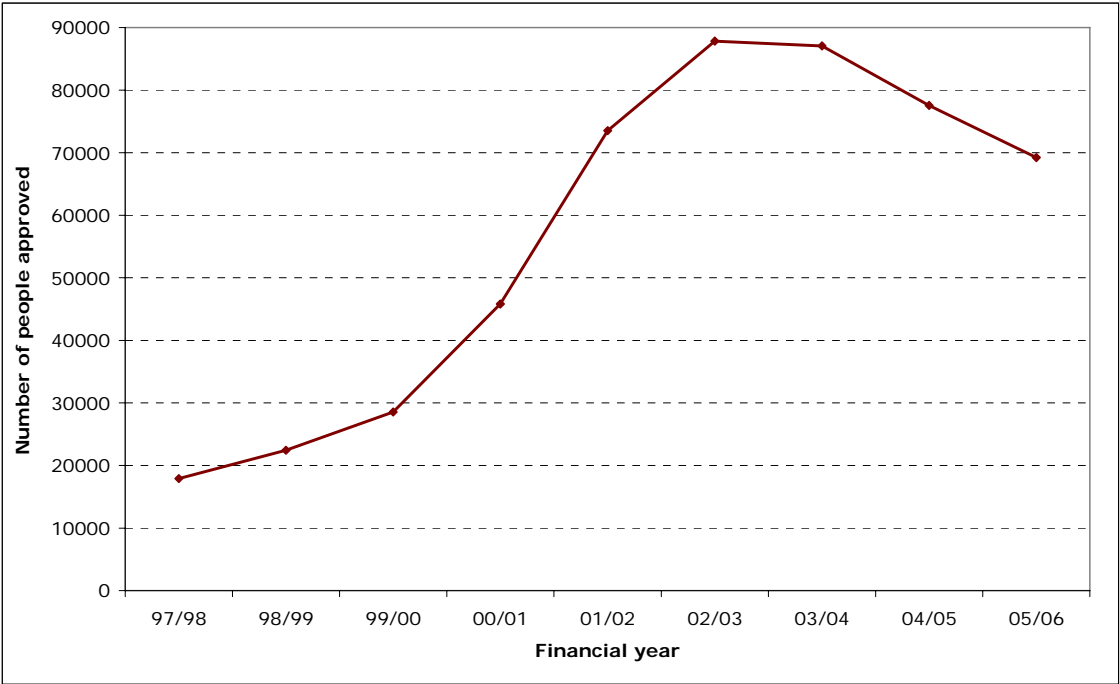
Table 4.6 Principal applicants granted student permits since 1999/00*

Country	99/00	00/01	01/02	02/03	03/04	04/05	05/06	05/06 %
China	5,566	14,655	32,424	41,598	40,748	34,070	26,661	39
South Korea	3,892	7,216	12,510	15,590	13,729	11,346	10,091	15
Japan	3,586	4,060	4,529	4,770	4,608	4,297	3,955	6
USA	1,151	1,360	1,657	2,211	2,740	2,858	2,662	4
Germany	666	1,007	1,180	1,483	1,953	2,057	2,421	3
India	256	727	1,834	2,076	2,174	2,208	2,370	3
UK	543	681	961	1,499	2,330	2,714	2,103	3
Malaysia	1,363	1,250	1,194	1,230	1,350	1,494	1,745	3
Thailand	1,569	2,076	2,475	2,474	2,256	1,947	1,708	2
Fiji	766	1,167	1,254	1,117	1,142	1,298	1,702	2
Taiwan	1,476	1,656	1,832	1,672	1,493	1,356	1,308	2
South Africa	506	583	843	966	1,114	1,181	1,137	2
Others	7,205	9,381	10,830	11,152	11,438	10,737	11,360	16
Total	28,545	45,819	73,523	87,838	87,075	77,563	69,223	100

* This table analyses individuals rather than number of permits issued.

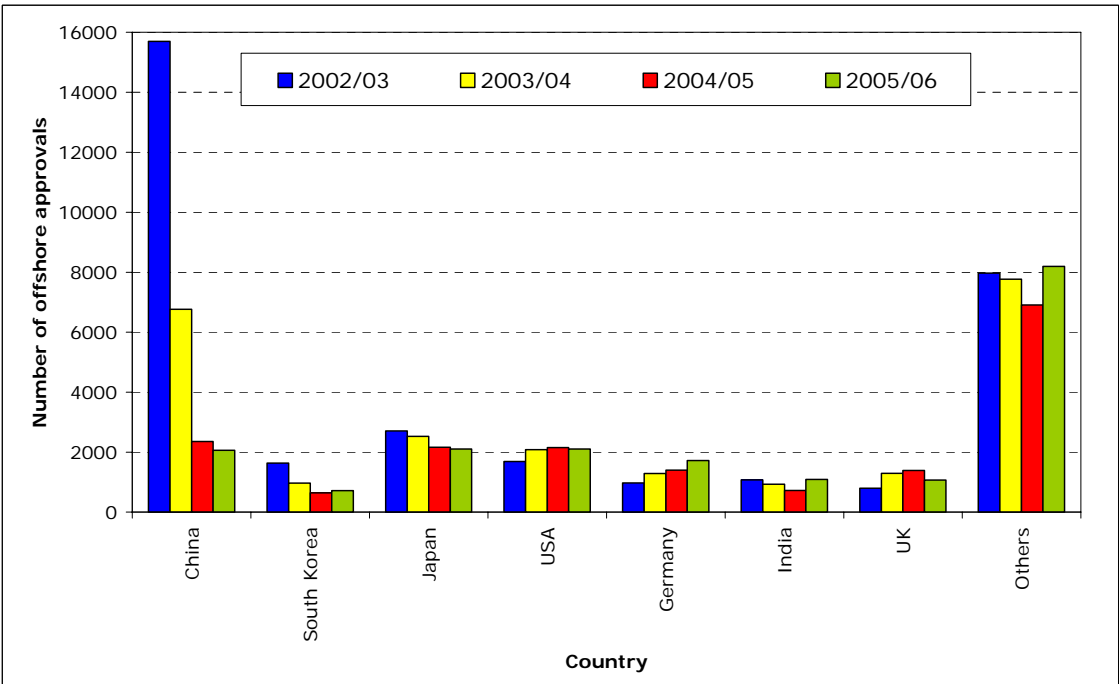
Figure 4.4 shows the growth in international student numbers since 1997/98. The rate of growth slowed from 2001/02 and declined over the last three financial years.

Figure 4.4 Principal applicants granted student permits between 1997/98 and 2005/06



The decline in student numbers reflects a decreasing number of students applying offshore – a decline that began in January 2002. The number of offshore approvals is used to indicate the number of new students coming to study in New Zealand. Offshore approvals declined from 32,542 in 2002/03, to 19,050 in 2005/06, and much of this decline is attributable to the fall in Chinese and South Korean students. The number from China fell from 15,695 in 2002/03 to 2,060 in 2005/06. Figure 4.5 shows the number of offshore approvals from the source countries in the last four financial years.

Figure 4.5 Number of students approved offshore for the top source countries from 2002/03 to 2005/06



4.3.1 Student policy

International students attending courses lasting over three months must apply for a student visa before travelling to New Zealand. Students from a visa waiver country may apply for a student permit in New Zealand. Non-New Zealand residents are not required to obtain a student permit to attend a course for three months or less.

In 2005/06, a number of policy changes came into effect. The aim of these changes was to make New Zealand a more competitive destination for international students by easing the work restrictions for students and their partners. Since July 2005:

- international students who have graduated from a course that would gain points under the Skilled Migrant Category have been eligible for a six-month open work permit (Graduate Job Search permit)
- the group of students who can apply for a two-year post-study work permit to obtain practical work experience relevant to their qualification has been expanded
- the pool of students eligible to work part time while studying has been expanded to include Year 12 and 13 school students and some English language students, provided certain conditions, including English language standards, are met
- eligible students have been able to apply to work for up to 20 hours a week during term (previously the limit was 15 hours)
- anyone undertaking a course of 12 months or more can apply to work full-time over the summer holidays
- partners of students studying in areas of absolute skill shortage and partners of all postgraduate students can apply for an open work permit valid for the duration of the student's course of study.

In 2005/06, almost 4,500 students were issued the Graduate Job Search work permit. Applicants are not required to have a job offer for this permit, but must have completed a New Zealand qualification that would qualify for points under the SMC, and must apply within three months of the end date of their student permit for that qualification. Eighty-three percent of students issued the graduate job search work permit were Chinese. The next largest source country was India (4 percent), followed by South Korea and Malaysia (2 percent each).

A further 1,135 people were issued a two-year work permit to obtain practical experience suitable to their course or qualification. Applicants for this work permit type must have completed a minimum three-year course or completed a qualification that would qualify for points under the SMC, and must have a job offer relevant to their course of study. Of the 1,135 issued this work permit type, 76 percent were from China, followed by India (9 percent), South Korea and Malaysia (2 percent each).

4.4 Summary

- In 2005/06, 99,674 people were issued a work permit, an increase of 21 percent on 2004/05. Much of the increase in 2005/06 resulted from an increase in working holidaymakers, the piloting of a seasonal work scheme, and an increase in people issued work permits for specific purposes or events.
- The UK was the largest source of temporary workers (19 percent), followed by China (12 percent). Chinese work permit numbers increased substantially after the graduate job search permit was introduced for international students in 2005/06.
- Thirty-percent of work permit holders were granted a permit subject to a labour market test. The UK was the largest source country of these work permits (19 percent) followed by China (12 percent).
- The occupations of people granted labour market tested work permits were very diverse, and spread broadly across most occupational groups. Some occupations featured prominently, including those in the tourism and travel industry, chefs, health professionals, business managers, IT specialists, and those working in the education sector.
- New Zealand has working holiday schemes with 25 countries, with 36,000 places available in 2005/06. A number of changes came into effect from July 2005, including changes to the numerical limits and work restrictions for some schemes. Working holidaymaker numbers increased from 21,025 in 2004/05 to over 28,500 in 2005/06.
- In 2005/06, 69,223 people were issued a student permit, down 11 percent on 2004/06. Student permit numbers have decreased after peaking at over 87,000 people in 2002/03.
- Permits were granted to students from over 165 different nationalities in 2005/06, but the top 10 source countries account for 80 percent of students. China was the largest source country (39 percent), followed by South Korea (15 percent) and Japan (6 percent).
- Decreasing international student numbers have had the greatest impact on schools and English language providers, whereas enrolment numbers by international students in universities and polytechnics/institutes of technology have grown steadily in recent years.
- In 2004, the government announced a significant fiscal commitment to international education, and in July 2005 the Department of Labour introduced a range of policy initiatives that aim to make New Zealand a more competitive destination for students and their partners.

5 PERMANENT RESIDENCE APPROVALS

5.1 Introduction

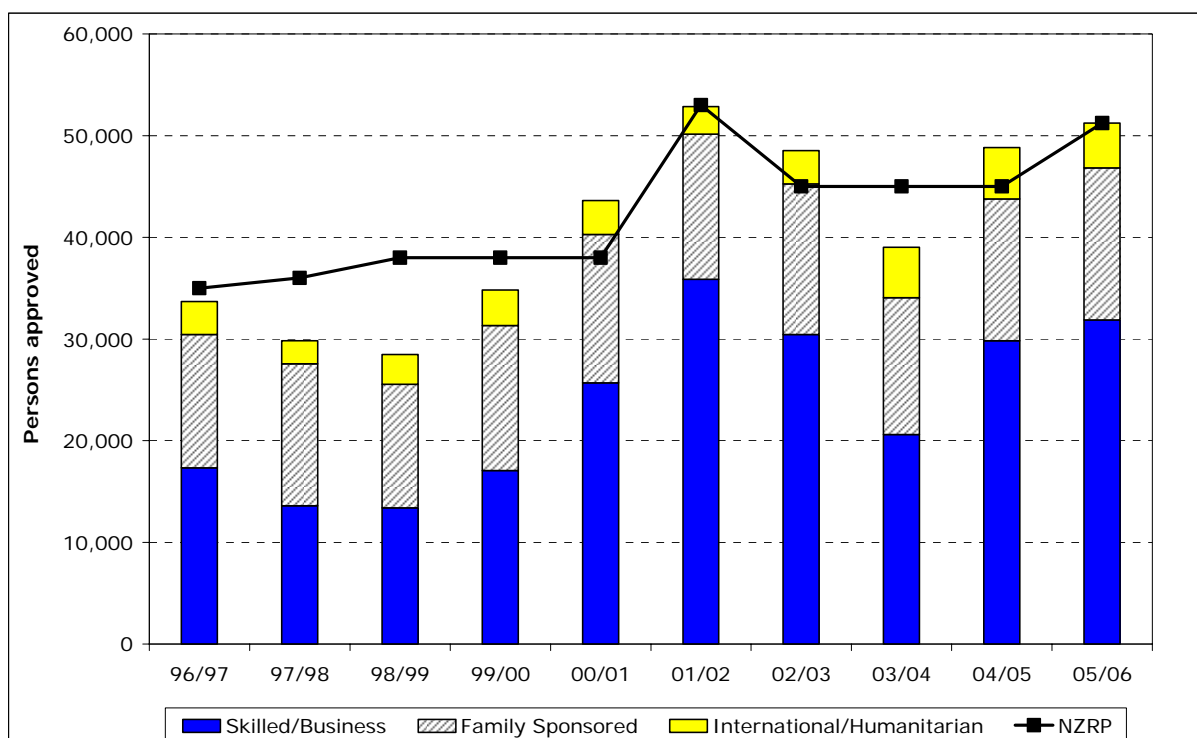
This section provides an overview of immigration trends since 1996/97 and describes the characteristics of those approved for residence in the period from 1 July 2005 to 30 June 2006. More detailed information on the characteristics of approvals in each residence stream is provided in subsequent sections of the report. Appendix E provides a complete breakdown of all residence approvals by residence stream and nationality.

5.2 Residence approvals by stream since 1995/96

In 2005/06, 51,236 people were approved for residence in 26,938 applications. Of these people, 31,870 were approved through the Skilled/Business Stream (62 percent of all individuals approved for residence), 14,967 through the Family Sponsored Stream (29 percent), and 4,399 through the International/Humanitarian Stream (9 percent).

Figure 5.1 shows the number of people approved for residence through the streams between 1996/97 and 2005/06 compared with the New Zealand Residence Programme (NZRP) planning level (formerly known as the New Zealand Immigration Programme).

Figure 5.1 People approved for residence compared with the NZRP planning level from 1996/97 to 2005/06*



* Policies prior to 2001/02 were grouped together to match the streamed approach to the NZRP.

Table 5.1 below shows the approval limits and number of people approved in each stream for the last five financial years.

Table 5.1 Approval limits and approvals by stream since 2001/02

Financial year and NZRP stream	Limit		Approvals
2001/02			
Skilled/Business	35,000	max	35,876
Family Sponsored	14,500	+/- 10%	14,276
International/Humanitarian	3500	+/- 10%	2,704
2001/02 Total	53,000	max	52,856
2002/03			
Skilled/Business	27,000	+/- 3,000	30,443
Family Sponsored	13,500	+/- 1,500	14,809
International/Humanitarian	4,500	+/- 500	3,286
2002/03 Total	45,000	+/- 5,000	48,538
2003/04			
Skilled/Business	27,000	+ 3,000	20,596
Family Sponsored	13,500	+ 1,500	13,462
International/Humanitarian	4,500	+ 500	4,959
2003/04 Total	45,000	+ 5,000	39,017
2004/05			
Skilled/Business	27,000	+ 3,000	29,826
Family Sponsored	13,500	+ 1,500	13,949
International/Humanitarian	4,500	+ 500	5,040
2004/05 Total	45,000	+ 5,000	48,815
2005/06			
Skilled/Business	27,000	+ 5,000	31,870
Family Sponsored	13,500	+ 750	14,967
International/Humanitarian	4,500	+ 750	4,399
2005/06 Total	45,000	+ 6,500	51,236

5.3 Residence application inflows

Total inflows of applications have remained at a relatively high level over the last twelve months. Application inflows through the Skilled categories were considerably greater than in 2004/05, but decreased over the second half of the year as fewer Expressions of Interest (EOI) were selected in the fortnightly draws (see Chapter 6). Application inflows through the Business categories were considerably lower in 2005/06 than in 2004/05.

Application inflows through the Family Sponsored Stream have also remained steady, but lower overall than in 2004/05. There was a marked decrease in applications immediately following the November 2005 changes to the health requirements (see Appendix A). Most of the demand for places in this stream comes from partners of New Zealand citizens or residents, followed by parents.²⁰ The strong demand for places in this stream has created a backlog of applications on hand.²¹

²⁰ In 2005/06, 59 percent of applications for residence through the Family Sponsored Stream came from partners of New Zealand citizens and residents. A further 26 percent came through the Parent category.

²¹ An application is on hand if it has been accepted for processing but is not yet decided.

Inflows through the International/Humanitarian Stream were lower overall than in 2004/05, although inflows increased towards the end of the financial year. Lower inflows overall resulted from fewer applications through the Samoan Quota and Pacific Access Category (PAC).

Figure 5.2 illustrates the inflow of residence applications since 2003/04. The Skilled/Business Stream has been split into its broad categories (Skilled categories and Business categories).

Figure 5.2 Residence application inflows between 2003/04 and 2005/06

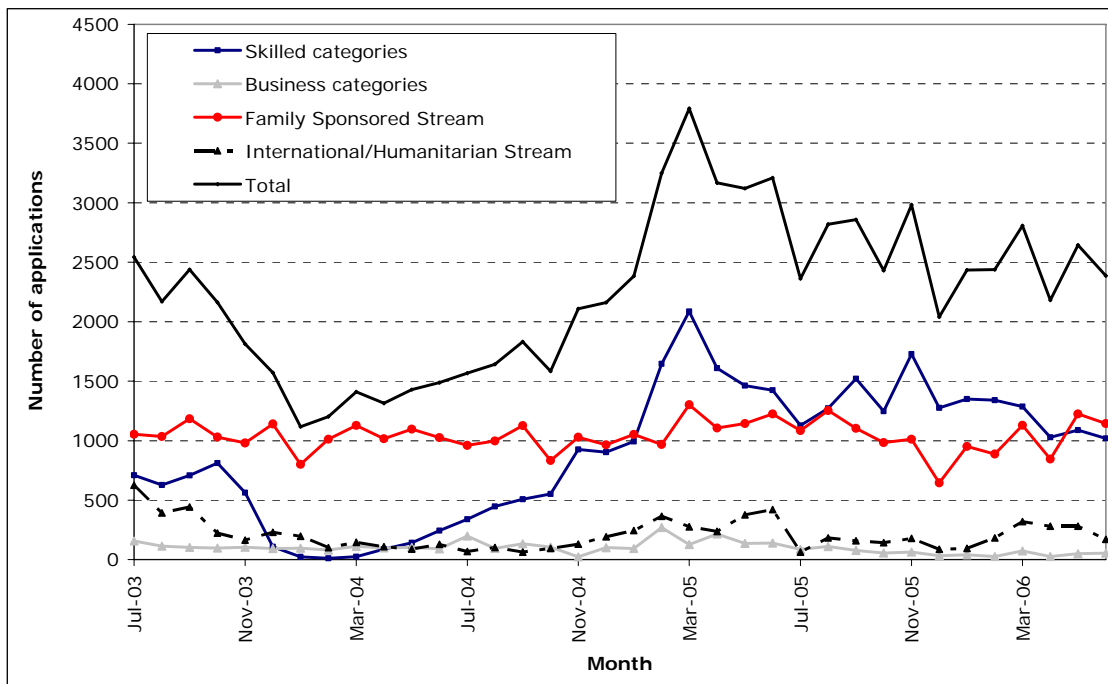
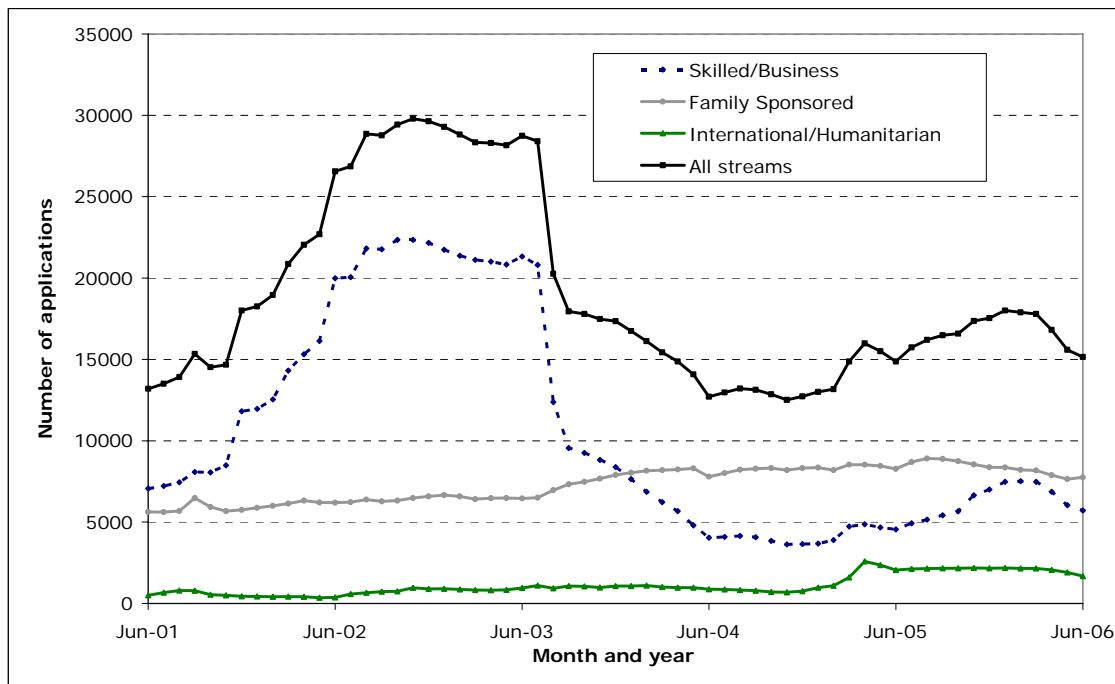


Figure 5.3 below shows the fluctuation in the number of residence applications on hand over the last five financial years. The number of applications on hand in the Skilled/Business Stream fell significantly throughout 2003/04 after the closure of the General Skills Category (GSC) and the managed inflow of applications in preparation for the introduction of the SMC. Total applications on hand decreased towards the end of 2005/06 as a decreasing number of applications came through the SMC over the last six months of 2005/06.

Figure 5.3 Residence applications on hand from 2001/02 to 2005/06

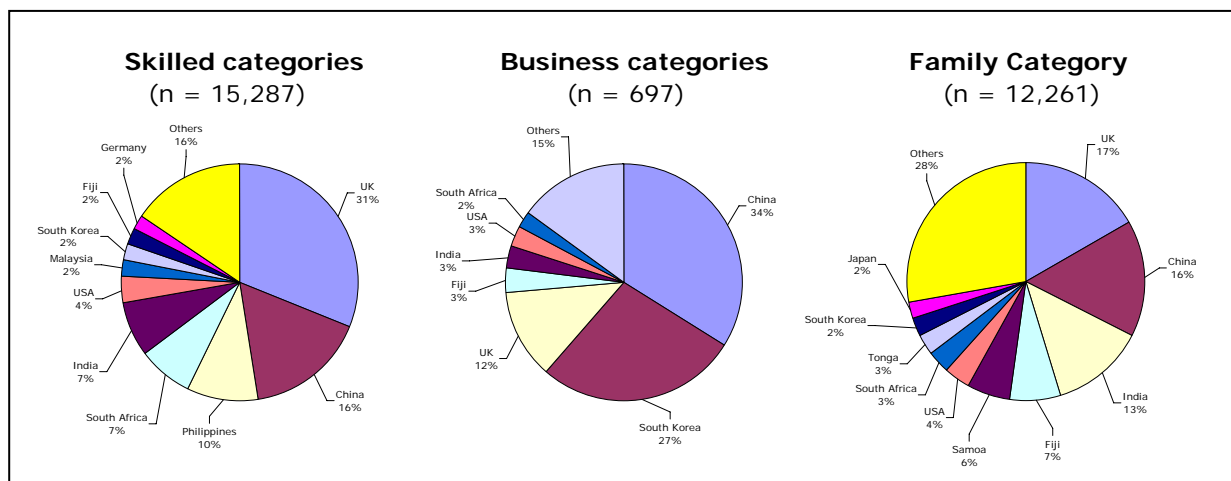


5.4 Residence application source countries

The UK was the largest source country of residence applications in 2005/06 (23 percent), followed by China (16 percent), India (9 percent), and the Philippines (6 percent). Figure 5.4 shows the largest source countries for applications through the Skilled categories, the Business categories, and the Family Category in 2005/06.

The UK accounted for 31 percent of Skilled category applications and 17 percent of the Family Category. The largest source country for residence applications through the Business categories was China (34 percent), followed by South Korea (27 percent). China was the largest source of residence applications through the Investor Category, while South Korea was the largest source country of Entrepreneur applications. Application inflows through the Business categories decreased substantially in 2005/06 (697 compared to 1,638 in 2004/05), a result of decreasing Entrepreneur inflows and a low number of applications through the Investor Category.

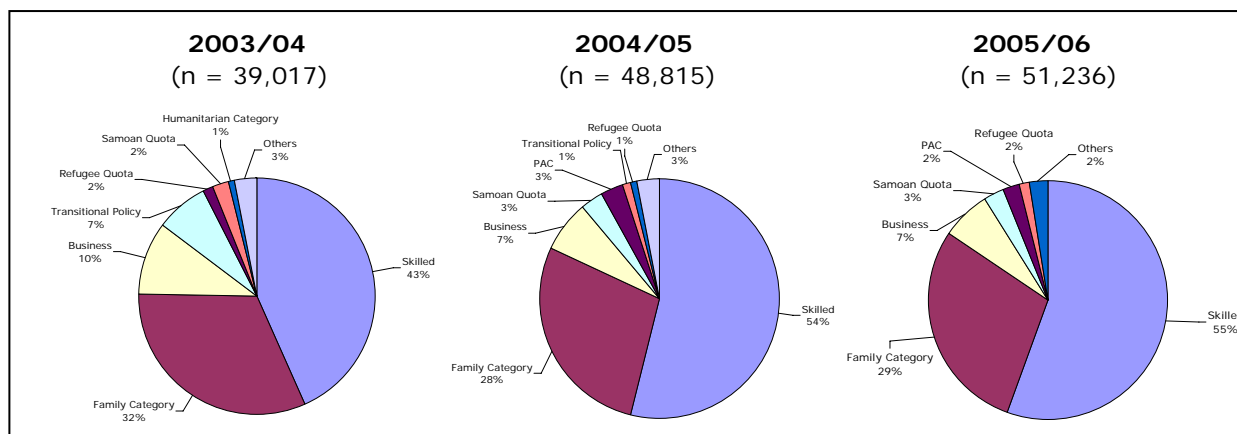
Figure 5.4 Application inflows in 2005/06



5.5 Residence approvals by category

Figure 5.5 compares the proportions of people, by category, approved for residence in the last three financial years. The Skilled categories made up 55 percent of approvals in 2005/06. The proportion of Skilled approvals was lower in 2003/04 (43 percent) because of significant changes to skilled immigration policy. The proportion of approvals through each of the main residence categories has been very similar in the last two financial years. Appendix D details all residence approvals by category for the period 1 July 2005 to 30 June 2006.

Figure 5.5 Residence approvals by category



5.6 Location of residence approvals

In 2005/06, 71 percent of approved applications were made in New Zealand and 29 percent were made offshore. These proportions are unchanged from 2004/05. The proportion of onshore applications has increased significantly in recent years, up from 48 percent in 2002/03 and 63 percent in 2003/04. The increase is largely a reflection of the growing proportion of people living and working in New Zealand prior to applying for residence.²² Seventy-one percent of principal applicants approved through the SMC in the current period were approved onshore. Table 5.2 provides a breakdown of onshore versus offshore residence approvals in 2005/06.

Table 5.2 Residence approvals by location in 2005/06

Applicant Type	Onshore		Offshore		Total n
	n	%	n	%	
Principal	19,117	71%	7,821	29%	26,938
Secondary	14,431	59%	9,867	41%	24,298
Total	33,548	65%	17,688	35%	51,236

5.7 Number of people per approved application

There was an average of 1.9 people per approved residence application in 2005/06. The overall average was slightly lower than in 2004/05, where the average family size was 2.0. The average family size in the Skilled/Business Stream decreased slightly in the current period, from 2.5 in 2004/05 to 2.3 in 2005/06. The average family size in the International/Humanitarian Stream also decreased, from 2.5 in 2004/05 to 2.4 in the

²² Under the SMC, applicants can claim a high number of points for employment if they are working or have a job offer in New Zealand at the time they apply.

current period, while the average for the Family Sponsored Stream was unchanged from 2004/05, at 1.3 people per application.

Overall, the number of people included in approved offshore applications tended to be higher on average than for those approved onshore. In 2005/06, the average family size for approved onshore applications was 1.8, compared to 2.3 for offshore applications. The average family size has implications for the NZRP because it impacts on the number of applications to be processed to meet the annual number of approvals required.

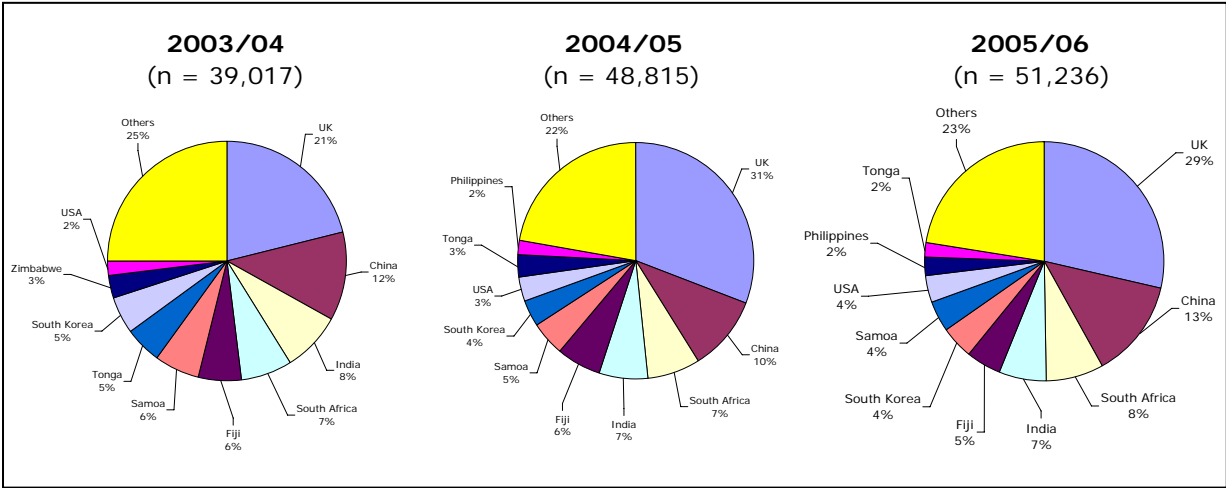
Table 5.3 Average number of people per approved residence application in 2005/06 (n = 26,938)

Stream	Approved onshore applications	Approved offshore applications	Total
Skilled/Business	2.1	3.0	2.3
Family Sponsored	1.2	1.5	1.3
International/Humanitarian	2.4	2.8	2.4
Average family size	1.8	2.3	1.9

5.8 Nationality of residence approvals

Figure 5.6 compares the nationalities of those approved for residence in the last three financial years. The UK is currently the largest source country of residence approvals. The proportion from the UK has increased significantly in recent years, from 14 percent in 2002/03 to 29 percent in 2005/06. The proportion of approvals from China is less than in recent years, but China remains the second largest source country at 13 percent.

Figure 5.6 Comparison of residence approvals by largest source countries



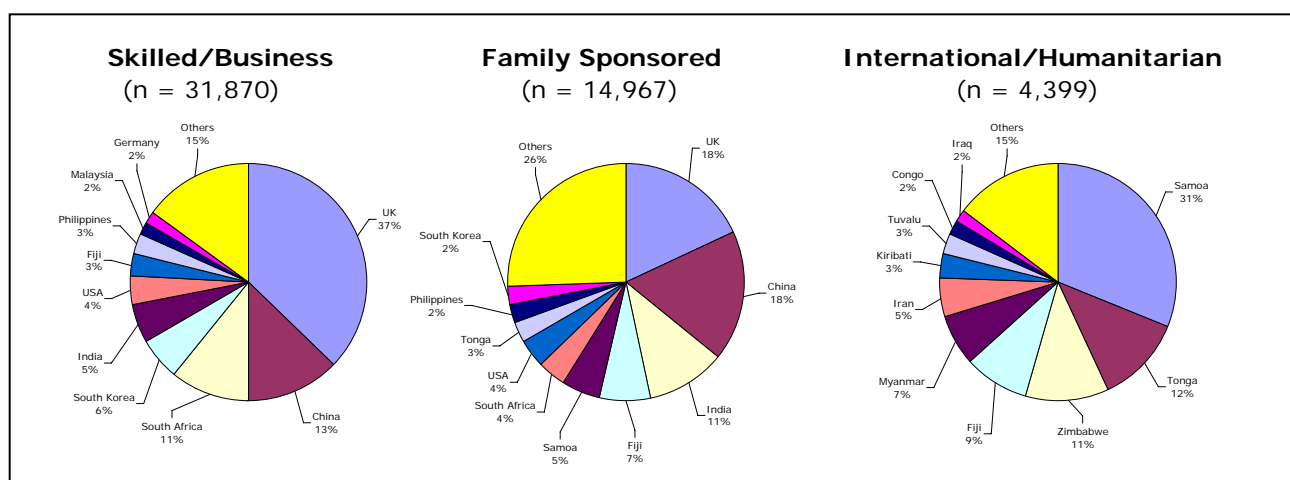
5.8.1 Nationality of migrants by residence stream

Figure 5.7 shows the largest nationalities for approvals through each of the three residence streams in 2005/06. The proportion of approvals from the UK has increased since the SMC came into effect in 2003/04, with a high proportion of approvals through the Skilled/Business Stream from the UK in 2004/05 (42 percent) and 2005/06 (37 percent). China was the second largest source country of Skilled/Business Stream approvals in 2005/06 (13 percent), followed by South Africa (11 percent).

The UK and China were the largest source countries in the Family Sponsored Stream with 18 percent of approvals each. India accounted for 11 percent of approvals, followed by Fiji (7 percent). The largest source countries in this stream have remained the same for the last five financial years.

The two largest source countries in the International/Humanitarian Stream were Pacific nations, reflecting the high proportion of approvals in this stream coming through the Samoan Quota and the PAC. Samoa was the largest source country (31 percent), followed by Tonga (12 percent). The high proportion of approvals from Zimbabwe (11 percent) was a result of the special policy for Zimbabweans, which came into effect in July 2005.

Figure 5.7 Nationality of approvals through the residence streams in 2005/06



5.9 Age and gender of approvals

Table 5.4 shows the age ranges of all residence approvals by stream in 2005/06. Seventy-three percent of all migrants were under 40 years of age, and a high proportion (26 percent) were under 20. There was an increase in the proportion of migrants in the 45 plus age brackets – 17 percent in 2005/06 compared to 14 percent in 2004/05. This increase related to a greater number of people approved through Parent policy in 2005/06 compared to 2004/05. Thirty-one percent of people approved through the Family Sponsored Stream were 50 or over, up from 22 percent in 2004/05. A high proportion of people (34 percent) approved through the International/Humanitarian Stream were children.

Table 5.4 Age range of residence approvals in 2005/06

Age group	NZRP Stream			% of NZRP
	% of Skilled/ Business	% of Family Sponsored	% of International/ Humanitarian	
Under 16	25	10	34	22
16–19 years	4	4	7	4
20–29 years	22	26	21	23
30–39 years	26	20	22	24
40–44 years	11	5	7	9
45–49 years	6	4	3	5
50 and over	4	31	5	12
Total approvals	31,870	14,967	4,399	51,236

Table 5.5 compares the ratio of women to men by residence stream and age for people approved for residence in 2005/06. Overall, women outnumbered men only slightly, but greater differences emerged within the residence streams. In the Skilled/Business Stream, there were fewer women than men in all but the 30-39 age group. Conversely, women outnumbered men across all age groups over 16 years in the Family Sponsored Stream. There were more men than women in the over 30 age groups in the International/Humanitarian Stream. Appendix I-1 provides a breakdown of the gender ratios by age and nationality for people approved for residence in 2005/06.

Table 5.5 Ratio of women to men by age group and stream for residence approvals in 2005/06*

Age group	NZRP Stream			Total
	Skilled/ Business	Family Sponsored	International/ Humanitarian	
Under 16	0.96	0.99	1.00	0.97
16–19 years	0.96	1.14	0.79	0.98
20–29 years	0.99	2.03	1.06	1.25
30–39 years	1.01	1.52	0.97	1.11
40–44 years	0.87	1.58	0.86	0.96
45–49 years	0.78	1.62	0.68	0.91
50 and over	0.66	1.32	1.04	1.12
Overall ratio	0.94	1.49	0.97	1.08
Total approvals	31,870	14,967	4,399	51,236

* Gender was not recorded in four instances.

5.10 Summary

- In 2005/06, 51,236 people were approved for permanent residence in New Zealand. The approval limit in 2005/06, and the number of people approved, was the highest since 2001/02.
- Application inflows were higher overall than in 2004/05, but inflows varied across residence streams and categories. Skilled flows were substantially higher than in 2004/05, while applications through the Business categories decreased. Flows through the Family Sponsored Stream and the International/Humanitarian Stream fluctuated over the financial year but were lower overall than in 2004/05.
- Application backlogs have fluctuated in recent years. Backlogs peaked in 2002/03 but have since been reduced. There were over 15,000 applications on hand at the end of 2005/06.
- An increasing number of migrants live and work in New Zealand prior to gaining permanent residence. In 2005/06, 71 percent of approved applications were made onshore.
- Changing family size has implications for the NZRP because it impacts upon the number of decisions needed to meet the annual number of approvals required. The average family size decreased from 2.0 in 2004/05 to 1.9 in 2005/06. The average family size in the Skilled/Business Stream decreased from 2.5 in 2004/05 to 2.3 in 2005/06.
- The UK is currently the largest source country of migrants – 29 percent of all residence approvals. China is the second largest (13 percent), up from 10 percent in 2004/05.
- UK migrants accounted for 37 percent of the Skilled/Business Stream and 18 percent of the Family Sponsored Stream. China was 13 percent of the Skilled/Business Stream and 18 percent of the Family Sponsored Stream.
- Samoa and Tonga were the largest source countries in the International/Humanitarian Stream (31 percent and 12 percent respectively), most of whom were approved through the Samoan Quota and Pacific Access Category.
- Seventy-three percent of people approved for permanent residence were under 40 years old, and 26 percent were under 20. In 2005/06, there was a small increase in the proportion of migrants over 45, which resulted from an increase in approvals through the Parent category.
- Slightly more women than men were approved for permanent residence in 2005/06, but gender differences varied across residence streams and categories. There were more men than women approved through the Skilled/Business Stream and the International/Humanitarian Stream. Forty-nine percent more women than men were approved through the Family Sponsored Stream.

6 SKILLED/BUSINESS STREAM

6.1 Introduction

New Zealand's growing economy has led to a high demand for labour and a low unemployment rate, which in turn have had implications for the supply of labour. In 2005/06, there has been a strong focus on meeting New Zealand's labour shortages, and this focus is predominantly on New Zealand's acute skills needs. Skilled immigration policy is one of a number of ways to address skill shortages. In December 2005, the Department of Labour issued a general instruction to prioritise applications made through the Skilled Migrant Category (SMC), refugee policy, Family Partnership and Dependent Child policies over other residence categories in the New Zealand Residence Programme (NZRP).²³ In addition, the government reallocated places in the NZRP to the SMC and created an additional 3,000 residence places for allocation over the next two financial years.²⁴

A number of changes to the SMC policy and to the selection process came into effect in December 2005. These changes gave priority to highly skilled migrants and those with a skilled job or job offer in New Zealand, and helped to limit oversubscription to the SMC. In 2005/06, over 3,600 more people were approved through the SMC than in 2004/05. This chapter provides a breakdown and analysis of residence approvals through the Skilled categories and Business categories in 2005/06.

6.2 Skilled Migrant Category

The aim of the SMC is to meet New Zealand's identified needs and opportunities and contribute to building growth, innovation, and global connectedness. Gaining residence through the SMC is based on employability and capacity building factors and an applicant's ability to settle and contribute to New Zealand. Applicants must also meet relevant health, character, and English language requirements. Applicants must meet a minimum threshold of 100 points to submit an Expression of Interest (EOI) into the pool.²⁵

A number of changes were made to the selection process in December 2005. Up until December 2005, EOIs were ranked on the basis of the points claimed and those meeting a set selection point were selected from the pool. Between September 2004 and December 2005, the selection point had been set at 100. From December 2005, principal applicants who score 140 points or more in their EOI are automatically selected from the pool.

Applicants who score between 100 and 140 points and have a skilled job or offer are now ranked and selected in sufficient numbers to meet the required places for the Skilled/Business Stream at the time of that selection. If further places are available in any given selection, additional EOIs may be selected from the pool on the basis of criteria set by the Minister of Immigration. Since February 2006, the following criteria have been

²³ See Chapter 7 for details about the prioritisation of applications in the Family Category.

²⁴ Of the 3,000 additional places, 2,000 have been allocated to skilled migrants and 1,000 places were allocated to the Pacific Residuals category.

²⁵ EOIs can be made manually or online (via the Immigration New Zealand website). An EOI made online will only be accepted if the points initially total 100 or more. EOIs selected from the pool undergo a verification process, which may result in a change to the number of points claimed by the principal applicant.

used to select additional EOIs from the pool. Where these criteria have been used for selection, they have been applied in the order set out below:

- EOIs that include 15 points for work experience in an area of absolute skills shortage (in descending order of their points total)
- EOIs that include 10 points for work experience in an area of absolute skills shortage (in descending order of their points total)
- EOIs that include 10 points for a qualification in an area of absolute skills shortage (in descending order of their points total)
- the points total of EOIs not meeting any of the above three criteria (in descending order).

From July 2007, principal applicants with work experience in an area of absolute skills shortage, gained in any labour market, will qualify for points.²⁶ Previously, only work experience gained in a comparable labour market was recognised unless applicants had a skilled job or offer in New Zealand. Information on the SMC points system is detailed in Table 6.2.

6.2.1 Expressions of Interest

EOI inflows remained steady over the first half of 2005/06, but total inflows decreased after the changes to the selection process in December 2005. The number of new EOIs from principal applicants with a job or offer remained steady throughout the year, with most of the impact of the changes falling on those principal applicants with neither a skilled job nor an offer.

The average number of EOIs received per fortnight from principal applicants without a skilled job or offer approximately halved after the selection process was changed. In 2005/06, 18,522 EOIs were submitted to the pool (42,150 people), down from 20,260 EOIs in 2004/05 (49,670 people). In 2005/06, there was an average of 2.3 people per EOI, down from 2.5 in 2004/05.

The selection process changes had a significant impact on the average points claimed by principal applicants submitting an EOI. In the six months leading up to the changes, the average points claimed by principal applicants was 135, and for the last six months of the year the average was 145 points. Overall, principal applicants with a job or offer claimed, on average, 155 points. For those with neither a skilled job nor an offer, the average was 115 points.

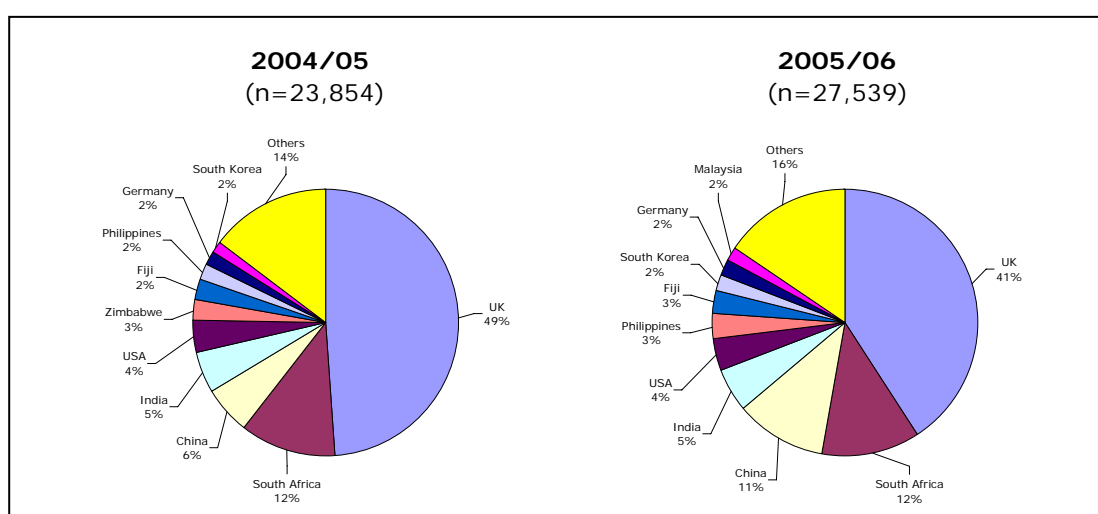
There were 24 pool selections in 2005/06. In total, 18,153 EOIs (41,251 people) were selected from the pool, compared to 22,117 EOIs (54,458 people) selected in 2004/05. Sixty-two percent of principal applicants selected from the pool in 2005/06 claimed points for a job or offer. Appendix F details the draws in 2005/06. Selected EOIs undergo an initial verification process and, if successful, are offered an invitation to apply for residence through the SMC. In 2005/06, 16,151 principal applicants (representing 37,854 people) received an invitation to apply for residence.

²⁶ The work experience must be in an occupation that is listed on the Long Term Skills Shortage List.

6.2.2 Nationality of SMC approvals

In 2005/06, 27,539 people were approved for residence through the SMC. These people accounted for 54 percent of all residence approvals in 2005/06. SMC approval numbers increased by 15 percent in 2005/06, and this is attributed to the allocation of additional places in the NZRP to skilled migrants, the prioritisation of SMC applications within the NZRP, and through marketing initiatives in New Zealand and in key markets abroad. The proportion of SMC approvals from the UK decreased from 49 percent in 2004/05 to 41 percent in 2005/06. However, the actual number of approvals was similar (11,665 in 2004/05 compared to 11,238 in 2005/06). South Africa was the second largest source country (12 percent), followed by China (11 percent). The proportion of approvals from China increased from 6 percent in 2004/05 (1,396 approvals) to 11 percent in 2005/06 (3,043 approvals).

Figure 6.1 Nationalities of SMC approvals in 2004/05 and 2005/06



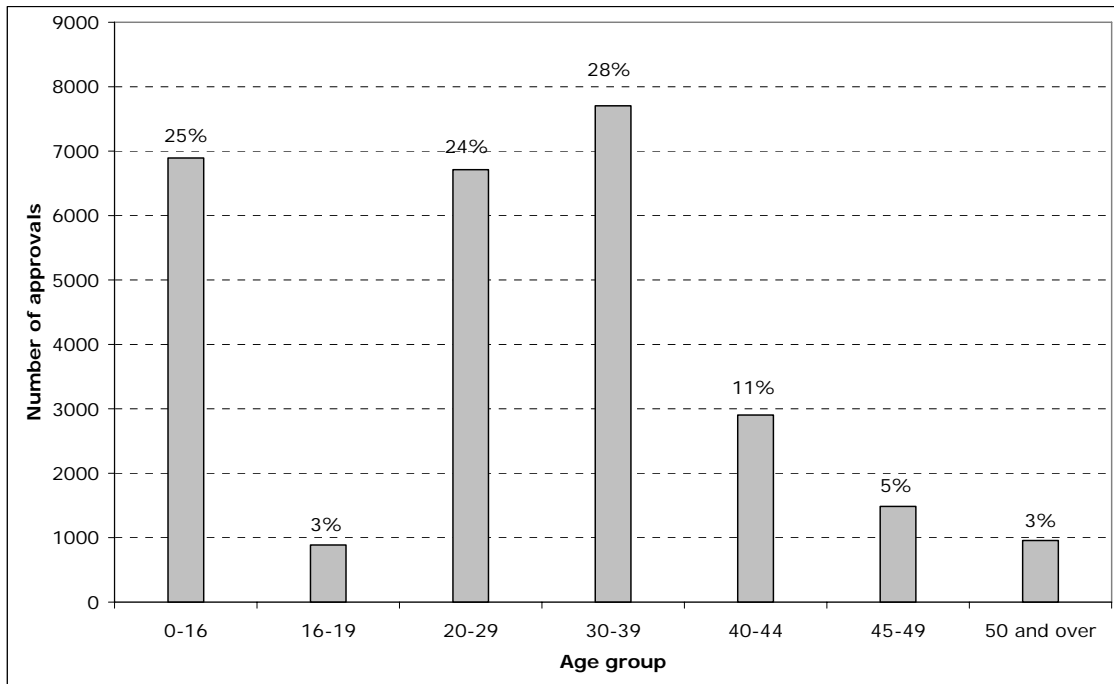
6.2.3 Age and gender of SMC approvals

Figures 6.2 and 6.3 show the age and gender of people approved through the SMC in 2005/06. The analysis includes 27,539 people in 12,305 applications.²⁷ Fifty-two percent of people were 20–39 years old. In 2005/06, there was an increase in people aged 20–29, from 19 percent of approvals in 2004/05 to 24 percent in 2005/06. The corresponding decreases were seen in the 30–39 age group (31 percent in 2004/05 and 28 percent in 2005/06), and in the under 20 age group, which decreased from 31 percent in 2004/05 to 28 percent in 2005/06.

Principal applicants aged 20–29 can claim the maximum points for age (30 points), with the points for age decreasing after this. Thirty-eight percent of principal applicants claimed the maximum points for age, up from 31 percent in 2004/05. The low proportion of principal applicants over 50 (4 percent of principal applicants) reflects the maximum age limit of 55 under the SMC.

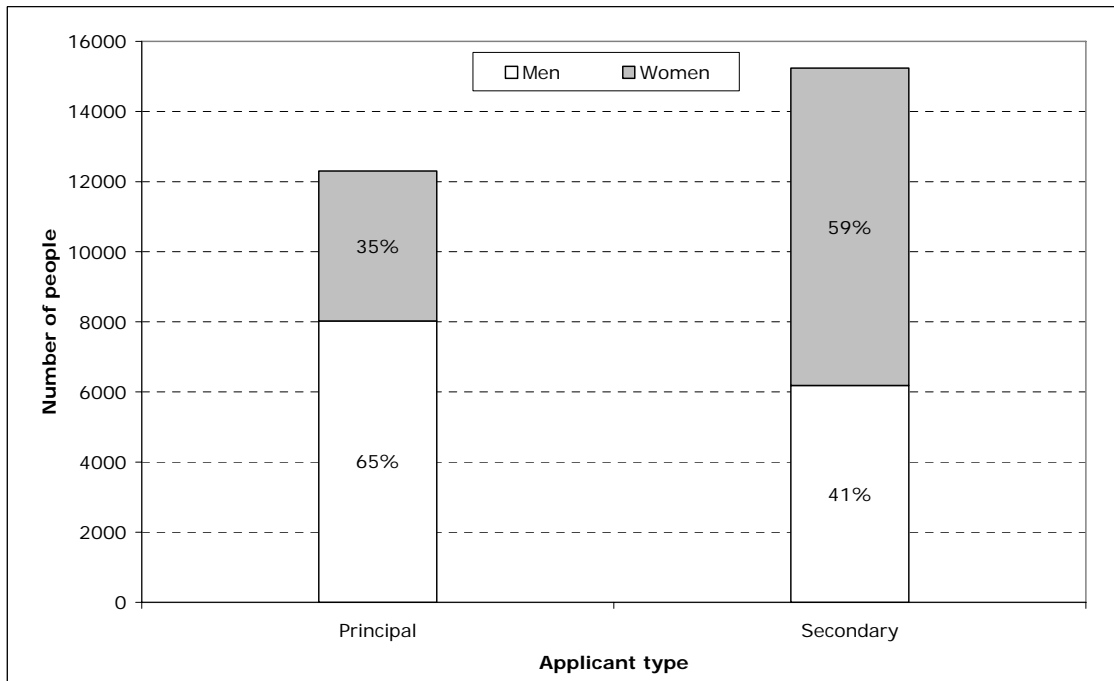
²⁷ This analysis includes all people approved through the SMC, including children.

Figure 6.2 Age ranges of SMC approvals in 2005/06 (n = 27,539)



Slightly more men (52 percent) than women were approved through the SMC in 2005/06. There were more men than women across all age ranges, although the differences were very small for age groups under 40. In the age groups over 40, men outnumbered women by 1.27:1. A much greater proportion of principal applicants were men (65 percent) than were women. Of the secondary applicants approved in 2005/06, 59 percent were women and 41 percent were men.

Figure 6.3 Gender of SMC approvals in 2005/06 (n = 27,539)



6.2.4 Points claimed by SMC principal applicants

This section includes information on the points claimed by principal applicants approved through the SMC. Table 6.1 provides a description of the SMC points. Different criteria operate within each point factor, and more information can be obtained by consulting the website www.immigration.govt.nz/skilledmigrant. Table 6.2 shows the points claimed by SMC principal applicants in 2005/06.

Seventy-five percent of SMC principal applicants were awarded points for a job or offer of skilled employment in New Zealand. Of these, three-quarters gained points for current employment, while the remaining had an offer of skilled employment. Twenty-five percent of SMC principal applicants had neither a job nor an offer at the time of approval. Ten percent of approved principal applicants had two or more years' work experience in New Zealand.

Over half of all principal applicants (53 percent) gained one or more bonus point factors for employment, most commonly for having a job or offer outside the Auckland region, or for employment in an area of absolute skills shortage. Of the principal applicants who recorded their region of employment (9,026), 58 percent had a job or offer outside the Auckland region, down slightly from 62 percent in 2004/05.

The majority of principal applicants (69 percent) gained points for work experience, and 19 percent gained bonus points for work experience in an area of absolute skills shortage. A further 31 percent had qualifications in a skills shortage area. Seventeen percent of approved SMC principal applicants gained points for a recognised New Zealand qualification, up from 10 percent in 2004/05. The majority of those with New Zealand qualifications were 20–29 years old (91 percent), and were typically from China (74 percent), India (6 percent), or Malaysia (5 percent).

Table 6.1 SMC points for employability and capacity building factors

Factors	Points
Skilled employment	
• Current skilled employment in New Zealand for 12 months or more	60
• Offer of skilled employment in New Zealand or current skilled employment in New Zealand for less than 12 months	50
<i>Bonus points for employment or offer of employment in:</i>	
• An identified future growth area or identified cluster	5
• An area of absolute skills shortage	10
• Region outside Auckland	10
• Partner employment or offer of employment	10
Work experience	
• 2 years	10
• 4 years	15
• 6 years	20
• 8 years	25
• 10 years	30
<i>Additional bonus points if work experience in New Zealand:</i>	
• 2 years	5
• 4 years	10
• 6 years or more	15
<i>Additional bonus points for work experience in an identified future growth area or identified cluster:</i>	
• 2 to 5 years	5
• 6 years or more	10
<i>Additional bonus points for work experience in an area of absolute skills shortage:</i>	
• 2 to 5 years	10
• 6 years or more	15
Qualifications	
• Recognised basic qualification (e.g. trade qualification, diploma, bachelor's degree, bachelor's degree with honours)	50
• Recognised post-graduate qualification (master's degree, doctorate)	55
<i>Bonus points for:</i>	
• Recognised New Zealand qualification (and at least two years study in New Zealand)	10
• Qualification in an identified future growth area or cluster	5
• Qualification in an area of absolute skill shortage	10
• Partner qualifications	10
Close family support in New Zealand	
10	
Age (20 to 55 yrs)	
• 20–29	30
• 30–39	25
• 40–44	20
• 45–49	10
• 50–55	5

Table 6.2 Points claimed by SMC principal applicants in 2005/06

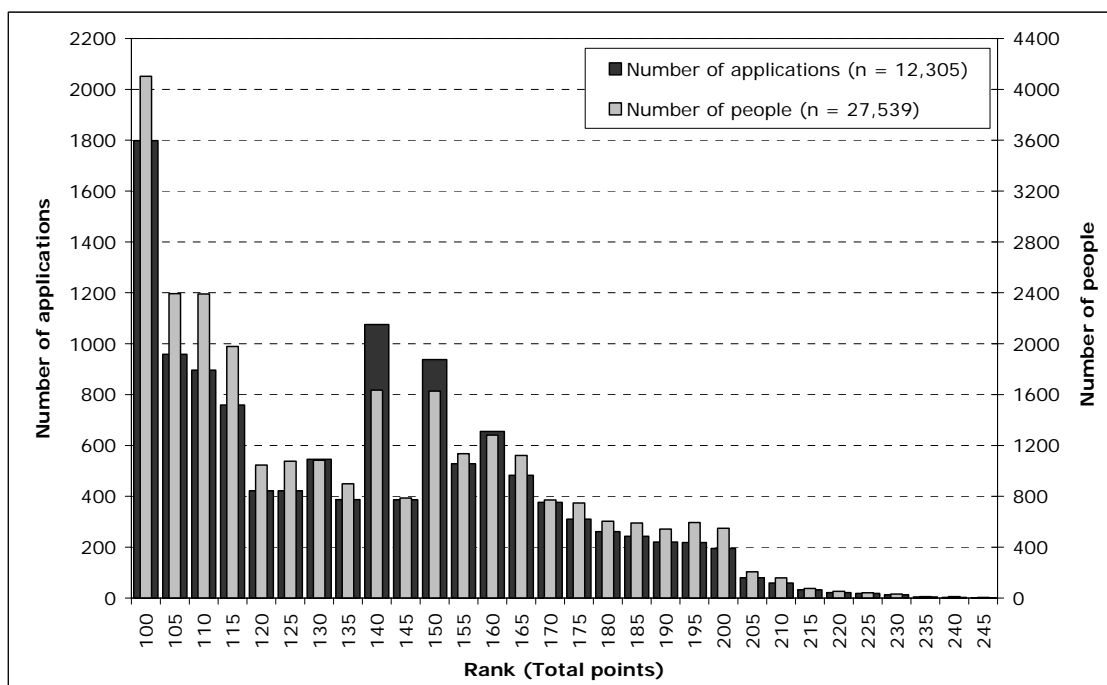
Factor	% gaining points
Skilled employment	
Skilled employment 12 months or more	22
Skilled employment <12 months	34
Offer of skilled employment	19
No employment	25
Bonus points for employment or offer of employment	
Identified future growth area	6
Identified cluster area	<1
An area of absolute skills shortage	18
Region outside Auckland*	58
Partner employment or offer of employment	4
Relevant work experience	
2 years	11
4 years	11
6 years	9
8 years	8
10 years	30
Bonus points for New Zealand work experience	
2 years	8
4 years	1
6 years or more	<1
Additional bonus points for work experience	
Identified future growth area (2 to 5 years)	2
Identified future growth area (6 years or more)	2
Identified cluster area (2 to 5 years)	<1
Identified cluster area (6 years or more)	<1
An area of absolute skills shortage (2 to 5 years)	7
An area of absolute skills shortage (6 or more years)	12
Qualifications	
Recognised basic qualification	68
Recognised post-graduate qualification	10
Bonus points for qualifications	
Recognised New Zealand qualification	17
Recognised qualification in an identified future growth area	4
Recognised qualification in an identified cluster area	<1
Recognised qualification in an area of absolute skills shortage	31
Partner qualifications	17
Close family support in New Zealand	
5	
Age	
20–29 years	38
30–39 years	38
40–44 years	14
45–49 years	7
50–55 years	4
Total principal applicants	12,305

*9,239 principal applicants were awarded points for a job or job offer. Of these, region data was recorded for 9,026. Fifty-eight percent of those with the region of employment recorded stated a region outside of the Auckland region.

6.2.5 Distribution of point rankings

Figure 6.4 shows the distribution of point ranks for those approved for residence through the SMC. The average (mean) point rank for approvals in 2005/06 was 135 for offshore approvals, 150 for onshore approvals, and 145 overall.

Figure 6.4 Distribution of point rankings for SMC approvals in 2005/06



In 2005/06, 9,239 approved principal applicants (75 percent) were awarded points for a job or offer. Principal applicants approved onshore were more likely to have been awarded points for a job or offer of skilled employment.²⁸ Table 6.3 shows the breakdown of onshore versus offshore principal applicants and the types of employment for which they were awarded points under the SMC.

Table 6.3 Location and type of employment for approved SMC principal applicants in 2005/06

Type of skilled employment in NZ	Onshore	Offshore	Total
	%	%	%
Employed 12 months or more	31%	0%	22%
Employed less than 12 months	47%	1%	34%
Offer of employment	7%	48%	19%
Neither a job nor a job offer	15%	51%	25%
Total principal applicants	8,782	3,523	12,305

6.3 Region of employment

The SMC recognises the value of immigration to all regions in New Zealand and awards bonus points for employment outside Auckland, the location of New Zealand's largest

²⁸ In 2005/06, 71 percent of SMC principal applicants were approved onshore and 29 percent were approved offshore. Eighty-five percent of onshore approvals were awarded points for a job or offer compared to 49 percent of offshore approvals.

migrant communities.²⁹ Table 6.4 details the proportion of approved principal applicants by region of employment. The table shows that Auckland, Canterbury, and Wellington were the main regions of employment.

Table 6.4 Region of employment for SMC principal applicants in 2005/06 *

Region	n	%
Auckland	3,790	42%
Canterbury	1,416	16%
Wellington	1,242	14%
Waikato	643	7%
Otago	436	5%
Bay of Plenty	305	3%
Manawatu	234	3%
Northland	199	2%
Hawkes Bay	161	2%
Southland	120	1%
Nelson	96	1%
Taranaki	94	1%
Wanganui	74	1%
West Coast	51	1%
Marlborough	46	1%
Other regions	119	1%
Total	9,026	100%

* Of the 12,305 principal applicants approved through the SMC in 2005/06, 9,239 had a job or offer of employment. Of these, 9,026 recorded their region of employment.

6.4 Occupations of SMC principal applicants

Experience shows that migrants are likely to settle quickly, 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.

6.4.1 Occupation data collection

Occupational data is recorded for a number of residence categories. For applicants through the SMC, data is captured on the principal applicant's main occupation (their occupation during the 12-month period before residence). The occupation of job offers has been captured on the EOI application form for SMC applicants. The New Zealand Standard Classification of Occupations (NZSCO) is used to classify both the occupational group (NZSCO level 1) and the occupation description (NZSCO level 5) of the main occupation and the job or offer of employment. The data is collected for the principal applicant only in each application.

Of the principal applicants awarded points for a job or offer, 37 percent had a main occupation classified as Professional and, in particular, recorded occupations in the health, education, and information technology sectors. A further 18 percent had main occupations classified as Technicians and associate professionals, and 17 percent were

²⁹ Employment is outside the Auckland region if the principal applicant's entire or principal place of work is not within one of the following territorial authorities: Rodney District Council, North Shore City Council, Waitakere City Council, Auckland City Council, Manukau City Council, Papakura District Council, and Franklin District Council.

Legislators, Administrators, and Managers. Fourteen percent were classified as Trades workers.

The proportion of people classified as Service and sales workers increased from 3 percent in 2004/05 to 9 percent in 2005/06. An increase in the number of police officers, prison officers, and, to a lesser extent, chefs, accounted for much of this growth. Table 6.5 shows principal applicants' occupational groups.

The job offer data has been coded to NZSCO for most but not all principal applicants approved in 2005/06 (see note below Table 6.5). For those that are coded, there is a high correlation between the principal applicant's main occupation and their job or job offer in New Zealand. Of the job or job offers coded to date, 82 percent of principal applicants had a job or offer in the same occupational group as their main occupation. This correlation demonstrates a strong link between an applicant's occupation in their home country and their employment outcomes in New Zealand. It also reflects the high proportion of applicants working in New Zealand prior to gaining residence.

Table 6.5 Occupations of SMC principal applicants in 2005/06

Occupational group	Main occupation*		Job/job offer**	
	n	%	n	%
Legislators, Administrators, Managers	1,576	17%	1,210	15%
Professionals	3,406	37%	2,810	34%
Technicians and associate professionals	1,618	18%	1,237	15%
Clerks	157	2%	205	3%
Service and sales workers	788	9%	804	10%
Agriculture and fishery workers	213	2%	198	2%
Trades workers	1,249	14%	1,061	13%
Plant and machine operators and assemblers	147	2%	160	2%
Other***	85	1%	472	6%
Total	9,239	100%	8,157	100%

* Main occupation is the job the applicant spent the most hours doing in the past 12 months.

** Job/job offer data has been recorded since the policy came into effect but has only been coded against the NZSCO since December 2004, hence not all SMC approvals had a corresponding job offer coded in Table 6.5.

*** Includes elementary occupations, occupations not listed in the NZSCO codes, and those not able to be coded.

The SMC has attracted a high number of skilled migrants in a broad range of sectors. Some of the main sectors in 2005/06 included health, education, finance, information technology, and trades occupations. Other common occupations included dairy farm managers, prison officers, engineers, and chefs. Table 6.6 shows the most common main occupations recorded at the 5-digit NZSCO level for SMC principal applicants approved with a job or offer.

Table 6.6 Examples of the main occupations of SMC principal applicants*

Main occupation group	Examples of occupations
Legislators, Administrators, Managers	<ul style="list-style-type: none">• Sales and/or Marketing Manager• Administration Manager• Restaurant or Tavern Manager• Project Manager• General Manager
Professionals	<ul style="list-style-type: none">• Nurse and other medical specialists• IT/Software related occupations• Secondary or Early Childhood Teacher• University Lecturer• Accountant• Civil, Electronic, or Mechanical Engineer
Technicians and associate professionals	<ul style="list-style-type: none">• Graphic Designer• Computer Programmer• Computer Systems/Services Technician• Book Keeper• Health related occupations (Social Worker, Occupational Therapist, Physiotherapist)• Telecommunications Technician
Clerks	<ul style="list-style-type: none">• Accounts Administrator• Researcher
Service and sales workers	<ul style="list-style-type: none">• Chef• Prison Officer• Police Officer• Hairdresser
Agriculture and fishery workers	<ul style="list-style-type: none">• Dairy Farmer, Dairy Farm Worker• Arborist• Cattle Farm Manager• Field Crop Farm Manager
Trades workers	<ul style="list-style-type: none">• Electrician• Plumber• Motor Mechanic• Fitter Welder/Fitter Turner• Carpenter
Plant and machine operators and assemblers	<ul style="list-style-type: none">• Roofer• Aluminium Joiner• Gas Fitter• Line Mechanic• Truck Driver

* Main occupation is the job the applicant has spent the most hours doing in the past 12 months.

6.5 Skilled Migrant Work to Residence policy

Principal applicants under the SMC are assessed on their ability to settle and contribute to New Zealand. Applicants may be granted residence if they can demonstrate this ability – such evidence includes skilled employment in New Zealand (or an offer of skilled employment), or New Zealand qualifications that are either to a specified level, in an area of identified growth, or relevant to an occupation that is in absolute shortage.

Applicants who are unable to demonstrate their ability to settle and contribute, but who demonstrate that potential, may be issued a work permit to establish themselves in ongoing skilled employment in New Zealand. A Work to Residence visa or permit was initially issued for up to two years, but in December 2005, this period was reduced to six months. To gain residence through the SMC, an applicant must show that they have become established in ongoing skilled employment for at least three months during the period of their work permit.³⁰

Since the policy came into effect in December 2003, 1,095 principal applicants have been issued a Work to Residence permit through SMC policy. At the end of June 2006, 138 (13 percent) had been granted permanent residence through the SMC. However, many Work to Residence permit holders had only recently been issued their permit, so had not had sufficient time to meet the policy requirements for residence.

Of the 1,095 work permit holders, 617 were issued their permit after December 2005. Of the 617, only 19 people (three percent) had been granted residence as at 30 June 2006. The remaining 478 people (out of 1,095) were issued their permit prior to December 2005. Of these, 119 (25 percent) had gained residence as at 30 June 2006.

6.6 General Skills Category

In 2005/06, 362 people were approved through the GSC. India was the largest source country with 54 percent. At the end of June 2006, 85 applications remained to be processed, representing 200 people. These remaining applications will be decided in the 2006/07 financial year.

6.7 Other Work to Residence policies

In addition to the SMC Work to Residence policy discussed in 6.5, other Work to Residence policies enable accredited employers and certain organisations to recruit non-residents who are highly skilled or talented. The Long Term Skill Shortage List policy (formerly Priority Occupation List policy) enables people who have an offer of employment in an occupation on the Long Term Skill Shortage List (LTSSL) to gain residence.

To qualify for a Talent Visa (Accredited Employers), 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 LTSSL policy, a suitably qualified applicant needs to have an offer of employment in New

³⁰ For applicants who lodge an application under the SMC on or after 21 December 2005, a further work permit may be granted (for a maximum of 3 months) where the applicant has an offer of skilled employment but requires a further work permit to meet the 3-month requirement of SMC policy.

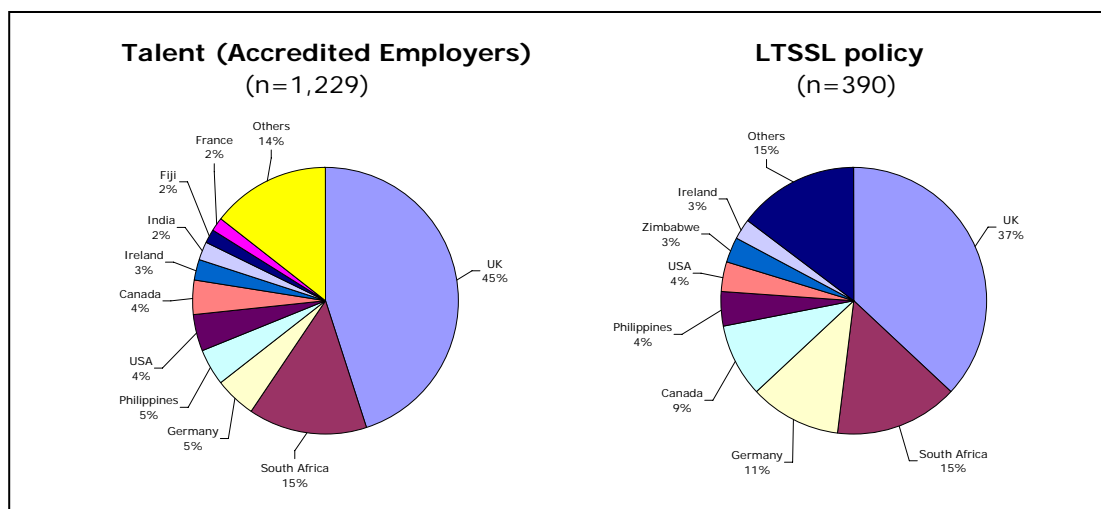
Zealand for at least 24 months in an occupation on the LTSSL. The offer of employment must meet the specifications for that occupation. After two years, permit holders may apply for residence if they continue to meet the requirements of the policy.

In 2005/06, 1,645 permits were issued under the Talent and LTSSL policies. The main source countries were the UK, South Africa, and Germany. Seventy-five percent (1,229 principal applicants) were issued under the Talent (Accredited Employers) policy. Forty-five percent of these were issued to UK applicants and 15 percent to South African applicants, with the remainder issued to applicants from more than 65 different nationalities. LTSSL work permits were issued to 390 principal applicants, a decrease of almost 40 percent 640 in 2004/05. In 2005/06, 37 percent were from the UK and 15 percent were South African.

A very small number of work permits were issued under the Talent (Arts, Culture and Sports) policy in the current period (26 principal applicants), to people from a diverse range of nationalities. The number of Talent (Arts, Culture and Sports) permits has also decreased over the last financial year, down from 54 in 2004/05.

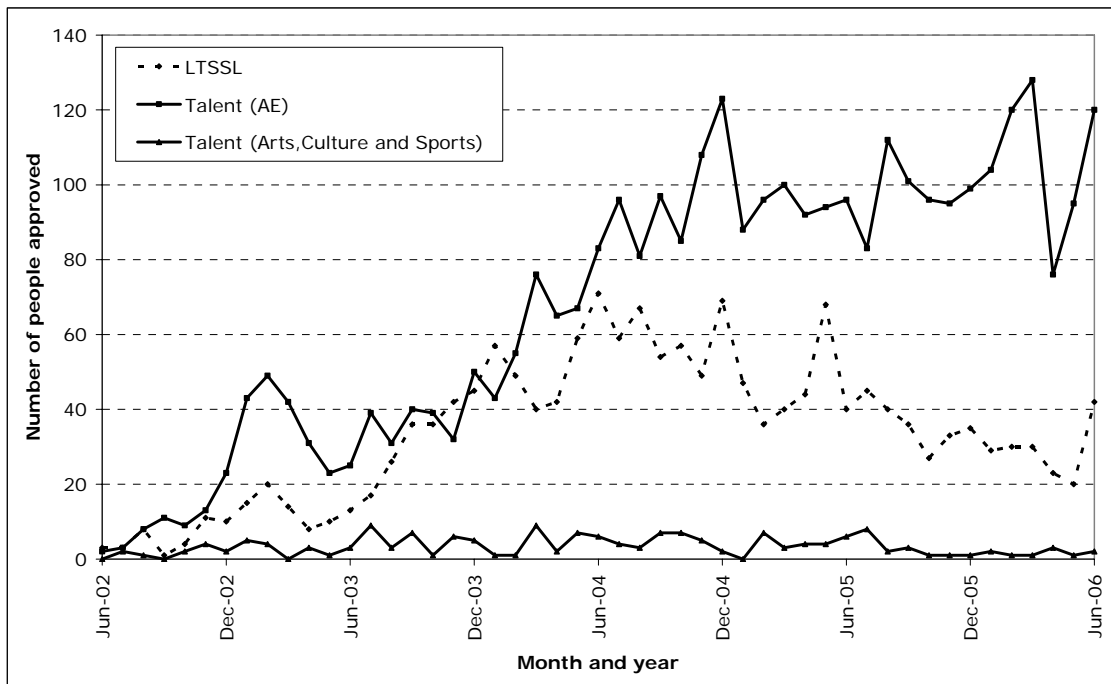
Figure 6.5 shows the nationalities of principal applicants issued work permits through the two main policies in 2005/06, Talent (Accredited Employers) and LTSSL policies.

Figure 6.5 Nationality of people approved a work permit through the Talent (Accredited Employers) and LTSSL policies in 2005/06



The number of people issued permits through the Talent (Accredited Employers) policy has grown steadily since 2002. Conversely, the number issued through LTSSL policy has decreased in recent years. It is likely that many would-be LTSSL work permit applicants are applying for permanent residence through the SMC because of the points awarded to applicants who have an occupation, qualifications, and work experience in an area of absolute shortage. The number of people approved through the Talent (Arts, Culture and Sports) policy has remained steady but low. Figure 6.6 shows the number of approvals through each of the Work to Residence policies since they came in to effect in 2002.

Figure 6.6 Number of people approved a work permit through the Talent and LTSSL policies since April 2002



Research into these policies has found a tendency for Talent and LTSSL work permit holders to convert to residence earlier than intended by the policy, particularly for LTSSL permit holders.³¹ A high proportion of those who gained permanent residence did so through the SMC, rather than through the intended Residence from Work categories.

Since the Work to Residence policies came into effect, 5,109 people have been granted a Talent Visa or LTSSL Occupation work permit. Of these, 1,750 (34 percent) had been granted residence at the end of June 2006. Of the 1,750, approximately 79 percent gained residence within 24 months of being issued the work permit.

Table 6.7 shows the residence categories through which applicants were approved and the proportion approved through each category. Ninety-seven percent were approved through Skilled residence categories, predominantly the SMC. Twenty-one percent were approved through the Residence from Work categories.

³¹ Merwood, P. (2006). *From Work to Residence: An evaluation of work policies that provide a pathway to permanent residence in New Zealand*. Paper presented at the 12th Labour, Employment, and Work Conference, November 2006. Victoria University, Wellington.

Table 6.7 Residence categories through which Talent and LTSSL Occupation work permit holders were granted residence as at 30 June 2006

Residence category	Work permit category			Total	
	Talent (Accredited Employers)	LTSSL	Talent (Arts, Culture and Sports)	n	%
Skilled Migrant	716	518	14	1,248	71%
Talent (Accredited Employers)	276	0	1	277	16%
1995 General Skills	40	43	0	83	5%
LTSSL	0	50	0	50	3%
Partnership	21	9	5	35	2%
Talent (Sports)	0	0	20	20	1%
Talent (Arts and Culture)	0	0	16	16	1%
Others	10	6	5	21	1%
Total	1,063	626	61	1,750	100%

6.8 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. In 2005/06, 3,442 people were approved for residence through the Business categories, representing 7 percent of all residence approvals for the current period. The number of approvals through the Investor Category has decreased in recent years, but this decrease has largely been offset by an increase in people approved through the Entrepreneur Category.

In 2005/06, 84 percent of Business approvals were through the Entrepreneur Category (2,902 people), up from 61 percent in 2004/05 (2,132 people) and 43 percent in 2003/04 (1,600 people). The number of Investor Category approvals was relatively low in 2005/06 (538 people), down from 1,361 people in 2004/05. Two people were approved through the Employees of Relocating Businesses Category in 2005/06.

6.8.1 Number of people per approved application

There was an average of 3.3 people per approved Business category application in 2005/06. The Investor Category had an average of 3.9 people per approved application, and the Entrepreneur Category had an average of 3.3. The average family size continues to be larger for approved applications through the Business categories than through the Skilled categories.

6.8.2 Investor Category

The Investor Category allows people to gain residence in New Zealand on the condition that they invest in New Zealand. In July 2005, a new Investor Category policy came into effect, with a significant shift in the way investors are granted residence. Under the old policy, which closed in June 2005, principal applicants were awarded points for age, business experience and investment funds. The new policy requires targeted use of investor funds and aims to attract skilled business people to New Zealand.

The Investor Category now operates in a similar manner to the SMC, where applicants must first submit an Expression of Interest, after which the applicant may be invited to apply for residence. The minimum amount of investment is NZ\$2 million, and these

funds are held by the New Zealand Government for five years. Applicants may withdraw up to NZ\$1 million after two years to invest in a business that will benefit New Zealand. The age limit under the new policy is 54 years old, and applicants must have at least five years' business experience.

Applicants granted residence have a number of conditions on their permit, and these conditions apply for the first five years. The permit holder must retain NZ\$2 million in an acceptable investment for five years, they must make New Zealand their home by the end of the investment period, and they must participate in monitoring and evaluation as required by the Department of Labour.

Most Investor Category approvals in 2005/06 (528 out of 538) were assessed under the old policy, which was points based. Ten people have been approved through the Investor Category since the new policy came into effect in July 2005.

Figure 6.7 compares the nationalities of approvals through the Investor Category over the last three financial years. The UK was the largest source country of Investor Category approvals in 2005/06 (36 percent), followed by South Korea (11 percent) and the USA (10 percent). China accounted for eight percent of approvals in 2005/06, down from 40 percent in 2004/05. The number of approvals from China fell significantly after policy changes in 2002.³² The number of approvals from the UK has increased in recent years the UK is now the largest source country of Investor Category approvals.

Figure 6.7 Nationality of Investor Category approvals

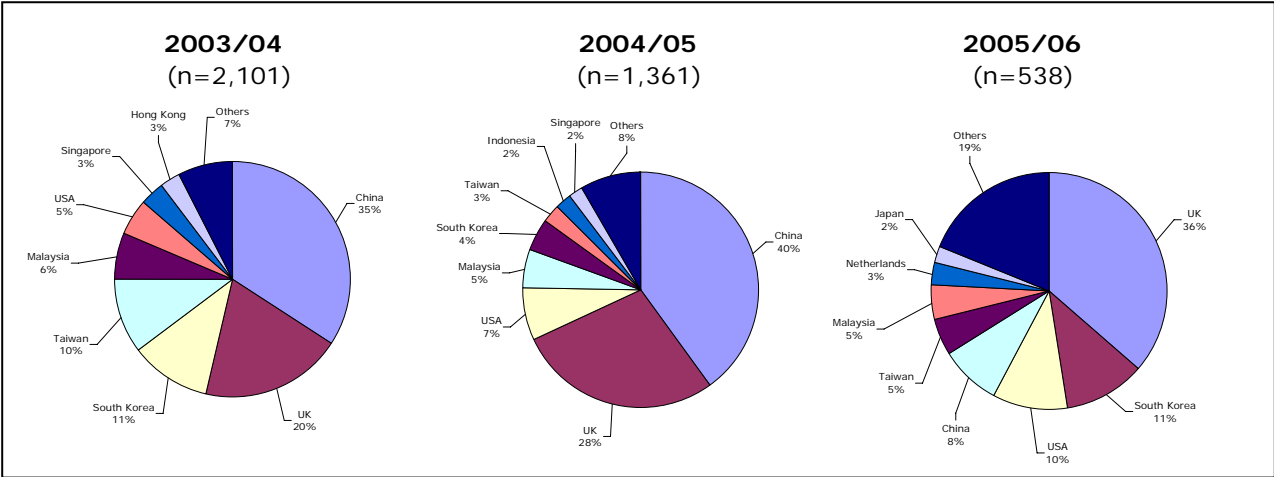
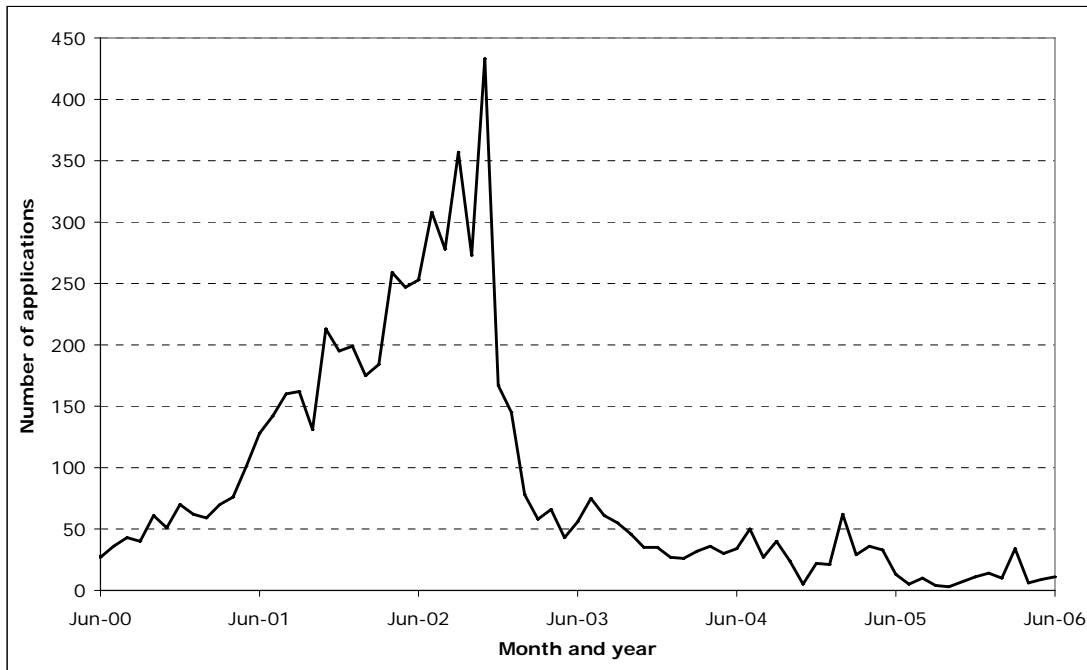


Figure 6.8 shows the inflow of applications through the Investor Category since July 2002.

³² These included increased English language requirements and changes to policies around the source of funds.

Figure 6.8 Application inflows through the Investor Category



6.8.3 Entrepreneur Category

Figure 6.9 compares the nationalities of people approved through the Entrepreneur Category in the last three financial years. Approvals have increased through this category over the last two years as a growing number of people on Long Term Business Visas (LTBVs) became eligible for residence (see section 6.8.4). In 2005/06, 2,902 people were approved, up from 2,132 in 2004/05 and 1,600 in 2003/04. South Korea remained the largest source country in 2005/06 (41 percent), followed by China (32 percent).

Figure 6.9 Nationalities of Entrepreneur Category approvals

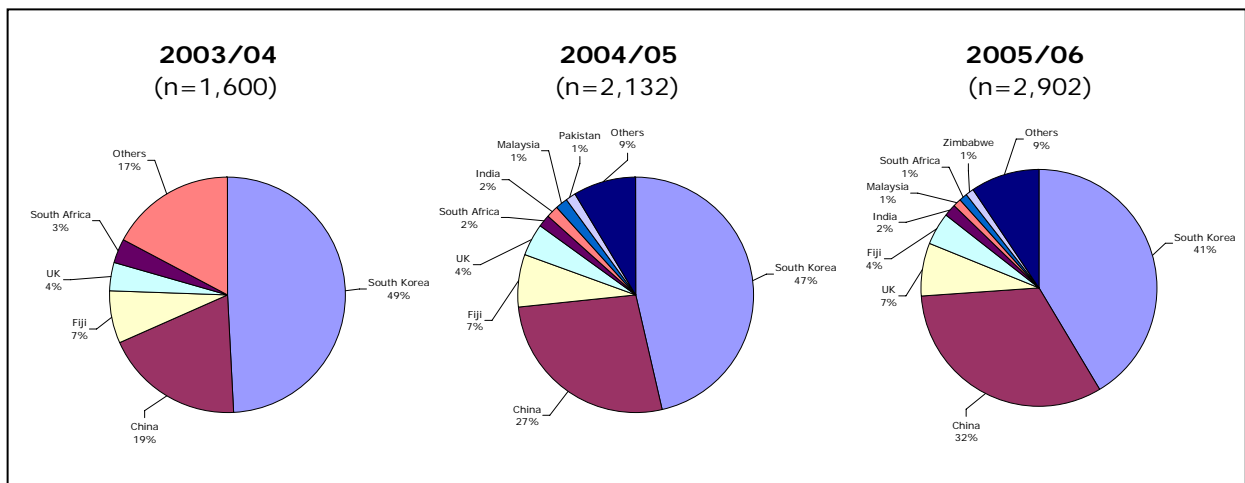
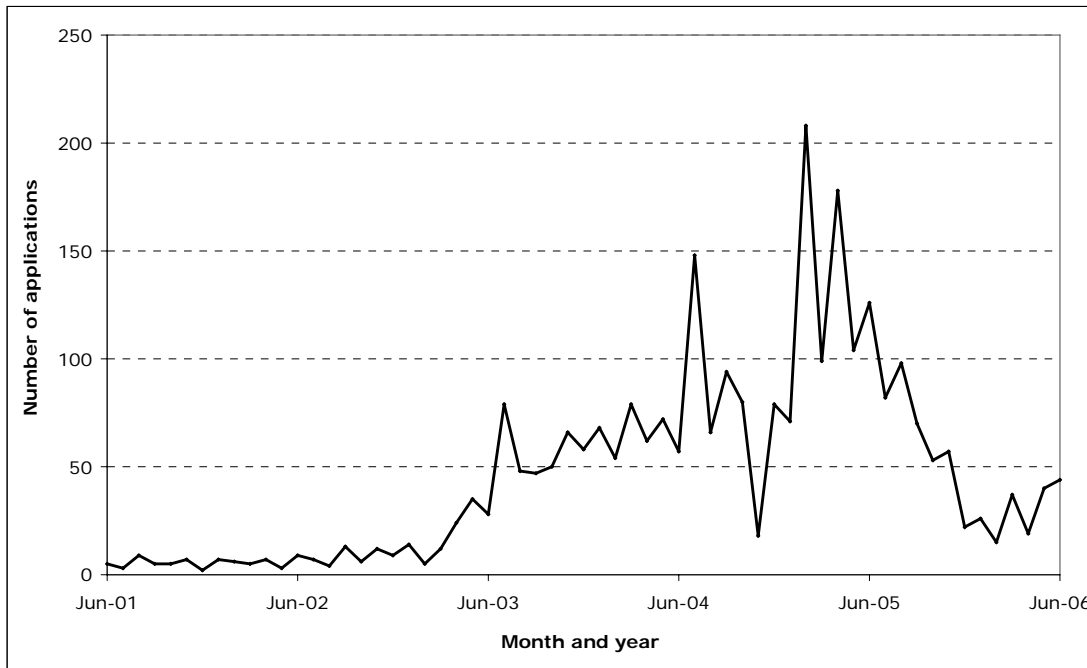


Figure 6.10 shows the inflow of applications through the Entrepreneur Category since 2001/02. Inflows grew steadily in 2003/04 and 2004/05 as a high number of LTBV holders reached the three-year requirement of their permit, after which they could apply for residence. Lower inflows of applications in 2005/06, combined with decreasing numbers of LTBVs issued over the last three years, indicates that Entrepreneur Category approvals will decrease over the next twelve months.

Figure 6.10 Application inflows through the Entrepreneur Category



6.8.4 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 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.

The LTBV is issued for nine months. By the end of the nine-month period, applicants must provide evidence of having established a business to be granted an extension to their LTBV for the remainder of the three-year term (including the initial nine months).³³ The LTBV can still be renewed for three years if certain conditions are met, and holders can still apply for residence after being self-employed in the country for two years.

Since the LTBV was introduced in March 1999, 11,726 people (4,777 principal applicants) have been approved for LTBVs. The number of people issued LTBVs has decreased since 2001/02 when numbers were at their highest. In 2005/06, 153 principal applicants were granted an LTBV. The following analysis is of those principal applicants who would have spent over three years on an LTBV by June 2006, and examines their conversion rates to residence.

Between 1 March 1999 and 30 June 2003, 4,022 principal applicants were granted an LTBV. By the end of June 2006 (a minimum of three years after being approved for an LTBV), 60 percent had converted to residence. The following table lists the categories through which these LTBV holders converted to residence. As at 30 June 2006, 85 percent (2,058 principal applicants) converted via the Entrepreneur Category (up from 82 percent as at 30 June 2005). These 2,058 people are 51 percent of the 4,022 principal applicants who were granted an LTBV between March 1999 and June 2003.

³³ Prior to 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.

Table 6.8 Residence categories through which LTBV holders (March 1999– June 2003) were granted residence as at 30 June 2006

Residence category	Number of principal applicants	Proportion of conversions	Proportion of LTBV principal applicants
	n	%	%
Entrepreneur Category	2,058	85%	51%
1995 General Skills	115	5%	3%
Investor Category	66	3%	2%
Partnership	72	3%	2%
Skilled Migrant Category	29	1%	1%
2001 Family Sibling	28	1%	1%
Others	53	2%	1%
Total conversions	2,421	100%	60%
Total LTBV principal applicants	4,022		100%

The rates of conversion to residence differed across the main nationalities of LTBV holders. Table 6.9 shows that conversion rates to residence for the top nationalities ranged from 46 percent to 75 percent. The UK, Fiji, and Japan had the highest conversion rates, while the USA and China were lower.

Table 6.9 Rates of conversion to residence by nationality as at June 2006 for those issued an LTBV between March 1999 and June 2003

Nationality	LTBV principal applicants	Conversions to residence	
		n	%
South Korea	1,511	959	63%
China	1,351	712	53%
UK	224	167	75%
Fiji	187	139	74%
USA	69	32	46%
India	68	40	59%
South Africa	62	39	63%
Malaysia	52	29	56%
Hong Kong	51	31	61%
Japan	47	31	66%
Others	400	242	61%
Total	4,022	2,421	60%

6.9 IELTS scores for the Skilled/Business Stream

Principal applicants, their partners, and dependent children aged 16 years and older included in an application in the Skilled/Business Stream are required to meet a 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.³⁴ The International English Language Testing System (IELTS) is used to assess ability in English.

³⁴ Under the SMC, a principal applicant's partner must have an English speaking background or have reached an average IELTS score of 6.5 if they are claiming points for a job or qualification.

IELTS is jointly managed by the University of Cambridge Local Examinations Syndicate (UCLES), the British Council, and IDP Education Australia (IELTS Australia). 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. Prospective migrants can be asked to sit this test or to submit existing test results when their English language skills are uncertain. People from English language backgrounds do not need to sit the IELTS test. Appendix G-1 provides a description of the IELTS band scores.

Under the SMC, principal applicants (and their partners if that person is claiming points for a job or qualification) must score an average of 6.5 across all four bands.³⁵ Principal applicants through the Business categories are required to score an average of 5.0 across all bands. Secondary applicants aged 16 years and over must have an English speaking background, an average IELTS score of 5, or have pre-purchased ESOL training if they do not meet the required standard.

The number of applicants providing an IELTS certificate has decreased in recent years as a greater number of migrants come from English-speaking countries, or meet the English language requirements via their qualifications or work experience. Table 6.10 shows the overall average scores achieved by those required to provide an IELTS certificate in 2005/06. IELTS scores were available for 2,403 migrants.

The average score for Skilled/Business Stream principal applicants has increased since the higher English language requirements came into effect in November 2002. In general, migrants scored at the 'modest' to 'good' English user level, with SMC principal applicants gaining the highest scores. Appendix G-2 provides a breakdown of the IELTS scores for the Skilled/Business Stream by the top 12 countries.

Table 6.10 Skilled/Business Stream IELTS assessment scores in 2005/06*

Application criteria	Applicant type	Number sitting test	Average score				
			Listening	Oral	Reading	Writing	Overall
Skilled Migrant	Principal	954	7.1	7.1	6.9	6.8	7.0
	Secondary	869	6.3	6.4	6.1	6.0	6.2
1995 General Skills**	Principal	84	6.1	6.5	6.0	6.5	6.3
	Secondary	56	5.7	5.9	5.3	5.8	5.7
Entrepreneur Category	Principal	101	5.2	5.5	5.1	5.1	5.2
	Secondary	279	5.8	5.7	5.4	5.1	5.5
Investor Category	Principal	34	6.0	6.2	5.9	5.8	6.0
	Secondary	26	6.0	6.5	5.9	5.9	6.1
Overall averages	Principal	1,173	6.8	6.9	6.7	6.6	6.8
	Secondary	1,230	6.1	6.2	5.9	5.8	6.0

* This table excludes categories with fewer than 10 people sitting the IELTS test. These categories include: Employees of Businesses, Talent (Accredited Employers), Talent (Arts and Culture), Talent (Sports), and Long Term Skill Shortage List Occupation policy.

** Scores lower than the expected 6.5 average resulted from people being approved who had lodged their applications prior to November 2002 when the English language requirements were increased.

³⁵ From November 2002, GSC principal applicants had to score an average of 6.5 across all bands.

6.10 Summary

- SMC applications were prioritised in 2005/06 and additional places were made available in the NZRP for skilled migrants. Changes to the SMC selection mechanism in December 2005 gave priority to highly skilled migrants and those with a skilled job or offer in New Zealand.
- EOI inflows decreased after the changes to the selection mechanism in December 2005, with fewer principal applicants submitting an EOI without a job or offer. EOI inflows from principal applicants with a job or offer remained steady throughout the year.
- In 2005/06, 18,153 EOIs were selected from the pool. Sixty-two percent of EOI principal applicants claimed points for a job or offer.
- SMC approvals numbered 27,539 people in 2005/06, up from 23,854 people in 2004/05. The UK was the largest source country of SMC approvals (41 percent), followed by South Africa (12 percent), and China (11 percent).
- Seventy-five percent of SMC principal applicants had a skilled job or offer. Many had work experience or qualifications in an area of absolute skill shortage, and over half claimed bonus points for employment outside of the Auckland region.
- A growing number of young Chinese are applying for residence through the SMC after completing their New Zealand qualifications. There was an increase in 20–29 year olds applying for residence through the SMC. These migrants were often single, and had an impact on the average family size. In 2005/06, there was an average of 2.3 people per EOI, down from 2.5 in 2004/05.
- The SMC attracted a high number of skilled migrants to a broad range of occupations. Some of the main areas included health, education, business, information technology, and trades occupations.
- Since the Talent Visa and LTSSL policies came into effect in 2002, 34 percent of people approved through these Work to Residence policies have gained permanent residence. Most gained residence through skilled categories, predominantly the SMC.
- In 2005/06, 538 people were approved through the Investor Category and 2,902 were approved through the Entrepreneur Category. Investor approval numbers have decreased since the new Investor Category was introduced. Entrepreneur approval numbers have been high in recent years but are expected to decrease.
- Sixty-percent of LTBV holders had gained permanent residence after holding their permit for at least three years. The majority (85 percent) gained residence through the Entrepreneur Category.
- Average IELTS scores for Skilled/Business migrants have increased since the English language requirements were increased in 2002/03. Migrants sitting the test in 2005/06 scored at the 'modest' to 'good' English level, with SMC principal applicants achieving the highest average scores.

7 FAMILY SPONSORED STREAM

7.1 Introduction

This section describes the characteristics of migrants approved through the Family Sponsored Stream and its various categories. In December 2005, the Department of Labour issued a general instruction to prioritise certain applications from partners and dependent children in the Family Sponsored Stream.³⁶ Humanitarian Category applications were also prioritised, and most remaining applications in this category were completed in 2005/06.

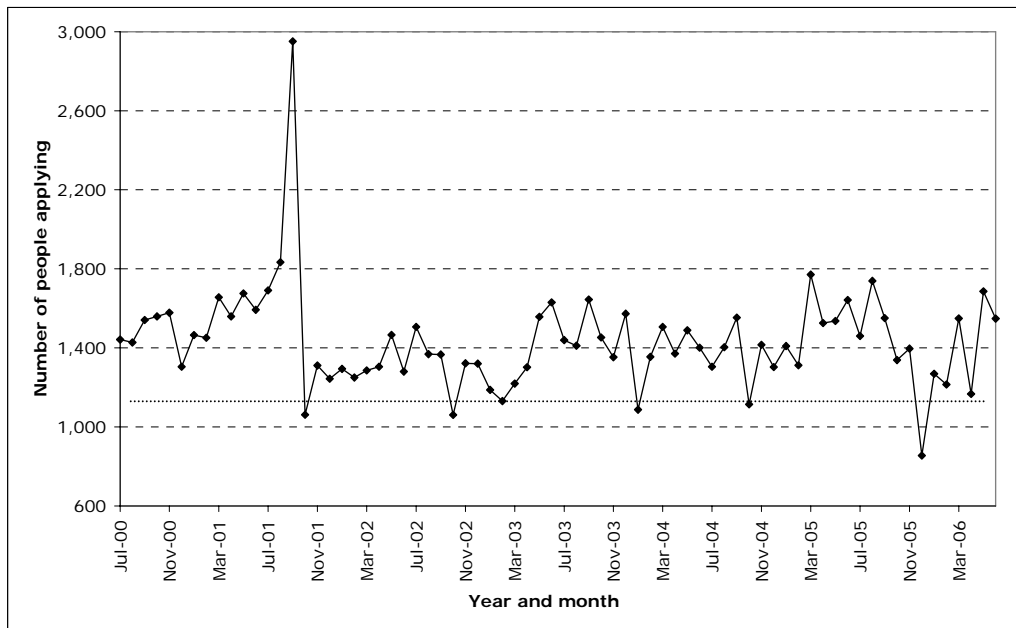
Overall, demand through the Family Sponsored Stream remains high, particularly through the Partnership and Parent categories. This level of demand has maintained backlogs in this stream. From July 2007, partners and dependent children will be approved through a new, separate stream to the Family Sponsored Stream, and there will be no cap on the number of places available in them. Limits will still be imposed on the number of places available to parents, siblings, and adult children of New Zealand sponsors.

7.2 Residence application inflows

Figure 7.1 shows the number of people applying for residence through the Family Sponsored Stream since 2000/01. Following a large spike in applications in 2001/02, demand for places in this stream has remained relatively steady in recent years. The demand for places in this stream remains higher than the number of places available, although in 2005/06, total inflows were slightly lower than in the previous year. Inflows reached a high point in March 2005, just prior to impending health changes that came into effect in April 2005. However, the majority of the health changes were deferred until November 2005, after which there was an immediate drop off in applications. Application inflows picked up again over the second half of 2005/06.

³⁶ Priority was given to partners and dependent children where the sponsor was a New Zealand citizen or the holder of an Indefinite Returning Residence Visa, and had been absent from New Zealand for at least two years prior to the date of the application being accepted for consideration.

Figure 7.1 Number of people applying for residence through the Family Sponsored Stream since 2000/01*



* The dotted line indicates the approximate number of approvals required per month to achieve the limit set for the Family Sponsored Stream.

Figure 7.2 shows the inflows through the various Family categories over the last three financial years. The demand for residence from parents has grown steadily in recent years, while the demand through the other categories has remained relatively steady. The high demand for places is expected to continue in 2006/07, particularly through the Partnership and Parent categories. The introduction of an age limit of 55 years for principal applicants through the Sibling and Adult Child policies from August 2006 may have an impact on the number of people applying through these two categories.

Figure 7.2 Number of people applying for residence through the Family categories between July 2003 and June 2006

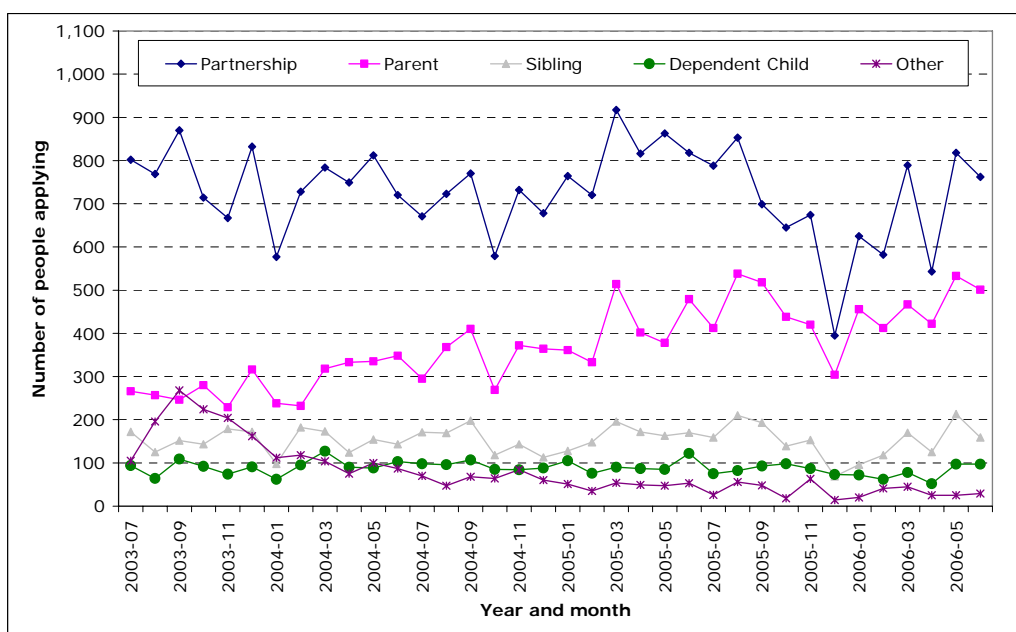
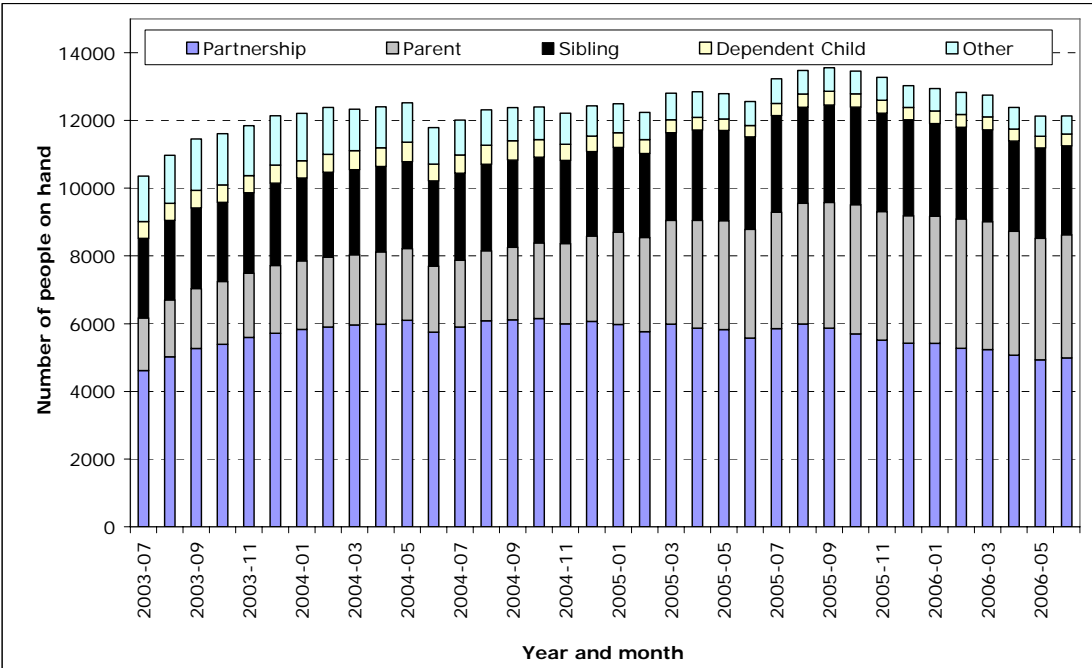


Figure 7.3 shows that the number of people on hand in the Family Sponsored Stream has declined steadily over the last 12 months, although the backlog of applications remains high.³⁷ At the end of June 2006, there were 12,136 people (7,753 applications) waiting to have their applications processed.

With the prioritisation of Partnership and Dependent Child applicants since September 2004, the number of people on hand in both of these categories has decreased. The number of people on hand in the Sibling and Adult Child categories has also decreased, but application inflows through these two categories also decreased in the 12 months to June 2006. The steady increase in applications from parents of New Zealand residents or citizens has led to an increase in the number of applications on hand in the Parent category.

Figure 7.3 Number of people on hand in the Family Sponsored Stream



7.3 Family Category approvals

The Family Category enables close family members of New Zealand residents and citizens to be granted residence in some circumstances. In 2005/06, 14,866 people (29 percent of all residence approvals) were approved for residence through the Family Category, up from 13,583 people in 2004/05 and 12,380 people in 2003/04.

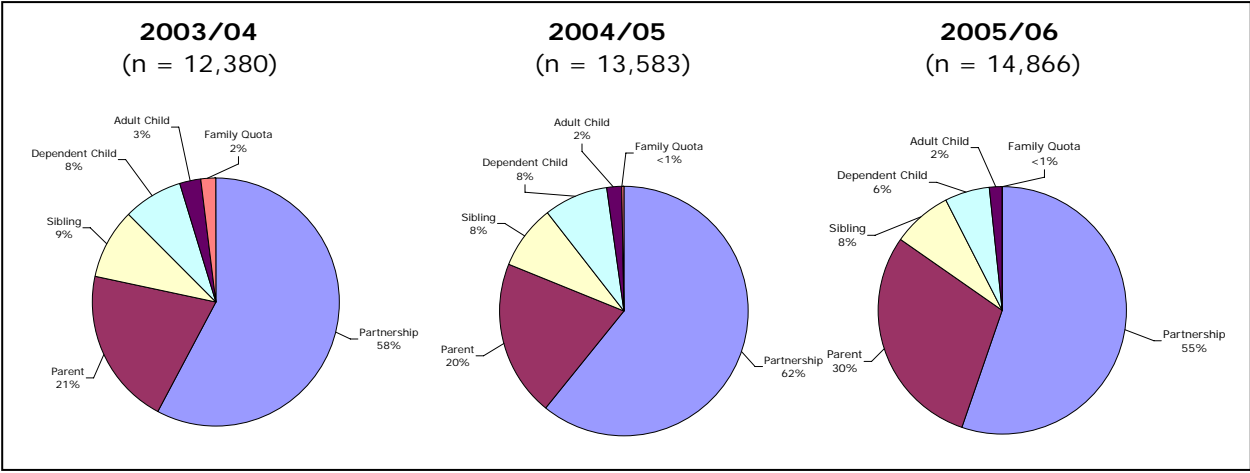
Since September 2003, Partnership policy has ensured that married and de facto couples (including same sex partners) of New Zealand residents and citizens have been treated equally when applying for residence through the Family Category. Under Partnership policy, a couple must provide evidence that their relationship is genuine and stable whether they are married or de facto. Applicants must have been living in a genuine and stable partnership for 12 months or more at the time they lodge their application. For the purpose of this analysis, the Marriage, De facto, and Partnership categories have been combined.

³⁷ An application is on hand if it has been accepted for processing but is not yet decided.

Figure 7.4 compares the categories in the Family Category through which people were approved in the last three financial years. The Partnership category accounted for 55 percent of approvals through the Family Category in 2005/06, down from 62 percent in 2004/05, although the actual number of approvals was slightly higher in 2005/06. The number of people approved through the Parent category increased substantially in 2005/06 (from 2,774 in 2004/05 to 4,400 in 2005/06), increasing the Parent category share of Family Category approvals to 30 percent. Sibling approvals were the third largest category (8 percent), followed by dependent children (6 percent).

The UK, China, India, Fiji, and Samoa have been the largest source countries of approvals through the Family Sponsored Stream in recent years. In 2005/06, the UK and China accounted for over one third of approvals in this stream (18 percent each). The proportion of approvals from China has increased over the last three years, from 12 percent in 2003/04, 16 percent in 2004/05, and 18 percent in 2005/06. The most recent increase in approvals from China has been through the less dependent categories, particularly the Parent and Sibling categories.

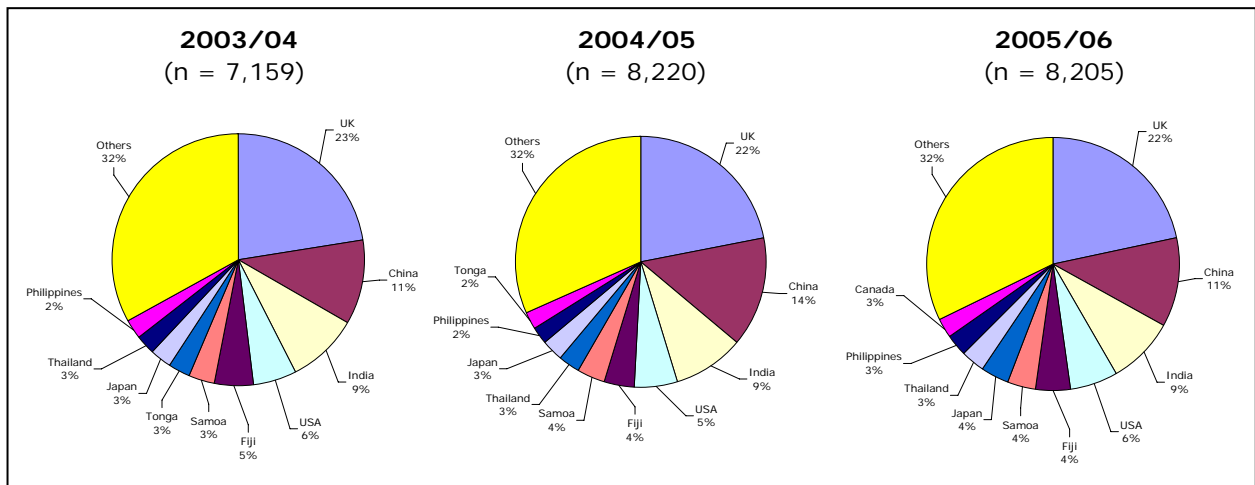
Figure 7.4 Approvals through the Family Category



7.3.1 Partnership

Partnership approvals made up 55 percent of the Family Category in 2005/06. The three largest source countries have remained consistent since 2000/01. Those three source countries (the UK, China, and India) accounted for 42 percent of Partnership approvals in 2005/06. Figure 7.5 compares the nationalities of people approved through the Partnership category in the last three financial years.

Figure 7.5 Nationality of approvals through Partnership policy*

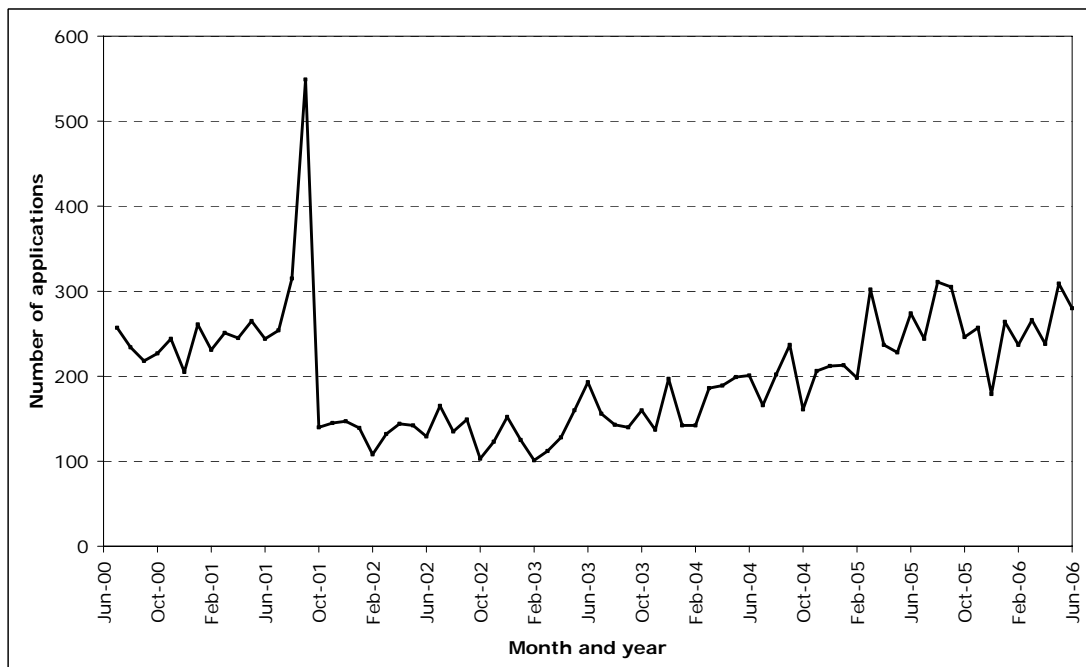


* These charts combine Partnership, Marriage and Family De facto approvals

7.3.2 Family Parent

The number of people applying for residence through the Family Parent category has continued to increase in 2005/06, despite a drop-off in November 2005 when the new health requirements came into effect. Figure 7.6 shows the gradual increase in application inflows following the changes to this policy's sponsorship requirements in 2001/02.

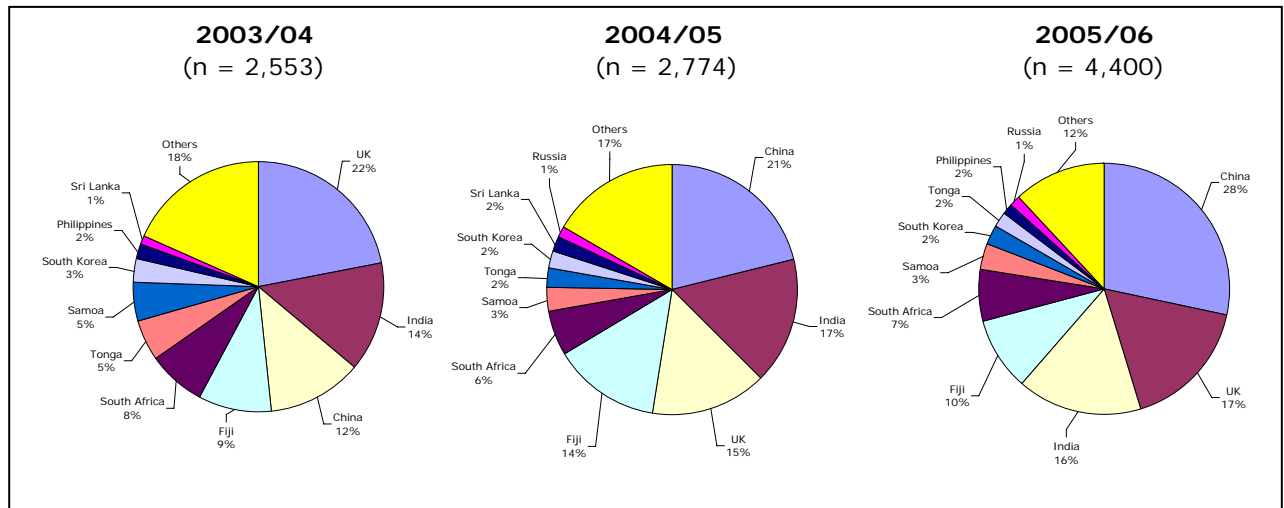
Figure 7.6 Residence application inflows in the Family Parent category between 2000/01 and 2005/06



There were 4,400 people approved through the Family Parent category in 2005/06 (30 percent of the Family Category). This represents a significant increase over the previous year, when 2,774 people were approved through this category.

In 2005/06, the main source countries of approvals were China (28 percent), the UK (17 percent), India (16 percent), and Fiji (10 percent), and South Africa (7 percent). These top five source countries have remained the same in recent years, although there have been changes in the proportion of approvals from each. The proportion from China has increased the most, from 12 percent in 2003/04 (316 approvals) to 28 percent in 2005/06 (1,250 approvals). Figure 7.7 shows the nationality of approvals through the Family Parent category between 2003/04 and 2005/06.

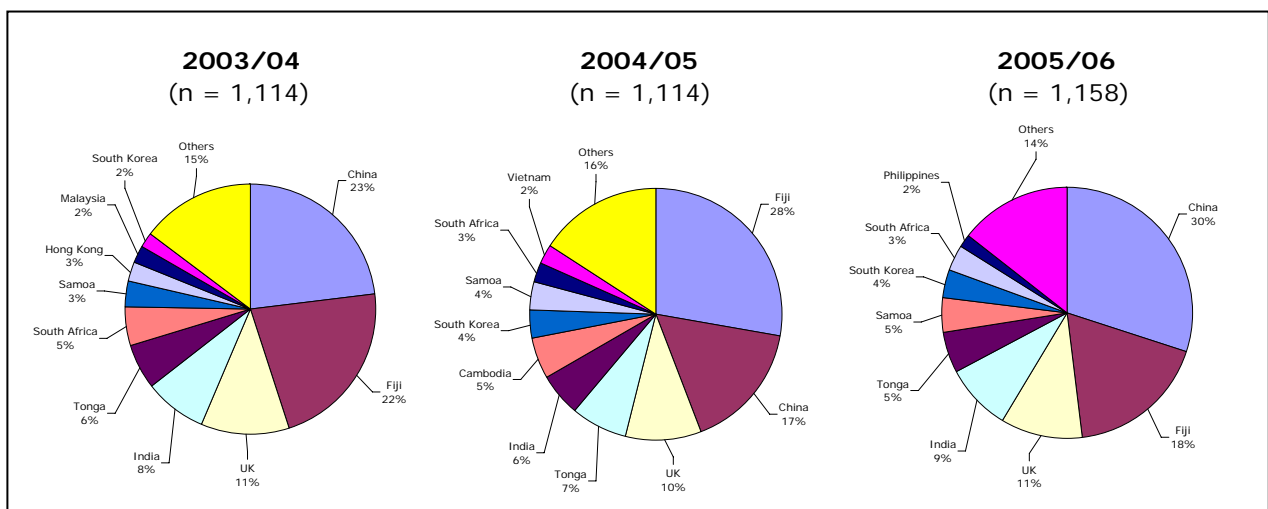
Figure 7.7 Nationality of approvals through the Family Parent category



7.3.3 Family Sibling

Family Sibling approvals accounted for eight percent of people approved through the Family Category in 2005/06 (1,158 people). The top five source countries have remained the same in recent years, with the highest proportion coming from China and Fiji. Figure 7.8 compares the nationalities of approvals in the last three financial years.

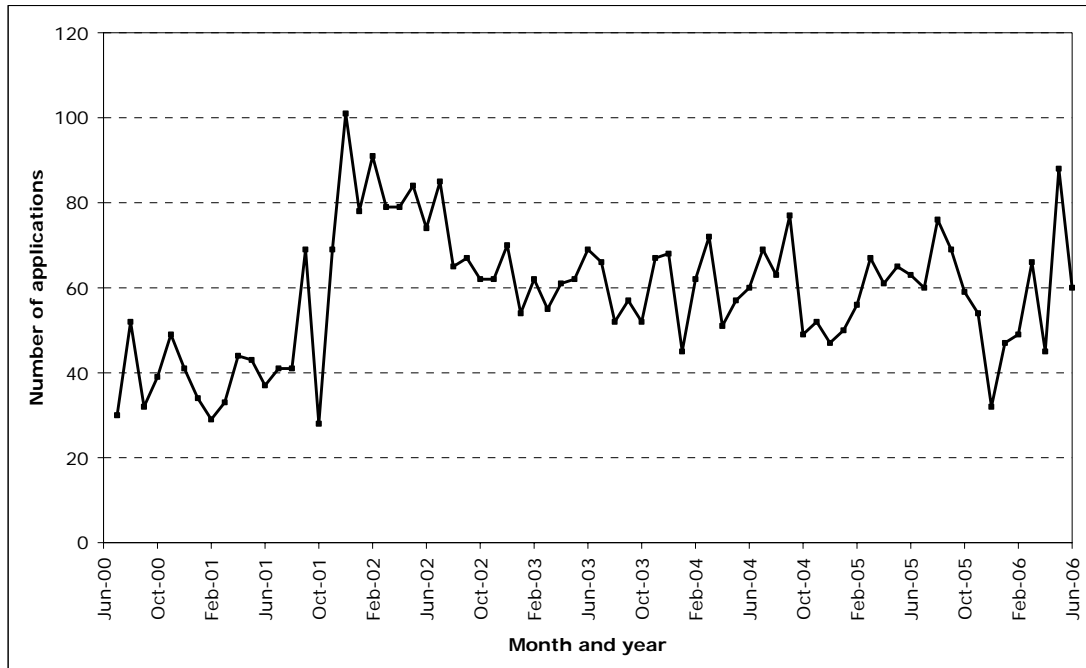
Figure 7.8 Nationality of approvals through the Family Sibling category



After October 2001, there was a large spike in application inflows through the Sibling category. The policy changes introduced new provisions for adult siblings and adult children, allowing them to bring their families, whereas previously they needed to be single. From August 2006, principal applicants through this category must be no older

than 55.³⁸ Figure 7.9 shows the number of applications for residence through this category since 2000/01. In common with applications through the Family Partnership and Family Parent categories, inflows through the Family Sibling category decreased when the new health requirements came into force in November 2005, but increased over the second half of the financial year.

Figure 7.9 Residence application inflows in the Family Sibling category between 2000/01 and 2005/06



7.3.4 Other Family approvals

Figure 7.10 compares the nationalities of those approved through other Family categories in the last three financial years. Other categories include Family Dependent Child, Family Adult Child, and Family Quota. There were 1,103 people approved through the other categories in 2005/06, down from 1,430 in 2004/06. Samoa and China were the largest source countries (27 and 10 percent respectively).

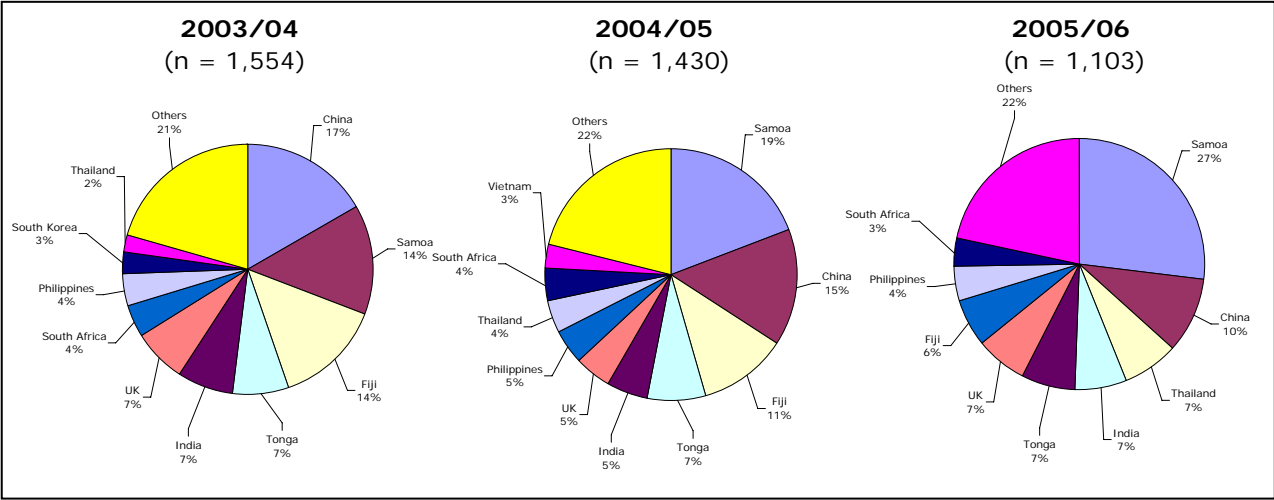
There were 869 people approved through the Dependent Child category, down from 1,114 in 2004/05. Applications through this category were given priority in 2005/06 where the child's sponsor was a New Zealand citizen or the holder of an Indefinite Returning Residence Visa and had been absent from New Zealand for at least two years prior to the date of the application being made. Samoa was the largest source country in this category (33 percent), followed by Thailand (9 percent), China, and India (7 percent each). The main change in source countries was seen in the number approved from China, which decreased from 189 (17 percent) in 2004/05 to 59 (7 percent) in 2005/06.

There were 223 people approved through the Adult Child category in 2005/06. The largest source countries were China (20 percent), Fiji (12 percent), and the UK (10 percent). Very few people were approved through the Family Quota (11 people), and those approved in 2005/06 were accepted under ballots held prior to 2004. The Family Quota provides for residents wanting to sponsor parents, siblings, adult children, and

³⁸ This age limit of 55 also applies to principal applicants through the Adult Child category from August 2006.

grandparents, when those family members do not qualify for residence under any other residence policies. The Family Quota operates only when there are sufficient places available in this stream. There were no places available in the Family Quota in 2004 and 2005, and no places have been made available in 2006.

Figure 7.10 Nationality of approvals through other Family categories



7.3.5 Number of people per approved application

The average number of people per approved Family Category application was 1.3. A large proportion of approved applications (78 percent) consisted of only one person.

7.4 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. Migrants through this Category must have had a family member who was a resident or citizen of New Zealand to sponsor their application. This Category was closed from October 2001, but a large number of applications were lodged before the policy closed, creating a considerable backlog of applications. Humanitarian Category applications were given priority over other categories in the Family Sponsored Stream (except Parent and Dependent Child applications) in 2005/06, and almost all remaining cases have now been decided.

7.5 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 lawfully in New Zealand who otherwise met these conditions could also apply for a work permit, and then qualify for residence under this policy.

Applicants with a New Zealand citizen or resident partner or a New Zealand-born child were counted through the Family Sponsored Stream, while others were counted through the International/Humanitarian Stream. Overall, 79 applications (including 108 people) were approved for residence through the Transitional Policy in 2005/06. Most of the

people granted a work permit under this policy have now had their residence applications decided.

7.6 Summary

- Application inflows through the Family Sponsored Stream were slightly lower than in 2004/05, but demand for places in this stream remains high. Demand is particularly high for applicants through Partnership policy, and application inflows through the Parent category are growing.
- Certain applicants through the Partnership and Dependent Child categories were prioritised in 2005/06, reducing the backlog of applications in this stream. From July 2007, partners and dependent children will be approved through a new, separate residence stream with no cap on the number of places.
- There were 14,967 people approved through the Family Sponsored Stream in 2005/06, and most were approved through the Family Category. The UK and China were the largest source countries (18 percent of approvals each).
- Fifty-five percent of Family Category approvals were through Partnership policy (8,205 people). The UK was the largest source country (22 percent), followed by China (11 percent) and India (9 percent).
- Thirty percent of Family Category approvals were through the Parent category (4,400 people), a substantial increase from 2,774 approvals in 2004/05. Chinese approvals increased from 21 percent in 2004/05 to 28 percent in 2005/06.
- The number of approvals through the Sibling category has remained similar over the last three years, with 1,158 people approved through this category in 2005/06. In 2005/06, the proportion of approvals increased for China and decreased for Fiji. An age limit of 55 years was introduced in July 2006.
- Approvals through the Dependent Child category made up 6 percent of the Family Category (869 people), down from 1,114 people in 2004/05. Samoa was the largest source country (33 percent), followed by Thailand (9 percent), China, and India (7 percent each).
- Most remaining applications through the Humanitarian Category (now closed) and the October 2000 Transitional policy had been decided at the end of 2005/06.

8 INTERNATIONAL/HUMANITARIAN STREAM

8.1 Introduction

This stream includes the Refugee Quota and other refugee-linked categories such as Refugee Status and the Refugee Family Sponsored Quota. Other categories include the Pacific Access Category and the Samoan Quota, Ministerial exceptions to policy, and other miscellaneous policies. From December 2005, the Department of Labour issued a general instruction to prioritise applications through refugee policy over other categories in the International/Humanitarian Stream. This reflects the government's commitment to international refugee conventions. The priority categories included Refugee Quota applicants and successful refugee status claimants.

8.2 Refugee Quota

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. These people are mandated as in need of resettlement by the United Nations High Commissioner for Refugees (UNHCR).

8.2.1 Numbers and composition of quota

There were 791 people accepted for resettlement to New Zealand under the Refugee Quota Programme in 2005/06. There was an average of three people per approved application. Table 8.1 shows the composition of the refugee cases accepted through the quota.

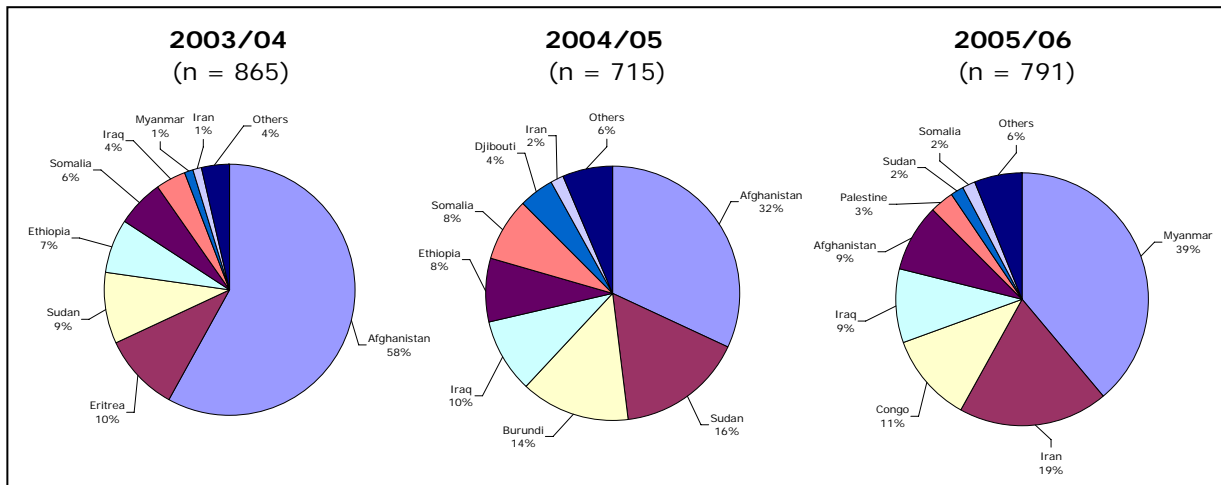
Table 8.1 Composition of the Refugee Quota in 2005/06

Sub-category	Number of people	% of Quota
Refugee Emergency	15	2%
Refugee Family	149	19%
Refugee Medical	18	2%
Refugee Protection	534	68%
Refugee Women at Risk	75	9%
Total	791	100%

8.2.2 Nationalities of quota refugees

In the last five years, over 3,500 people from over 50 different countries have been accepted through the quota. The main source countries over that period were Afghanistan, Iraq, Somalia, and Ethiopia. In 1999, a special exercise allowed the resettlement of 404 Kosova Albanians in addition to the quota, and in 2003/04, there was a large increase in refugees from Afghanistan. The largest source countries in 2005/06 were Myanmar (39 percent), Iran (19 percent), the Congo (11 percent), Iran, and Afghanistan (9 percent each). Figure 8.1 compares the main source countries of quota refugees in the last three financial years.

Figure 8.1 Nationality of quota refugees accepted for resettlement



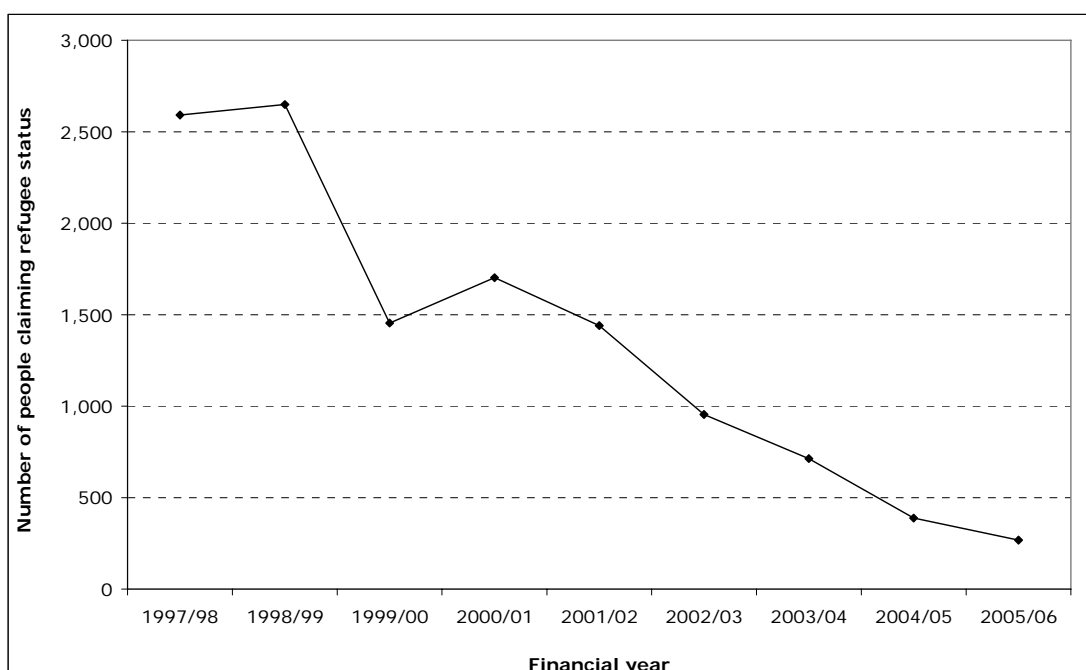
8.3 Refugee status claimants

In addition to commitments to accept an annual quota of refugees, New Zealand is also committed to considering all claims from asylum seekers who seek refugee status in New Zealand.

8.3.1 Successful refugee status claimants

There were 67 successful refugee status claimants in 2005/06. The number of successful claimants has decreased significantly in recent years, as the number of people claiming refugee status has fallen. The falling number of asylum seekers is consistent with international trends. Figure 8.2 shows that the number of people claiming refugee status has declined steadily since 1997/98. In 2004/05, there were 81 successful claimants, down from 115 in 2003/04 and 247 in 2002/03.

Figure 8.2 Number of people claiming refugee status between 1997/98 and 2005/06



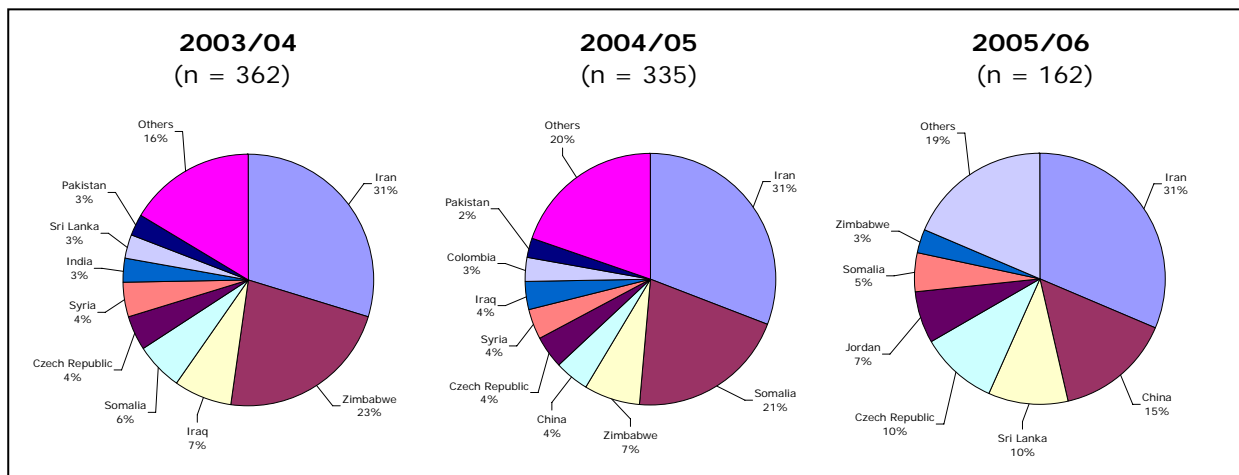
8.3.2 Successful refugee status claimants granted residence

Residence is approved separately from refugee status. In 2005/06, 162 successful refugee status claimants were approved for residence, down from 335 in 2004/05. The downward trend in the number of successful refugee status claimants being approved for residence is likely to continue as fewer people seek asylum in New Zealand.

8.3.3 Nationality of successful refugee status claimants granted residence

Figure 8.3 compares the nationality of successful refugee status claimants approved for residence in the last three financial years. Iran has made up the highest proportion of approvals over the last three reporting periods. The high proportion from Zimbabwe in 2003/04 corresponded to an increase in Zimbabweans claiming refugee status in the previous year.³⁹

Figure 8.3 Nationality of successful refugee status claimants granted residence



³⁹ In July 2005, the Special Zimbabwe Residence Policy came into effect. This policy applies to Zimbabwean nationals who arrived in New Zealand on or before 23 September 2004, and who do not meet the requirements for approval under any other category. People approved through this category are counted through the International/Humanitarian Stream under the Zimbabwe Policy (see Appendix D), not as approved refugee status claimants.

8.4 Samoan Quota and Pacific Access Category

The Samoan Quota was formally established in 1970, and is based on the spirit of close friendship embodied in the 1962 Treaty of Friendship between New Zealand and Samoa. The Samoan Quota allows up to 1,100 Samoan citizens to be granted residence in New Zealand each year, provided they meet the requirements of the quota. The Pacific Access Category (PAC) was established in July 2002 with other Pacific countries with which New Zealand has close cultural and historical ties. There are 650 places available in the PAC. The annual quotas are allocated as follows: Tonga (250), Tuvalu (75), Kiribati (75), and Fiji (250).

In recent years, the number of approvals through the Samoan Quota has been considerably lower than the number of available places. In 2004/05, a number of policy changes were made to the Samoan Quota and PAC to increase the take up of available quota places, while maintaining positive settlement outcomes for migrants from these Pacific nations.

Changes were made to the income threshold for applicants with dependents, and to the way earnings are taken into account when applying for residence.⁴⁰ Applicants are also given more time to apply for residence (to allow more opportunities to find employment in New Zealand), and more time to come to New Zealand once their residence visa had been granted. Furthermore, people lawfully in New Zealand can now register for the ballot and apply for residence in New Zealand without having to return to their home country.

The quotas in 2002/03 and 2003/04 were not filled. In 2004/05, unfilled places from these two ballots were made available to eligible people from Samoa, Tonga, Tuvalu, Fiji, and Kiribati who were living lawfully in New Zealand.⁴¹ Following the marketing of this policy, more applications were received for these extra places than there were places available.⁴² In December 2005, the government created an additional 3,000 residence places in the NZRP, for allocation over the next two financial years. Of the 3,000 additional places, 1,000 were allocated to people who had applied for residual places in the PAC, specifically for Tonga and Fiji.

8.4.1 Samoan Quota approvals

There were 1,330 people approved for residence through the Samoan Quota in 2005/06. Of this total, 435 approvals were for unfilled places in previous ballots.

⁴⁰ In 2005/06, the minimum income requirement for applicants with dependants was \$24,793. For single applicants or couples without children, the income requirement is assessed against the minimum adult wage. Prior to 2004, this threshold was calculated as the Guaranteed Retirement Income (now called New Zealand Superannuation) plus the maximum accommodation supplement. In 2004, the calculation mechanism was changed and it is now based on the unemployment benefit plus the maximum accommodation supplement.

⁴¹ Residual places were made available between December 2004 and March 2005. Applications were accepted from applicants who:

- were citizens of the countries that had unfilled places; and
- had been either born in that country, or born overseas to a citizen of that country who was born there; and
- were lawfully in New Zealand at the time their application was made; and
- had an acceptable offer of employment (or had a partner, included in the application, who had an acceptable offer of employment); and
- were aged between 18 and 45 inclusive; and
- met the minimum English language, income, health, and character requirements.

⁴² In future, if more applications for residual places are received than there are places available, the surplus applications will be lapsed once all residual places have been filled.

8.4.2 Pacific Access Category approvals

There were 1,114 people approved for residence through the PAC in 2005/06. Of this total, 694 approvals were for unfilled places in previous ballots. Table 8.2 provides a breakdown of the number of people approved for residence through the four PAC categories in 2005/06.

Table 8.2 Pacific Access Category approvals in 2005/06 *

PAC category	Number approved
PAC Fiji	127
PAC Kiribati	37
PAC Tonga	234
PAC Tuvalu	22
Residual places	694
Total	1,114

* Not all people in these categories are approved for residence in the same year they are drawn in the ballot.

Table 8.2 includes people who were successful in the 2005 ballot as well as some who were successful in earlier ballots.

8.5 Summary

- New Zealand accepted 791 people through the Refugee Quota in 2005/06. In recent years, refugees have come from a diverse range of nationalities. In 2005/06, Myanmar was the largest source country (39 percent), followed by Iran (19 percent).
- The number of asylum seekers has decreased significantly since 1998/99. There were 67 successful refugee status claimants in 2005/06, and 162 successful claimants were approved for permanent residence.⁴³ Over the last three years, almost one-third of successful refugee status claimants have come from Iran.
- The Samoan Quota allows up to 1,100 Samoan citizens to be granted residence in New Zealand each year. The PAC has 650 places available each year for citizens of Tonga, Tuvalu, Kiribati, and Fiji. The Samoan Quota and PAC are administered through a ballot system.
- In 2005/06, 1,330 people were approved through the Samoan Quota and 1,114 people were approved through the PAC. Many of the people granted permanent residence in 2005/06 were approved through unfilled places in previous ballots.

⁴³ Residence approval is approved separately from refugee status.

9 MIGRANTS' MOVEMENT PATTERNS

9.1 Introduction

One measure of a migrant's successful settlement and contribution to New Zealand is the extent to which they remain in a country in the years following arrival or approval. In 2005, the Department of Labour studied migrants' movement patterns into and out of New Zealand.⁴⁴ One of the key findings from this study was the confirmation that there is a consistent loss of permanent migrants from New Zealand over time.

People may leave New Zealand for many different reasons, only some of which relate to 'unsuccessful' settlement. Some reasons may relate to family ties or business commitments, while other migrants may intend to live and work in New Zealand for a period rather than settle permanently. Department of Labour research has shown that most migrants are not highly mobile – the *People on the Move* study showed that 79 percent of migrants approved between 1998 and 2004 had had fewer than three spells of absence from New Zealand. Conversely, some migrants were highly mobile, spending significant periods out of New Zealand. This level of mobility is consistent with international movement patterns, where large numbers people are circulating between countries.

In the following analysis, the cohorts of migrants approved for residence during the calendar years 1998–2005 were tracked using data from the Immigration database.⁴⁵ The analysis looks at those migrants who arrived to take up residence, migrants who have left New Zealand permanently, and a time-series analysis showing movement patterns over time. For the purpose of this analysis, a person who has been absent for 181 days (six months) or more is regarded as a long term absent migrant. A sizeable lead time is needed when undertaking this analysis. People approved at the end of a calendar year would have had up to a year to arrive, meaning that a person approved for residence at the end of 2004 could potentially have arrived as late as the end of 2005.

The number of residence approvals in a given cohort in this analysis is based on the number of applications completed within the calendar year, opposed to the number of applications decided.⁴⁶ Previous studies have shown a high level of accuracy with the data, but there are some known technical issues involved in matching a person's movements in the Customs and Immigration computer systems.⁴⁷ These issues mean

⁴⁴ Shorland, P. (2006). *People on the Move: A study of migrant movement patterns to and from New Zealand*. Department of Labour. Wellington.

⁴⁵ The total cohort numbers in this analysis are slightly lower than the cohort numbers in the *People on the Move* study. This is because the method of analysis used here removes duplicate records and retains the most recent record. A small number of people approved for residence in any given cohort may be approved for residence a second time. This can occur if the person is approved for residence but does not arrive in New Zealand, and later applies again. By using the most recent record in this analysis, the record in the earlier cohort is discounted.

⁴⁶ An application is *decided* once a decision has been made to approve or decline it, whereas an application is *completed* when the visa or permit label is issued in the applicant's passport. Using the completed date provides more accurate data for calculating long term absence.

⁴⁷ These technical problems include:

- The administrative process of client linking, which can mean that a client's original identity is not matched up with their later movement records. This can be a problem where a person uses two different passports.
- Duplicate client records, which can prevent correct application matching to movements.
- Some instances where movement information is not successfully passed between Customs and Immigration, or is not successfully outputted by the Immigration system.

that the following analysis should be seen as indicative of patterns of absence rather than being definitive.

9.2 Characteristics of migrants who did not take up residence

Most migrants approved for residence between 1998 and 2004 arrived in New Zealand to take up residence or were in New Zealand at the time of approval. Of the 267,207 people approved during this period, 260,702 (97.6 percent) took up residence.⁴⁸ Since 1998, the proportion of people not arriving to take up residence has decreased, from 3.5 percent of the 1998 cohort to 1.4 percent of the 2004 cohort.

Between 1998 and 2004, 6,505 approved people did not arrive to take up residence. A comparison of residence categories showed that GSC approvals had the highest rate of non-arrival. Over the seven-year period, the GSC accounted for 50 percent of all approvals, but represented 60 percent of non-arrivals. Over the same period, Partnership approvals were 17 percent of the total, but accounted for just 9 percent of non-arrivals. For most other categories, the proportion of non-arrivals was relative to the proportion of people approved. Table 9.1 provides a breakdown of non-arrivals by category of approval.

Table 9.1 Non-arrivals by category between 1998 and 2004

Category	Total approvals		Non-arrivals	
	n	%	n	%
General Skills	132,834	50%	3,878	60%
Partnership	45,831	17%	600	9%
Parent	23,330	9%	540	8%
Investor Category	10,297	4%	161	2%
Humanitarian	9,273	3%	439	7%
Refugee Quota	5,722	2%	391	6%
Samoan Quota	5,706	2%	164	3%
Others	34,214	13%	332	5%
Total	267,207	100%	6,505	100%

For most of the main nationalities of approvals between 1998 and 2004, the proportion of non-arrivals was the same or less than the proportion of approvals for that nationality. The main exception was Indian approvals, who accounted for 12 percent of residence approvals and 20 percent of non-arrivals. Over the seven-year period, 75 percent of Indian approvals were through the GSC. Of all Indian non-arrivals (1,321 people), 89 percent had been approved through the GSC. Table 9.2 provides a breakdown of non-arrivals by nationality of approval.

⁴⁸ The 2005 cohort is excluded from this analysis because, at the time of writing, the people in this cohort had not had 12 months to arrive in New Zealand.

Table 9.2 Non-arrivals by nationality between 1998 and 2004

Nationality	Total approvals		Non-arrivals	
	n	%	n	%
UK	41,826	16%	728	11%
China	34,431	13%	517	8%
India	31,267	12%	1,321	20%
South Africa	22,861	9%	626	10%
Fiji	16,039	6%	175	3%
Samoa	12,521	5%	254	4%
South Korea	9,784	4%	166	3%
Tonga	7,914	3%	92	1%
Philippines	6,887	3%	90	1%
Malaysia	6,475	2%	187	3%
USA	6,053	2%	106	2%
Others	71,149	27%	2,243	34%
Total	267,207	100%	6,505	100%

9.3 Residence approval categories of long term absent migrants

Table 9.3 combines residence approval categories into six main groups and shows the proportion absent for six months or more as at 31 December 2005. This table shows a wide variation in the proportions of migrant absenteeism for different cohorts and different category groups. With the exception of the 1998 cohort, migrants approved through the Business categories were much more likely to be long term absent than migrants approved through other residence categories.

In general, the rate of absence increases with the length of time since residence, with the earliest cohort having the highest rate of absence. As at December 2005, 24 percent of migrants approved in 1998 had been absent for six months or more, compared to six percent of the migrants approved in 2004. Those migrants approved in the more recent cohorts have had less time in New Zealand, and are therefore less likely to have left New Zealand long term.

The trend for migrants approved through the Business categories is exceptional because the pattern of absence is not as linear as the trend seen in other categories. The rate of absence for Business category migrants increased significantly between 1998 and 2002, but decreased in more recent cohorts. Absence rates are lowest for migrants approved for residence through 'Other' Family categories and the International/Humanitarian Stream.⁴⁹ Appendix H details the rates of absence by nationality for the largest source countries from 1998 to 2004.

⁴⁹ In this analysis, the Family Other group includes people approved for residence through the following categories: Family Child Dependent, Family Child Adult, Family Sibling, Family Quota, and the Humanitarian Category.

Table 9.3 Rates of absence by residence approval groups as at 31 December 2005 for migrants approved for residence from 1998 to 2004*

Residence approval group	% long term absent by cohort as at 31 December 2005							
	1998	1999	2000	2001	2002	2003	2004	Total
Business categories	21%	31%	34%	33%	40%	26%	17%	30%
Skilled categories	27%	23%	22%	18%	15%	12%	6%	17%
Family Partnership	20%	19%	16%	12%	10%	8%	4%	12%
Family Parent	26%	20%	21%	18%	17%	12%	9%	18%
Family Other	18%	14%	12%	7%	7%	5%	5%	9%
International/ Humanitarian	17%	15%	12%	9%	7%	3%	2%	8%
% long term absent as at 31 December 05	24%	20%	19%	16%	15%	10%	6%	15%
Number absent as at 31 December 05	5,679	5,850	6,522	7,959	7,249	4,426	2,042	39,727
Total approved and arrived	24,051	28,685	34,509	48,497	47,478	43,082	34,400	260,702

* The 2005 cohort is excluded from this analysis because migrants in that cohort have had insufficient time to arrive in New Zealand.

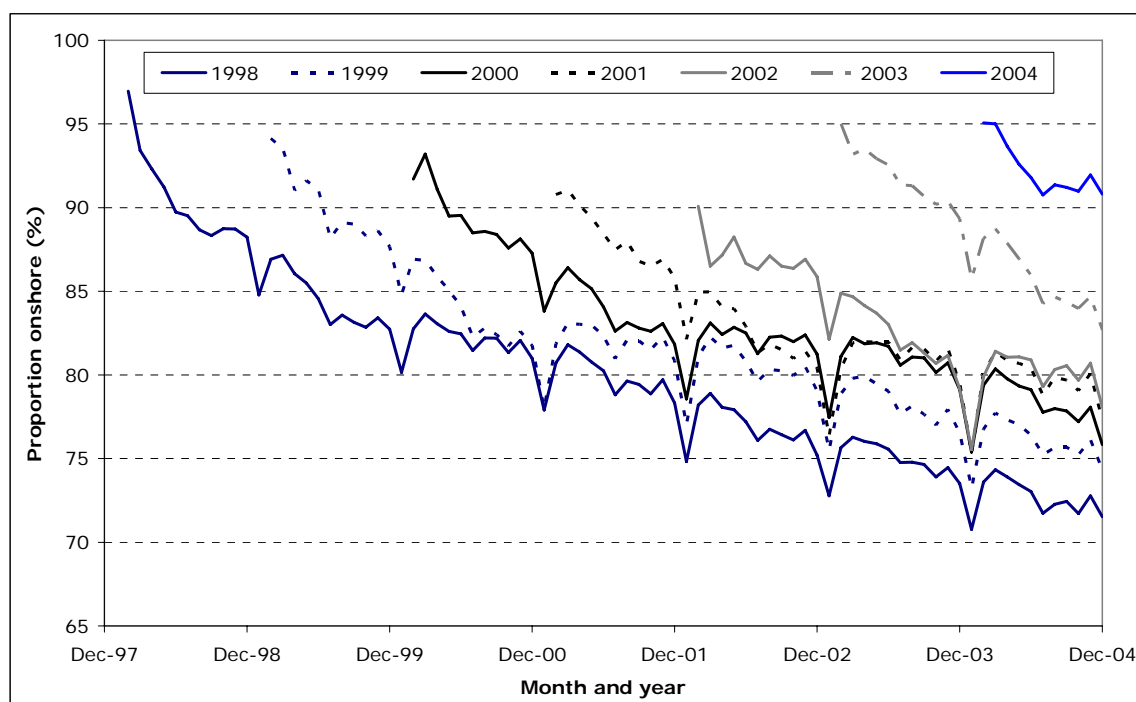
9.4 Onshore rates

This analysis includes data from a time series analysis. Migrants were assessed at the first of each month to determine if they were in New Zealand (onshore). This analysis provides a useful indicator of movement patterns and long term absence from New Zealand.

Figure 9.1 shows the proportion of migrants who had arrived in New Zealand and were onshore on at a given date. Each line represents a separate cohort of migrants approved between 1998 and 2004. The figure shows that for each cohort there was a steady decrease in the proportion of migrants onshore. This indicates an increasing trend over time of migrants leaving New Zealand – some temporarily, others permanently. As at December 2004, 72 percent of the 1998 cohort was onshore. For those people approved in 2004, 90 percent were in New Zealand as at December 2004.

Figure 9.1 also highlights seasonal patterns in migrants' movements to and from New Zealand. For each cohort there is a drop in onshore rates around December and January, showing a greater number of migrants travelling overseas during the Christmas holiday period.

Figure 9.1 Proportion of migrants onshore at monthly intervals 1998–2004*



* The onshore rates are a proportion of those who arrived to take up residence.

9.5 Summary

- People approved for permanent residence have 12 months to arrive in New Zealand to take up residence, unless they are already onshore when they are approved. An analysis of people approved between 1998 and 2004 showed that 98 percent of approved migrants took up residence in New Zealand.
- For many migrants, settlement in New Zealand is not permanent. Fifteen percent of people approved for permanent residence between 1998 and 2004 had been out of New Zealand for six months or more as at December 2005.
- Over time, the proportion of people absent from any one cohort increases. At the end of December 2005, 24 percent of people approved in 1998 had left New Zealand and been absent for six months or more.
- Business migrants had the highest rates of long term absence, followed by people approved through the Family Parent category, and skilled migrants.
- Long term absence rates differed for different nationalities. Migrants from Taiwan, Hong Kong, Singapore, and Malaysia had relatively high rates of absence. In general, many of these migrants had been approved through categories with high rates of absence, particularly the Investor Category or the General Skills Category.
- A time series analysis showed that migrants' movements into and out of New Zealand exhibit seasonal patterns, with a high number of migrants making short term trips abroad around the Christmas period.

10 CONCLUSIONS

Immigration policies aim to build New Zealand's skilled workforce, facilitate the entry of students and visitors, reunite migrant families, meet the government's international commitments, and foster New Zealand's regional and bilateral relationships.

Immigration poses many challenges in an environment of increasing temporary migration, global competition for skills, a strong desire to achieve good settlement outcomes for migrants, and a need to balance the risks and benefits of migration. In 2005/06, the Department of Labour began a programme of legislative, policy, and business change to ensure that New Zealand is well placed to meet these challenges.

The focus on meeting skills needs with New Zealand's historically low level of unemployment and high demand for skilled labour continues, but high demand for labour from seasonal industries saw the piloting of a seasonal labour scheme in 2005/06. Immigration, both temporary and permanent, enables migrants to participate in New Zealand's workforce, reducing skill and labour shortages and benefiting workplaces.

New Zealand has seen significant increases in the number of temporary residents in recent years. Tourism and export education make a significant contribution to New Zealand's economy, and temporary workers can play a significant role in responding to the cyclical nature of the labour market and alleviating labour and skill shortages.

Changes to temporary policy in 2004/05 have had an impact on both temporary and permanent migration. A number of changes came into effect for Working Holiday Schemes from July 2005, and these changes have seen a large increase in the number of young people coming to New Zealand to travel and take up short term work. A high number of international students have taken up the graduate job search permit, which was introduced in July 2005, and a growing number of SMC applicants are young graduates with New Zealand qualifications.

Since the Migration Trends series began in 2000/01, the link between temporary and permanent migration has increased, a link that can have positive benefits for both migrants and New Zealand. New Zealand's demand for skilled labour, and the policy links between temporary and permanent migration, has seen a growing number of people working in skilled employment or establishing a business before residence approval. In 2005/06, 87 percent of principal applicants had held a work, student, or visitor permit prior to being granted residence.

Overall, New Zealand was successful in attracting permanent, skilled migrants in 2005/06, and the number of people approved for residence (51,236) met the requirements of the NZRP. Reunification of migrant families is also an important aim of immigration policy, and the prioritisation of applications in the Family Sponsored Stream increased the processing of applications from close family members of New Zealand citizens or residents.

In conclusion, immigration is an important part of New Zealand's social and economic future. Evidence to date gives confidence that New Zealand is achieving its aims of selecting migrants who can contribute to New Zealand's labour market and settle successfully.

Appendix A: Temporary and permanent residence approval categories

The information in this section describes the key features of temporary and permanent residence policy. A more comprehensive overview of the specific requirements can be found on the website www.immigration.govt.nz.

A.1 Temporary categories

A.1.1 Visitor

The aim of visitor policy 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 54 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 that will accept them and which means they intend to stay for three months or less (six months if they are citizens of the UK)
- do not represent a character risk to New Zealand.

Australian nationals are treated like New Zealanders (unless they have 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 obtain a visa to travel here.

A.1.2 Student

The aim of student policy is to facilitate the entry of foreign students, with a focus on attracting and developing students who have the skills and talent New Zealand needs. International students help develop international linkages (including through exchange schemes) and sustain economic development through foreign exchange earnings.

A.1.3 Work

The aim of work policy 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. Work permits allow employers to recruit temporary workers from overseas to meet particular or seasonal work shortages that cannot be met from within New Zealand, while protecting employment opportunities for New Zealand citizens and residents.

In addition, a wide range of people may be granted open work permits, usually with some conditions relating to the amount of time they can work. They include:

- people on working holiday schemes
- 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
- spouses and partners (who are entitled to a work permit)
- people approved through the various Work to Residence policies.

A.1.4 Long Term Business Visa

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

A.2 The New Zealand Residence Programme

In planning the level of immigration, the government approves an annual immigration programme (the New Zealand Residence Programme, or NZRP), including the upper limit on the number of persons who may be approved for residence in a financial year.⁵⁰ The importance of stability in immigration flows is one of the factors taken into account when setting the NZRP.

A.2.1 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, a character (police clearance) check (if they are 17 years or over) and, where necessary, meet English language requirements.

Everyone intending a stay in New Zealand for longer than 12 months (and who is not a New Zealand or Australian citizen or permanent resident) must undergo medical screening to ensure they have an Acceptable Standard of Health for immigration purposes. This includes screening for tuberculosis (TB). From November 2005, the definition of an Acceptable Standard of Health has been based on significant costs and demand thresholds for publicly funded health and special education services.

Over the last two years, a number of enhancements have been made to immigration health screening to reduce risks to public health. In April 2004, TB screening became mandatory for every student with TB risk factors (i.e. anyone from or having spent considerable time in one or more high risk countries) and intending to be in New Zealand for six months or more. In November 2004, TB screening was extended to include all persons with TB risk factors intending to stay in New Zealand for more than six months, and from April 2005 this screening policy was extended to working holidaymakers.

In August 2005, a new Medical and Chest X-ray Certificate was issued to support the new health screening framework. The new requirements included: additional compulsory blood tests for applicants aged 15 years to include HIV, Hepatitis B, full blood count, serum creatinine, and liver function; assessment for critical developmental delay, particularly in children; and assessment for impaired cognitive performance, with compulsory screening for applicants aged 70 or more. From November 2005, all people entering New Zealand for longer than 12 months are required to complete a medical certificate using the Medical and Chest X-ray Certificate dated August 2005.

⁵⁰ The approval programme relates to residence approvals rather than arrivals.

The following tables describe the categories within the New Zealand Residence Programme.

Table A-1 Skilled/Business Stream

Category	Key policy features
Skilled Migrant Category	Applicants must meet a minimum threshold of 100 points to register an Expression of Interest into a pool. Expressions of interest are selected from the pool based on a selection point and on the basis of other criteria set by the Minister of Immigration. After initial verification, applicants are invited to apply through the Skilled Migrant Category.
Interim General Skills (closed November 2003)	Replaced the General Skills Category (GSC) from 2 July 2003 until its closure on 12 November 2003. Policy requirements were the same as they were under the GSC, with the exception that applicants were required to have a skilled job offer in New Zealand.
General Skills (closed July 2003)	Applicants were required to meet a minimum level of points, earned through a combination of their qualifications, work experience, offer of skilled employment in New Zealand, age (no older than 55 years), and settlement factors.
Entrepreneur	Established for people who can demonstrate they have successfully set up and operated a business in New Zealand. See the note on Long Term Business Visas under Temporary Categories earlier in this section.
Investor (from July 2005)	Applicants must first submit an Expression of Interest, after which they may be invited to apply for residence. The minimum amount of investment is NZ\$2 million, and these funds are held by the New Zealand Government for five years. Applicants may withdraw up to NZ\$1 million after two years to invest in a business that will benefit New Zealand. Applicants must be no older than 54 years and have at least five years' business experience. Conditions will apply for the first five years post residence.
Investor (closed June 2005)	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 NZ\$1 million), age, and business experience.
Employees of Relocating Businesses	Established for 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 is endorsed.
Work to Residence	This category provides a pathway to residence for holders of permits granted under three specific work policies: Talent (Accredited Employers); Talent (Arts, Culture and Sports); and the Long Term Skill Shortage List policy. The corresponding residence categories include the Talent (Accredited Employers), Long Term Skill Shortage List Occupation, Talent (Arts and Culture), and Talent (Sports).

Table A-2 Family Sponsored Stream

Category	Key policy features
Partnership	Enables the partner (including spouse, de facto and same-sex partner) of a New Zealand citizen or resident to apply for residence. Applicants must provide evidence that they have been living in a partnership that is genuine and stable for 12 months or more.
Parent	Enables the parent(s) of a New Zealand citizen or resident to apply for residence if either: they have no dependent children and all of their children live outside of the parent's home country; or the centre of gravity of their family is in New Zealand. The applicant's child must be an eligible sponsor.
Sibling	Enables siblings of New Zealand citizens or residents to gain residence. Applicants must have no immediate family in their home country, have an acceptable offer of employment in New Zealand, be able to financially support any dependents, and have an eligible sponsor. From August 2006, the age limit for people applying through this policy is 55 years.
Dependent Child	Enables dependent children of parents with New Zealand residence to gain residence. The applicant must have been born or adopted before his or her parents applied for residence and have been declared on his or her parents' application for residence; or have been born after his or her parents applied for residence; or have been adopted by his or her parents as a result of a New Zealand adoption or an overseas adoption recognised under New Zealand law.
Adult Child	Enables adult children of New Zealand citizens or residents to gain residence. Applicants must have no immediate family in their home country, have an acceptable offer of employment in New Zealand, be able to financially support any dependents, and have an eligible sponsor. From August 2006, the age limit for people applying through this policy is 55 years.
Family Quota	Enables New Zealand citizens and residents to sponsor family members who do not qualify for residence under any other residence policies. Family sponsors register their relative by way of a ballot from which a set number of applicants are drawn annually. This quota only operates when there are sufficient places in the Family Sponsored Stream (that is, at times of low demand). There were no places available in 2005/06, nor have any places been made available for 2006/07.
October 2000 Transitional Policy (now closed)	This policy (now closed) offered well-settled overstayers the opportunity to apply for a two-year work permit and then transition to residence. Applicants must have been in New Zealand for five years or more and have had no convictions. An applicant whose partner was a New Zealand citizen or resident, or had a New Zealand born child was counted through the Family Sponsored Stream. The remainder were counted through the International/Humanitarian Stream.
Humanitarian (closed October 2001)	This policy (now closed) allowed people to enter New Zealand in situations where serious humanitarian circumstances existed and there was a close family connection with New Zealand.

Table A-3 International/Humanitarian Stream

Category	Key policy features
Refugee Quota	New Zealand provides assistance to mandated refugees (people determined to be refugees by the United Nations High Commission for Refugees (UNHCR) before arrival in New Zealand). The government sets the number of places available for mandated refugees under the Refugee Quota (currently 750 persons per year).
1995 Refugee Status	To be eligible to claim refugee status, a claimant (asylum seeker) must be in New Zealand at the time of making a claim, and may be in New Zealand either lawfully or unlawfully. Successful refugee claimants (that is, Convention refugees) may apply for residence.
Refugee Family Sponsored Quota	This policy facilitates the successful resettlement of refugees resident in New Zealand by providing them with an opportunity to sponsor family members, who, with the exception of the Family Quota category, do not qualify for residence under any other residence category. The 300 places in this quota are balloted.
Samoa Quota	Allows for up to 1,100 Samoan citizens, including partners and dependent children, to be granted residence in New Zealand each year. Applicants must have an acceptable offer of employment, be aged 18–45 years, and meet minimum income requirements if they have dependants. Places in this quota are balloted.
Pacific Access Category (PAC)	The PAC allows up to 250 citizens of Tonga, 75 citizens of Tuvalu, 75 citizens of Kiribati, and 250 citizens of Fiji (including the spouses, de facto partners and dependent children of principal applicants), to be granted residence in New Zealand each year. Applicants must have an acceptable offer of employment, be aged 18–45 years, and meet minimum income requirements if they have dependants. Places in this quota are balloted.
Ministerial Direction	In special circumstances, the Minister of Immigration (or delegate) may give any Immigration Officer a special direction in relation to any person, permit, visa, or document. No person has the right to apply for a special direction, and the Minister is not obliged to consider the application, nor give reasons for any decision on it, other than that section 7(4) and section 130(6)(b)(i) of the Immigration Act 1987 apply.
Section 35A	In special circumstances, a person unlawfully in New Zealand may be granted a permit as a special case under section 35A of the Immigration Act 1987. No person has the right to apply for a permit if they are unlawfully in New Zealand, and neither the Department of Labour nor the Minister is required to consider any request made.
Victims of Domestic Violence	A person may be granted residence under this policy if they have, or have had, a marriage or relationship with a New Zealand citizen or resident that has ended due to domestic violence by the New Zealand citizen or resident, and the person is unable to return to their home country because they would be disowned by their family and community as a result of their relationship, and would have no means of independent support.
Special Zimbabwe Residence Policy	The Special Zimbabwe Residence Policy allows Zimbabwe nationals who arrived in New Zealand on or before 23 September 2004, and who do not meet the requirements for approval under any other residence category, to be granted residence. Principal applicants must meet health, character, and criteria specific to this policy.

Appendix B: Work permit criteria

Labour market tested work permits

Business – Long Term Executive	Machinery Installer/Service
Business – Short Term	Seasonal Labour Pilot
General	Specialist Skills
Japanese Interpreter	Talent (Accredited Employers)
Long Term Skill Shortage List Occupation	

Working Holiday Schemes

Argentina	Malaysia
Belgium	Malta
Canada	Netherlands
Chile	Norway
Czech Republic	Singapore
Denmark	South Korea
Finland	Sweden
France	Taiwan
Germany	Thailand
Hong Kong	United Kingdom
Ireland	United States of America
Italy	Uruguay
Japan	

Other work permit types

Approved in Principle	Oct 2000 Transitional Policy
Asylum Seeker	Partner of NZAID Student
BIC Residence Direct Investor	Partner of Student
Chef from Thailand	Partnership
Crew of Foreign Fishing vessel	Partnership Deferral
Domestic Staff for Consular Personnel	Practical Experience Post Study
Domestic Staff for Seconded Business Personnel	Reconsideration
Entertainer/Performing Artist and Support	s35A Request
Exchange (Work), Private	Show Judge/Sports Referee
Graduate Job Search	Skilled Migrant
Job Search Visa	Specific Purpose or Event
Medical and Dental Trainee	Sports Player/Professional Coach
Minister/Missionary/Pastor	Talent (Arts, Culture and Sports)
Normal	Victims of Domestic Violence
NZ Racing Conference Apprentice	Work Experience for Student

Appendix C: Number of people issued with one or more work or student permits in 2005/06

Country	Work	Student	Total
Afghanistan	50	1	51
Albania	4	2	6
Algeria	13	0	13
American Samoa	5	11	16
Angola	1	1	2
Argentina	1,029	58	1,087
Armenia	2	0	2
Australia	3	1	4
Austria	208	95	303
Azerbaijan	2	0	2
Bahrain	2	15	17
Bangladesh	124	89	213
Barbados	1	3	4
Belarus	16	2	18
Belgium	323	63	386
Belize	1	2	3
Bermuda	1	0	1
Bhutan	8	5	13
Bolivia	14	12	26
Bosnia and Herzegovina	4	1	5
Botswana	3	10	13
Brazil	1,823	616	2,439
Brunei Darussalam	9	33	42
Bulgaria	70	24	94
Burundi	3	0	3
Cambodia	231	217	448
Cameroon	5	1	6
Canada	3,042	570	3,612
Cayman Islands	0	3	3
Chad	1	1	2
Chile	948	186	1,134
China	11,954	26,661	38,615
Colombia	75	118	193
Congo	1	2	3
Costa Rica	9	11	20
Croatia	30	2	32
Cuba	30	0	30
Cyprus	3	1	4
Czech Republic	1,385	63	1,448
Democratic Republic of Congo	3	1	4
Denmark	482	133	615
Dominica	1	2	3
Dominican Republic	4	0	4
East Timor	1	1	2
Ecuador	14	14	28

Country	Work	Student	Total
Egypt	73	24	97
El Salvador	2	2	4
Eritrea	6	2	8
Estonia	19	1	20
Ethiopia	17	2	19
Faeroe Islands	0	1	1
Federated States of Micronesia	1	1	2
Fiji	3,278	1,702	4,980
Finland	206	70	276
France	2,135	429	2,564
French Polynesia	2	1	3
Gambia	1	4	5
Georgia	9	1	10
Germany	6,241	2,421	8,662
Ghana	24	9	33
Greece	30	5	35
Grenada	1	0	1
Guatemala	3	8	11
Guinea	1	0	1
Guyana	2	4	6
Haiti	2	0	2
Honduras	3	0	3
Hong Kong	463	1,031	1,494
Hungary	268	43	311
Iceland	19	19	38
India	4,889	2,370	7,259
Indonesia	825	450	1,275
Iran	137	60	197
Iraq	98	19	117
Ireland	2,921	55	2,976
Israel	378	45	423
Italy	502	177	679
Jamaica	37	3	40
Japan	6,142	3,955	10,097
Jordan	44	27	71
Kazakhstan	10	23	33
Kenya	46	51	97
Kiribati	156	93	249
Kosovo	1	0	1
Kuwait	0	1	1
Kyrgyzstan	7	6	13
Laos	4	32	36
Latvia	40	11	51
Lebanon	30	8	38
Lesotho	0	5	5
Liberia	1	1	2
Libya	6	3	9
Liechtenstein	0	2	2

Country	Work	Student	Total
Lithuania	21	6	27
Luxembourg	2	4	6
Macau	2	20	22
Macedonia	68	24	92
Malawi	5	8	13
Malaysia	1,657	1,745	3,402
Maldives	13	70	83
Mali	2	3	5
Malta	12	8	20
Marshall Islands	1	2	3
Mauritius	47	35	82
Mexico	101	91	192
Moldova	4	1	5
Mongolia	12	16	28
Morocco	9	1	10
Mozambique	1	0	1
Myanmar	76	41	117
Namibia	11	10	21
Nauru	14	19	33
Nepal	141	33	174
Netherlands	1,430	150	1,580
New Caledonia	0	2	2
Nicaragua	1	1	2
Nigeria	46	36	82
North Korea	1	0	1
Norway	142	226	368
Not recorded	5	7	12
Oman	2	129	131
Pakistan	199	99	298
Palau	1	1	2
Palestine	7	1	8
Panama	1	5	6
Papua New Guinea	63	113	176
Paraguay	12	16	28
Peru	53	30	83
Philippines	2,176	794	2,970
Poland	338	22	360
Portugal	36	26	62
Qatar	0	1	1
Romania	292	98	390
Russia	468	535	1,003
Rwanda	1	0	1
Samoa	1,060	287	1,347
Saudi Arabia	9	306	315
Senegal	3	1	4
Serbia and Montenegro*	1	2	3
Seychelles	3	22	25

*See also Yugoslavia

Country	Work	Student	Total
Sierra Leone	4	1	5
Singapore	384	310	694
Slovakia	130	22	152
Slovenia	33	8	41
Solomon Islands	62	91	153
Somalia	39	3	42
South Africa	3,420	1,137	4,557
South Korea	4,063	10,091	14,154
Spain	158	50	208
Sri Lanka	432	214	646
St Lucia	0	5	5
St Vincent and the Grenadines	1	0	1
Stateless	3	3	6
Sudan	10	3	13
Suriname	0	1	1
Swaziland	3	2	5
Sweden	816	244	1,060
Switzerland	328	210	538
Syria	22	9	31
Taiwan	932	1,308	2,240
Tajikistan	0	3	3
Tanzania	9	13	22
Thailand	1,338	1,708	3,046
Timor Leste	0	4	4
Tonga	912	269	1,181
Trinidad and Tobago	10	7	17
Tunisia	3	2	5
Turkey	99	57	156
Tuvalu	202	108	310
Uganda	7	3	10
Ukraine	281	36	317
United Arab Emirates	0	25	25
United Kingdom	18,659	2,103	20,762
United States of America	6,327	2,662	8,989
Uruguay	171	35	206
Uzbekistan	9	13	22
Vanuatu	29	25	54
Venezuela	21	13	34
Vietnam	202	773	975
Yemen	4	10	14
Yugoslavia**	41	10	51
Zambia	17	20	37
Zimbabwe	926	357	1,283
Total	99,674	69,223	168,897

**See also Serbia and Montenegro

Appendix D: Residence approvals by category in 2005/06

Residence stream	Category	Approved applications	Approved people	Proportion of people
Skilled/ Business 27,000 (+5,000) (60% of NZRP)	Skilled Migrant Category	12,305	27,539	
	1995 General Skills	137	362	
	LTSSL Occupation	41	107	
	Talent – Accredited Employers	150	365	
	Talent – Arts and Culture	12	28	
	Talent – Sports	11	27	
	Skilled categories total	12,656	28,428	55.5%
	Employees of Businesses	1	2	
	Entrepreneur Category*	875	2,902	
	Investor Category**	159	538	
	Business categories total	1,035	3,442	6.7%
	Stream total	13,691	31,870	62.2%
Family Sponsored 13,500 (+750) (30% of NZRP)	Adult Child	105	223	
	Dependent Child	868	869	
	Family Quota	3	11	
	Parent	2,634	4,400	
	Partnership	7,338	8,205	
	Sibling	446	1,158	
	Family Category total	11,394	14,866	29.0%
	Humanitarian	14	40	
	October 2000 Transitional	44	61	
	Stream total	11,452	14,967	29.2%
International/ Humanitarian 4,500 (+750) (10% of NZRP)	Refugee Emergency	7	15	
	Refugee Family	44	149	
	Refugee Medical	5	18	
	Refugee Protection	193	534	
	Refugee Women at Risk	19	75	
	Refugee Quota total	268	791	1.5%
	PAC Residence Tonga	84	234	
	PAC Residence Fiji	53	127	
	PAC Residence Kiribati	8	37	
	PAC Residence Tuvalu	12	22	
	PAC Residual Places	274	694	
	Pacific Access total	431	1,114	2.2%
	Samoan Quota	317	895	
	Samoan Residual Places	178	435	
	Samoan Quota total	495	1,330	2.6%
	1995 Refugee Status	87	162	
	Ministerial Direction	167	299	
	October 2000 Transitional	35	47	
	Refugee Family Quota	37	102	
Section 35A	19	23		
Victims of Domestic Violence	5	7		
Zimbabwe Policy	251	524		
	Other total	601	1,164	2.3%
	Stream total	1,795	4,399	8.6%
2005/06 total		26,938	51,236	100.0%

* Includes approvals through the Entrepreneur Category (23) and the Entrepreneur (Transitional) Category (2,109). The latter applies to applicants who held a work visa or permit granted under the LTBV Policy prior to 20 November 2002.

** Includes approvals through the new Investor Category (10) and the former Investor Category (528).

Appendix E: People approved for residence in 2005/06

Country	Skilled/ Business	Family Sponsored	International/ Humanitarian	Total
Afghanistan	1	7	70	78
Albania	0	8	0	8
Algeria	0	1	4	5
American Samoa	2	8	2	12
Antigua and Barbuda	1	0	0	1
Argentina	73	28	0	101
Armenia	0	0	3	3
Australia	11	2	0	13
Austria	39	23	0	62
Bahamas	1	0	0	1
Bangladesh	56	21	2	79
Barbados	0	2	0	2
Belarus	1	3	0	4
Belgium	53	18	0	71
Belize	0	2	0	2
Bolivia	6	3	0	9
Botswana	4	2	0	6
Brazil	65	84	1	150
Brunei Darussalam	5	3	0	8
Bulgaria	37	17	0	54
Burundi	0	0	1	1
Cambodia	22	46	5	73
Canada	321	234	4	559
Chile	42	36	0	78
China	4,067	2,651	55	6,773
Colombia	19	21	0	40
Congo	0	0	89	89
Costa Rica	3	0	0	3
Croatia	1	4	0	5
Cuba	3	0	0	3
Cyprus	1	0	0	1
Czech Republic	32	37	16	85
Democratic Republic of Congo	0	0	7	7
Denmark	45	26	1	72
Dominican Republic	0	1	0	1
Ecuador	0	4	0	4
Egypt	46	29	1	76
El Salvador	0	1	0	1
Eritrea	0	0	3	3
Estonia	1	5	0	6
Ethiopia	0	8	14	22
Federated States of Micronesia	0	3	0	3
Fiji	921	1,053	392	2,366
Finland	15	21	4	40
France	149	101	2	252
French Polynesia	1	0	0	1

Country	Skilled/ Business	Family Sponsored	International/ Humanitarian	Total
Gabon	0	0	3	3
Gambia	0	1	0	1
Georgia	5	8	1	14
Germany	536	204	6	746
Ghana	10	9	0	19
Greece	2	6	0	8
Grenada	0	1	0	1
Guatemala	1	1	0	2
Honduras	0	1	0	1
Hong Kong	81	105	2	188
Hungary	56	31	0	87
Iceland	5	2	1	8
India	1,705	1,601	28	3,334
Indonesia	100	116	10	226
Iran	16	46	234	296
Iraq	2	25	79	106
Ireland	278	143	1	422
Israel	71	23	3	97
Italy	36	39	3	78
Jamaica	3	1	3	7
Japan	384	331	0	715
Jordan	8	13	11	32
Kazakhstan	3	6	0	9
Kenya	20	7	0	27
Kiribati	2	17	144	163
Kosovo	1	1	0	2
Kuwait	1	0	0	1
Kyrgyzstan	3	5	3	11
Laos	0	7	2	9
Latvia	14	5	0	19
Lebanon	1	6	2	9
Libya	4	1	1	6
Lithuania	10	4	0	14
Luxembourg	4	0	0	4
Macau	1	3	0	4
Macedonia	28	30	0	58
Malawi	0	1	0	1
Malaysia	548	141	14	703
Maldives	9	3	0	12
Malta	17	1	0	18
Mauritania	1	0	0	1
Mauritius	37	0	0	37
Mexico	16	17	1	34
Moldova	4	0	0	4
Mongolia	0	0	1	1
Morocco	1	6	0	7
Myanmar	6	0	307	313

Country	Skilled/ Business	Family Sponsored	International/ Humanitarian	Total
Namibia	9	2	0	11
Nauru	1	1	6	8
Nepal	36	21	2	59
Netherlands	506	135	0	641
New Caledonia	1	0	0	1
Not recorded	104	2	5	111
Nigeria	30	11	2	43
Norway	7	5	0	12
Oman	1	0	0	1
Pakistan	66	72	2	140
Palestine	1	1	26	28
Papua New Guinea	8	14	1	23
Paraguay	1	0	0	1
Peru	13	20	0	33
Philippines	872	371	9	1,252
Pitcairn Islands	0	1	0	1
Poland	37	27	0	64
Portugal	7	9	0	16
Romania	168	51	0	219
Russia	138	164	0	302
Rwanda	1	0	0	1
Samoa	9	811	1,368	2,188
Saudi Arabia	5	0	1	6
Serbia and Montenegro*	0	3	0	3
Seychelles	2	8	0	10
Singapore	295	62	1	358
Slovakia	10	18	0	28
Slovenia	6	4	0	10
Solomon Islands	14	10	1	25
Somalia	0	20	20	40
South Africa	3,420	580	33	4,033
South Korea	1,882	363	15	2,260
South Pacific commission	1	0	0	1
Spain	17	21	0	38
Sri Lanka	132	80	28	240
St Vincent and the Grenadines	0	2	0	2
Stateless	2	1	0	3
Sudan	0	0	14	14
Swaziland	3	0	0	3
Sweden	38	62	1	101
Switzerland	71	39	0	110
Syria	3	1	0	4
Taiwan	88	98	0	186
Tanzania	4	5	0	9
Thailand	99	349	8	456
Tonga	17	429	522	968

* See also Yugoslavia

Country	Skilled/ Business	Family Sponsored	International/ Humanitarian	Total
Trinidad and Tobago	3	1	0	4
Turkey	21	24	7	52
Tuvalu	9	31	120	160
Uganda	2	1	0	3
Ukraine	33	46	1	80
United Arab Emirates	5	0	0	5
United Kingdom	11,882	2,716	76	14,674
United Nations	0	1	0	1
United States of America	1,237	561	40	1,838
Uruguay	31	4	0	35
Uzbekistan	14	6	0	20
Vanuatu	3	1	0	4
Venezuela	2	4	0	6
Vietnam	34	155	49	238
Yemen	0	1	0	1
Yugoslavia**	18	4	3	25
Zambia	40	8	1	49
Zimbabwe	337	49	501	887
Total	31,870	14,967	4,399	51,236

** See also Serbia and Montenegro

Appendix F: EOI pool selections in 2005/06

Date of Selection	Total EOIs selected	Total people selected
6-Jul-05	822	1,871
20-Jul-05	890	2,072
3-Aug-05	835	1,894
17-Aug-05	836	1,918
31-Aug-05	806	1,848
14-Sep-05	865	1,964
28-Sep-05	823	1,862
12-Oct-05	795	1,842
26-Oct-05	784	1,830
9-Nov-05	798	1,844
23-Nov-05	876	1,996
7-Dec-06	935	2,058
21-Dec-05	958	2,176
1-Feb-06	1,000	2,180
15-Feb-06	611	1,395
1-Mar-06	579	1,340
15-Mar-06	564	1,254
29-Mar-06	581	1,327
12-Apr-06	547	1,232
26-Apr-06	673	1,584
10-May-06	649	1,389
29-May-06	668	1,503
7-Jun-06	618	1,441
21-Jun-06	640	1,431
Total	18,153	41,251

Appendix G-1: Description of IELTS 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 understands only general meaning in very familiar situations. Frequent breakdowns in communication occur.
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.

Appendix G-2: Skilled/Business Stream IELTS assessment scores by top 12 countries in 2005/06*

Country	Applicant type	Number sitting test	Average score				
			Listening	Oral	Reading	Writing	Overall
South Africa	Principal	107	7.5	7.8	7.3	7.2	7.4
	Secondary	71	7.0	7.5	6.8	6.8	7.0
Netherlands	Principal	96	7.4	7.6	7.4	7.0	7.3
	Secondary	99	7.2	7.2	7.0	6.5	7.0
Germany	Principal	88	7.3	7.4	7.3	6.8	7.2
	Secondary	67	6.7	6.9	6.6	6.5	6.7
Malaysia	Principal	17	6.9	7.1	6.8	6.6	6.8
	Secondary	29	7.0	6.9	6.7	6.7	6.8
Fiji	Principal	21	7.1	7.1	6.4	6.7	6.8
	Secondary	20	5.1	6.0	4.4	5.0	5.1
Philippines	Principal	136	6.9	6.8	6.6	6.8	6.8
	Secondary	67	6.3	6.6	6.0	6.4	6.3
India	Principal	252	6.8	7.0	6.5	6.8	6.8
	Secondary	134	6.2	6.3	5.7	6.0	6.0
Romania	Principal	14	6.6	6.8	6.8	6.6	6.7
	Secondary	18	5.4	6.1	5.6	5.7	5.7
Russia	Principal	29	6.5	6.9	6.6	6.4	6.6
	Secondary	12	5.2	5.5	5.3	5.4	5.4
Japan	Principal	22	6.8	6.5	6.7	6.3	6.6
	Secondary	42	5.6	5.5	5.4	5.2	5.4
China	Principal	133	6.5	6.3	6.3	6.2	6.3
	Secondary	287	5.7	5.8	5.5	5.4	5.6
South Korea	Principal	100	5.6	5.6	5.5	5.4	5.5
	Secondary	214	5.8	5.5	5.4	5.1	5.5
Other Countries	Principal	158	6.9	7.2	6.8	6.7	6.9
	Secondary	170	6.1	6.4	6.0	5.8	6.1
Overall Averages	Principal	1,173	6.8	6.9	6.7	6.6	6.8
	Secondary	1,230	6.1	6.2	5.9	5.8	6.0

* 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 H: Rates of absence by nationality as at 31 December 2005 for migrants approved for residence between 1998 and 2004*

Nationality	Long term absent by cohort as at 31 December 2005							Total
	1998	1999	2000	2001	2002	2003	2004	
	%	%	%	%	%	%	%	%
Taiwan	51.6	47.7	41.3	43.5	49.7	48.6	41.3	46.3
Hong Kong	40.6	31.6	41.9	39.4	31.2	24.0	23.2	33.9
Singapore	46.5	40.8	34.5	32.0	35.0	24.3	23.1	33.5
Malaysia	23.6	32.8	31.6	33.0	35.8	23.9	14.7	30.0
Indonesia	30.8	38.9	36.3	26.4	16.1	14.0	10.9	27.0
Canada	40.4	40.9	32.5	28.4	22.7	8.2	7.7	26.6
Yugoslavia	44.1	27.3	30.7	19.5	11.1	9.4	3.6	25.9
USA	39.6	36.8	30.6	26.3	23.0	16.8	9.8	25.0
China	28.0	23.1	24.4	24.1	25.9	17.4	10.7	22.1
Japan	35.5	26.8	24.7	21.4	16.7	8.5	8.2	19.3
Germany	25.3	18.9	25.6	22.7	19.3	13.8	7.1	18.9
Ireland	34.1	25.9	22.0	24.1	14.9	12.1	6.7	17.9
Sri Lanka	28.6	24.6	17.4	16.5	12.0	12.3	5.2	17.7
Netherlands	25.1	29.8	19.3	18.8	14.4	6.4	7.1	16.2
Pakistan	26.2	20.4	34.4	14.3	13.4	6.8	6.6	15.5
India	27.2	21.9	18.2	15.6	11.3	11.8	5.4	14.4
UK	24.2	20.5	18.4	15.6	13.0	9.0	5.2	13.6
Samoa	19.3	14.5	15.3	12.1	12.2	6.5	3.7	11.9
Russia	21.0	16.1	14.9	12.3	10.3	2.7	7.0	11.9
Iran	26.6	20.2	15.9	9.9	8.7	6.6	3.8	11.5
Thailand	21.9	16.6	14.7	11.4	16.2	5.0	3.4	11.5
South Korea	19.7	17.3	16.6	13.5	10.4	7.5	6.4	11.4
South Africa	19.0	16.1	14.4	10.8	8.0	5.3	2.4	11.3
Somalia	22.5	15.0	14.5	5.0	3.9	0.8	0.0	10.9
Romania	51.9	10.4	27.5	7.4	8.1	5.1	1.3	9.4
Vietnam	9.1	14.3	15.7	9.9	4.3	4.2	4.7	8.8
Iraq	22.7	17.4	8.5	4.6	4.6	4.6	2.6	7.7
Philippines	16.2	10.1	11.1	6.9	6.1	4.7	1.8	7.5
Fiji	8.4	7.1	7.5	6.3	4.5	3.1	3.9	5.6
Cambodia	11.4	7.9	7.7	4.3	3.1	2.8	2.3	5.6
Zimbabwe	21.6	9.7	5.3	7.7	6.0	1.9	3.4	5.0
Tonga	5.6	8.1	5.4	5.5	4.7	1.7	1.2	4.0
Afghanistan	0.0	7.0	4.3	1.6	1.9	0.0	0.6	2.0
Others	24.0	22.7	21.2	15.4	13.5	7.9	4.3	15.5
% long term absent at 31 December 05	23.6	20.4	18.9	16.4	15.3	10.3	5.9	15.2
Number long term absent at 31 December 05	5,679	5,850	6,522	7,959	7,249	4,426	2,042	39,727
Number approved and arrived	24,051	28,685	34,509	48,497	47,478	43,082	34,400	260,702

*Only nationalities with a total approval count of 1000 or more are included. Nationalities are sorted in descending order by the highest rates of absence overall.

Appendix I-1: Ratio of females to males approved for residence by age and nationality in 2005/06*

Nationality	Age group														Total	
	Under 16		16 to 19		20 to 29		30 to 39		40 to 44		45 to 49		50 and over			
	n	f/m	n	f/m	n	f/m	n	f/m	n	f/m	n	f/m	n	f/m	n	f/m
UK	3,874	0.96	413	0.48	1,667	1.19	4,419	1.00	1,845	0.82	909	0.80	1,546	0.99	14,673	0.97
China	406	0.98	209	0.42	3,505	1.18	731	1.34	358	1.24	237	0.99	1,327	1.18	6,773	1.16
South Africa	1,126	0.94	226	0.46	541	1.18	1,047	0.95	399	0.91	235	0.77	459	1.26	4,033	0.99
India	419	0.97	106	0.52	1,251	0.94	657	0.68	129	0.90	111	1.27	661	1.20	3,334	0.94
Fiji	461	0.93	172	0.49	639	1.10	356	1.18	189	0.97	160	0.95	388	1.18	2,365	1.06
South Korea	587	0.85	235	0.54	263	1.77	349	1.71	335	1.38	293	0.73	198	0.89	2,260	1.12
Samoa	786	1.01	200	0.59	467	0.75	440	0.75	125	0.64	34	0.55	135	1.18	2,187	0.90
USA	351	1.17	60	0.50	315	1.86	450	1.06	246	0.98	136	1.23	280	0.75	1,838	1.12
Philippines	376	0.98	46	0.50	160	1.81	391	1.85	114	1.24	66	0.89	99	1.83	1,252	1.37
Tonga	283	0.95	70	0.49	233	1.03	206	0.98	56	0.87	24	0.85	96	1.40	968	1.00
Zimbabwe	243	1.15	63	0.48	195	1.47	212	1.02	56	0.93	42	1.00	76	1.00	887	1.12
Germany	120	1.22	16	0.56	142	2.30	279	1.38	90	1.43	47	1.14	52	1.00	746	1.44
Japan	58	1.07	8		180	3.39	375	2.87	35	2.50	15	1.50	44	1.44	715	2.47
Malaysia	163	1.01	33	0.58	183	1.29	130	1.60	51	1.83	70	0.89	73	1.15	703	1.24
Netherlands	160	0.88	13	0.77	75	1.59	208	1.10	89	0.71	40	0.90	56	0.93	641	1.02
Canada	72	0.85	5		147	2.68	184	1.19	50	1.17	30	1.14	71	0.87	559	1.34
Thailand	81	1.19	35	0.49	108	2.27	125	3.63	40	3.44	44	3.40	23	4.75	456	2.30
Ireland	43	0.87	3		144	0.97	174	1.12	27	1.08	10	1.50	21	0.91	422	1.03
Singapore	112	0.75	16	0.63	33	1.20	83	1.52	48	1.09	26	0.86	40	1.22	358	1.07
Myanmar	107	0.78	30	0.33	74	0.90	74	0.90	16	0.78	7		5		313	0.79
Others	1,216	0.98	265	0.48	1,600	1.59	1,522	1.18	403	0.98	241	1.10	502	1.43	5,749	1.22
Total	11,044	0.97	2,224	0.50	11,922	1.25	12,412	1.11	4,701	0.96	2,777	0.91	6,152	1.12	51,232	1.08

* Ratios were not computed for cells containing fewer than 10 records.

Appendix I-2: Ratio of females to males approved for a work permit by age and nationality in 2005/06 *

Nationality	Age group												Total	
	Under 20		20 to 29		30 to 39		40 to 44		45 to 49		50 and over			
	n	f/m	n	f/m	n	f/m	n	f/m	n	f/m	n	f/m	n	f/m
UK	1,179	0.67	9,981	0.95	4,613	0.72	1,143	0.62	724	0.57	1,019	0.55	18,659	0.81
China	49	1.88	8,882	1.17	1,778	1.09	634	0.93	347	0.81	264	0.61	11,954	1.12
USA	286	0.81	3,183	1.11	1,338	0.50	430	0.48	334	0.47	756	0.45	6,327	0.76
Germany	1,255	2.89	3,889	1.13	772	0.75	166	0.48	83	0.57	76	0.25	6,241	1.21
Japan	140	1.12	3,437	2.01	1,782	1.51	352	0.98	192	0.55	239	0.26	6,142	1.55
India	65	2.82	2,759	0.79	1,456	0.36	281	0.34	171	0.31	157	0.23	4,889	0.58
South Korea	21	9.50	1,655	1.29	1,127	1.43	658	1.16	416	0.63	186	0.42	4,063	1.16
South Africa	55	0.67	1,035	0.99	1,265	0.74	439	0.66	290	0.71	336	0.68	3,420	0.79
Fiji	64	2.56	1,465	0.84	969	0.81	377	0.69	248	0.63	155	0.61	3,278	0.80
Canada	295	1.50	1,961	1.40	443	0.81	104	0.79	73	0.70	166	0.50	3,042	1.18
Ireland	72	0.50	2,303	0.90	441	0.92	50	0.39	25	0.56	30	0.36	2,921	0.87
Philippines	11	1.20	507	1.35	1,040	0.96	366	0.81	172	0.95	80	0.67	2,176	1.00
France	114	0.81	1,690	0.66	219	0.56	37	0.42	33	0.83	42	0.31	2,135	0.65
Brazil	73	0.87	1,260	0.58	377	0.73	61	0.49	33	0.50	19	0.58	1,823	0.62
Malaysia	38	0.90	803	1.10	399	0.79	169	0.76	123	0.50	125	0.98	1,657	0.91
Netherlands	158	0.90	861	0.80	243	0.69	71	0.51	47	1.14	50	0.61	1,430	0.77
Czech Republic	24	1.18	1,106	0.78	203	0.53	18	0.13	14	0.75	20	0.82	1,385	0.73
Thailand	5		381	2.07	541	0.95	208	0.94	112	1.87	91	1.33	1,338	1.27
Samoa	32	0.68	469	0.47	353	0.37	109	0.58	44	0.47	53	0.43	1,060	0.45
Argentina	83	0.80	821	0.83	95	0.83	9		7		14	0.40	1,029	0.81
Chile	25	0.67	689	0.64	185	0.57	26	0.73	12	2.00	11	0.57	948	0.63
Taiwan	8		558	2.80	177	1.30	100	0.39	46	0.70	43	0.39	932	1.61
Zimbabwe	15	1.14	331	1.06	342	0.85	89	0.59	48	1.29	101	1.20	926	0.95
Tonga	19	0.36	395	0.62	355	0.62	78	0.56	30	1.14	35	0.75	912	0.63
Indonesia	3		426	0.39	323	0.21	36	0.13	28	0.22	9		825	0.29
Others	436	1.40	5,051	0.96	2,838	0.70	761	0.51	486	0.41	590	0.36	10,162	0.78
Total	4,525	1.25	55,898	1.03	23,674	0.77	6,772	0.67	4,138	0.61	4,667	0.50	99,674	0.89

* Ratios were not computed for cells containing fewer than 10 records. Gender was not recorded in six instances.

Appendix I-3: Ratio of females to males approved for a student permit by age and nationality in 2005/06*

Nationality	Age group										Total	
	Under 16		16 to 19		20 to 29		30 to 39		40 and over			
	n	f/m	n	f/m	n	f/m	n	f/m	n	f/m	n	f/m
China	492	1.04	3,184	0.90	22,250	0.82	511	1.37	224	2.11	26,661	0.85
South Korea	4,861	0.84	2,130	0.92	2,509	1.10	391	1.33	200	1.11	10,091	0.94
Japan	620	1.73	1,752	1.53	1,296	1.48	197	1.98	90	1.09	3,955	1.55
USA	376	1.25	413	1.70	1,778	1.38	60	1.14	35	1.06	2,662	1.39
Germany	305	1.44	1,062	1.58	948	1.00	97	0.59	9		2,421	1.26
India	336	0.81	293	0.42	1,505	0.27	206	0.60	30	1.31	2,370	0.38
UK	1,568	0.93	198	0.98	249	0.93	60	0.82	28	1.55	2,103	0.94
Malaysia	223	0.86	375	1.12	1,043	1.33	74	1.55	30	0.76	1,745	1.21
Thailand	463	0.83	506	0.64	598	1.27	111	2.47	30	2.75	1,708	0.98
Fiji	862	0.96	418	0.76	355	0.89	44	0.63	23	0.44	1,702	0.87
Taiwan	175	0.80	360	0.77	643	1.53	113	1.76	17	3.25	1,308	1.18
South Africa	947	1.09	151	0.89	28	0.40	6		5		1,137	1.04
Hong Kong	133	0.48	423	0.69	415	0.76	41	4.86	19	3.75	1,031	0.75
Philippines	627	0.85	62	0.88	44	2.14	45	1.65	16	1.29	794	0.94
Vietnam	50	0.56	283	0.69	398	0.78	29	0.53	13	0.63	773	0.72
Brazil	77	1.20	287	1.02	190	0.57	50	0.56	12	2.00	616	0.84
Canada	90	1.65	97	1.43	338	2.31	40	1.50	5		570	1.94
Russia	107	1.38	173	1.44	199	1.26	38	1.11	18	0.38	535	1.28
Indonesia	44	0.76	122	0.85	228	1.04	43	0.43	13	1.60	450	0.89
France	51	1.22	104	1.60	250	0.95	18	1.00	6		429	1.11
Zimbabwe	294	1.06	43	0.87	17	0.55	3		0		357	1.02
Singapore	102	0.89	39	5.50	138	1.34	19	0.36	12	2.00	310	1.26
Saudi Arabia	13	1.17	106	0.03	163	0.03	23	0.15	1		306	0.06
Samoa	159	1.15	61	0.69	45	0.96	14	0.27	8		287	0.93
Tonga	109	0.76	60	0.50	77	1.03	19	0.19	4		269	0.69
Others	1,246	1.01	1,169	1.11	1,725	0.86	381	0.56	112	0.49	4,633	0.91
Total	14,330	0.95	13,871	1.00	37,429	0.88	2,633	1.05	960	1.21	69,223	0.93

* Ratios were not computed for cells containing fewer than 10 records. Gender was not recorded in three instances.

