



MONTHLY MIGRATION TRENDS

JULY 2008 – JUNE 2009



MIGRATION TRENDS KEY INDICATORS REPORT: 2008/09 FINANCIAL YEAR

July 2009

Purpose

This report provides a brief summary of migration trends for the 2008/09 financial year. The report focuses on three key areas: the New Zealand Residence Programme, permanent skilled migration, and temporary entry.

All data is sourced from the Department of Labour's immigration data and, unless otherwise stated, is reported as a count of individual people rather than the number of applications. This reporting method is in line with the annual *Migration Trends and Outlook* report, and its purpose is to show the number of people who enter New Zealand rather than the number of permits they were granted. In practice, counting individual people gives lower numbers for temporary workers and students than when reporting the number of applications decided, as the average individual makes more than one application in a year.¹

Summary of key points

- 46,097 people were approved residence in 2008/09. This number is within the planning level of 45,000-50,000 for 2008/09. 62% of approvals were through the Skilled/Business Stream.
- 80% of Skilled Migrant Category (SMC) principal migrants were approved with a skilled job or offer of employment.
- Skilled permanent migration from the UK has been decreasing and is around half the level it was at its peak in 2004/05, although temporary work numbers have remained steady.
- Skilled migration increased from China (12%) and South Africa (40%).
- The number of people approved to work on a temporary basis was 2% higher than in 2007/08, compared with around 17% growth per annum over the previous decade. The biggest increases were seen in working holidaymakers and seasonal workers.
- International student numbers continued an upward trend with a 6% increase in the number of people approved to study in 2008/09.
- International visitor arrival numbers were well down on the previous year (8% fewer arrivals) with large decreases in the March 2009 quarter.

¹ The Department of Labour usually reports temporary work and student data as counts of applicants or applications, which are higher than the number of individuals reported here (for example, see the Business Information Services Group data reported at www.immigration.govt.nz/statistics). The permanent residence statistics are uniform across the Department of Labour.

1. New Zealand Residence Programme (NZRP)

The NZRP planning level was 45,000-50,000 permanent residence approvals in the 2008/09 financial year. This range was unchanged from 2007/08.

1.1 Residence approvals

- 46,097 people were approved residence in 2008/09 compared with 46,077 in 2007/08
- Skilled/Business approvals were 62% of the NZRP in 2008/09 (28,547), compared with 27,303 in 2007/08 (60% of the NZRP). Table 1 shows the breakdown of approvals by stream.

Table 1: Residence approvals by stream: 2008/09 financial year

Stream	People approved	% of NZRP
Business / Skilled	28,547	62
Uncapped Family Sponsored Stream	8,946	19
Parent Sibling Adult Child Stream	5,100	11
International / Humanitarian	3,504	8
Total	46,097	100

- The top 5 source countries were the UK (19%), China (15%), South Africa (12%), the Philippines (8%), and Fiji (7%).
- Changes in the main source countries of approvals show a marked decrease in approvals from the UK (down 14% from 10,030 to 8,641) and increases in numbers from South Africa (up 28% from 4,166 to 5,344) and China (up 12% from 6,070 to 6,790).

1.2 Skilled Migrant Category (SMC)

- The number of people approved through the SMC in 2008/09 was up 6% on the previous year. Total approvals numbered 27,011 in 2008/09 compared with 25,434 in 2007/08.
- 80% of SMC principal applicants had a job or offer (compared with 84% in 2007/08), 74% had a recognised qualification (79% in 2007/08), and 66% gained points for recognised work experience (no change from the previous year).
- The top five source countries were the UK (22%), South Africa (18%), China (14%), the Philippines (11%), and Fiji (7%).
- Changes in the main source countries showed a decrease in approvals from the UK (down 13% from 6,871 to 6,006) and increases in numbers from South Africa (up 40% from 3,399 to 4,763) and China (up 12% from 3,348 to 3,754).

1.3 Skilled migrants with job offers

- 80% of SMC principal applicants approved had a job or offer of skilled employment in 2008/09, down slightly from 84% in 2007/08.
- Figure 1 shows that the proportion of SMC approvals with a job or offer decreased somewhat over the last 6 months of the year
- 83% of SMC principal applicants were approved onshore, of whom 84% had a job or offer. Of the 17% approved offshore, 59% had a job or offer.

Figure 1: Proportion of SMC approvals with a job or offer: Financial years 2007/08 and 2008/09

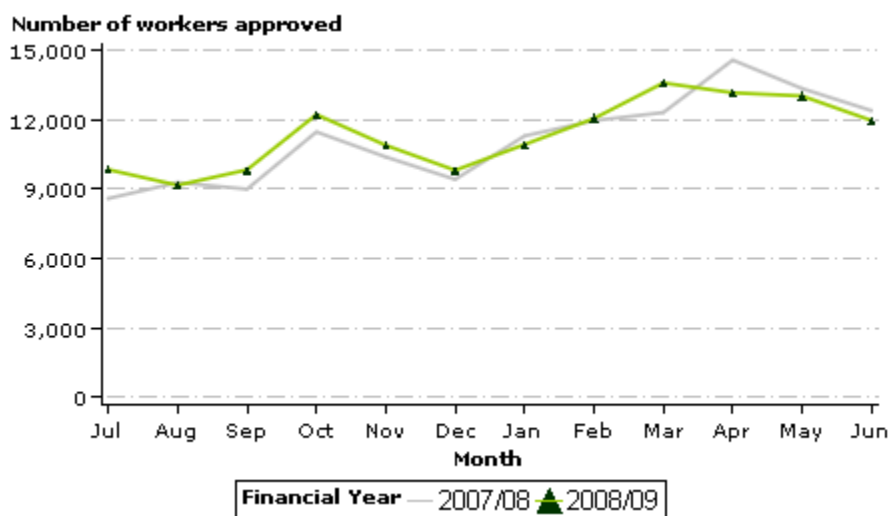


2. Temporary migration

2.1 Workers

- The total number of people approved to work in 2008/09 was 136,481, only 2% higher than in 2007/08. This compares to growth in temporary workers of around 17% per annum over the previous decade.
- Working holidaymaker numbers increased by over 4,300 in 2008/09 as places in new schemes were taken up (646 in the new China WHS), as well as increases from the UK, Germany, and France.
- Fewer temporary work applications were accepted in 2008/09 than in the previous year, a reversal of the trend seen in recent years of increasing numbers of work applications.

Figure 2: Number of workers (individuals) approved by month: 2007/08 compared with 2008/09



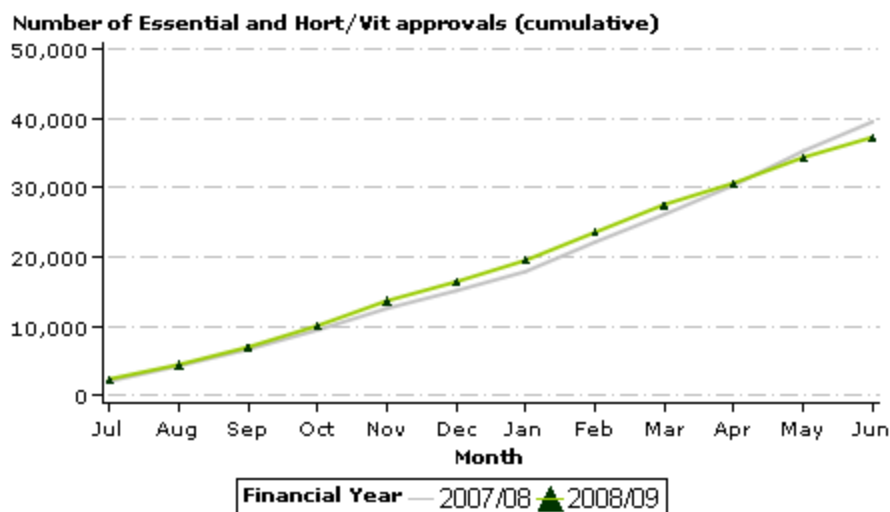
- The main nationalities of work permit holders in 2008/09 were the UK (15%), China (9%), and India (7%). Numbers increased substantially from India (up 24% to just over 9,000) – mainly a result of Indian students gaining ‘study to work’ permits. The opposite was true from China (an 18% decrease to 12,592), where fewer students

took up the graduate job search permit, plus falling numbers of Essential Skills workers from China.

2.2 Essential Skills and Horticulture/Viticulture policies²

- Essential Skills and Horticulture/Viticulture approvals were down 6% on the previous year –37,278 in 2008/09 compared with 39,510 in 2007/08. Figure 3 shows that approval numbers started strong in 2008/09 but fell away in the last quarter as decline rates increased.

Figure 3: Cumulative number of Essential Skills and Hort/Vit workers approved: 2007/08 compared with 2008/09



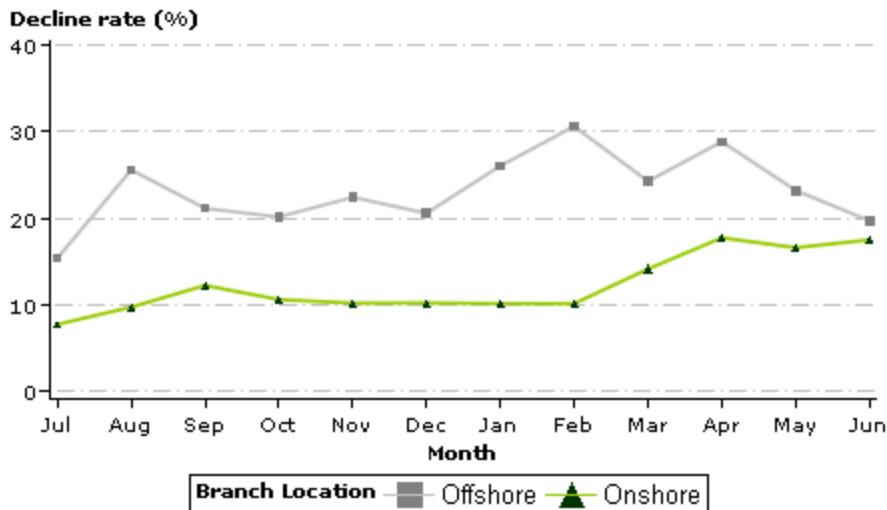
2.3 Essential Skills policy decisions³

- The decline rate on Essential Skills permits was relatively high in the second half of the year, peaking at 19% in April 2009. The overall decline rate on Essential Skills policy decisions for 2008/09 was 14% compared with 8% in 2007/08. The decline rate for all other work applications was in 2008/09 was 3.6%.
- Figure 4 shows that decline rates were relatively high for offshore decisions, peaking at 31% in February, although only 16% of decisions were made offshore in 2008/09. The increasing decline rate for onshore decisions had a much greater impact on overall numbers. The onshore decline rate averaged 17% over the last quarter in 2008/09.

² Includes the following policies: Approved in Principle, Essential Skills, Essential Skills - Skill Level 1, General, Specialist skills, Recognised Seasonal Employer, Transitional Recognised Seasonal Employer, and WHS Extension.

³ Includes all decisions on the following policy types: Approved in Principle, Essential Skills, Essential Skills - Skill Level 1, General, Specialist skills.

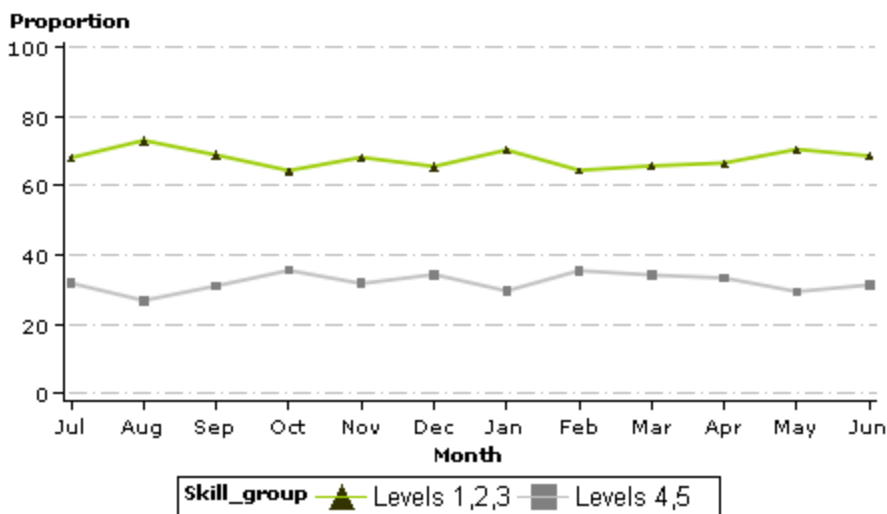
Figure 4: Decline rate for Essential Skills applications by branch location in 2008/09



2.4 Occupational skill level of Essential Skills policy approvals

- Figure 5 shows that around 70% of Essential Skills workers had a skilled job⁴, a level that remained fairly steady over the 12 months of 2008/09.

Figure 5: Occupational skill level of Essential Skills workers by month in 2008/09

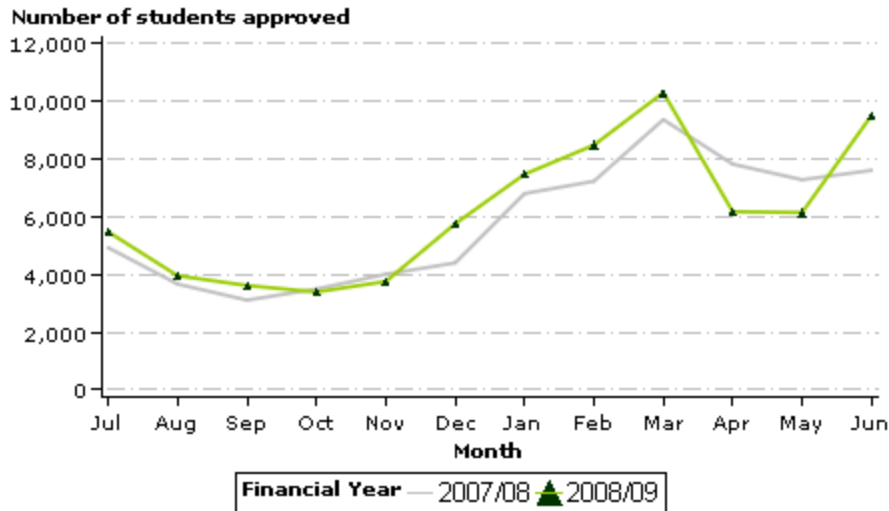


2.5 Students

- The total number of people approved to study in 2008/09 was 73,926, up 6% on 2007/08. This rate of growth compares to 3% in 2007/08 and -3% in 2006/07. Figure 6 shows the number of people approved increased substantially over the December-March months, and again in June.
- The largest source countries were China (20%), South Korea (14%), and India (11%). Large percentage increases were seen in the number of students coming from India (42% to 8,204), Fiji (18% to 3,295), and Germany (20% to 3,267).

⁴ Defined as having a job with a skill classification of level 1, 2, or 3 using the Australian and New Zealand Standard Classification of Occupations (ANZSCO 2006).

Figure 6: Number of students approved by month: 2007/08 compared with 2008/09.

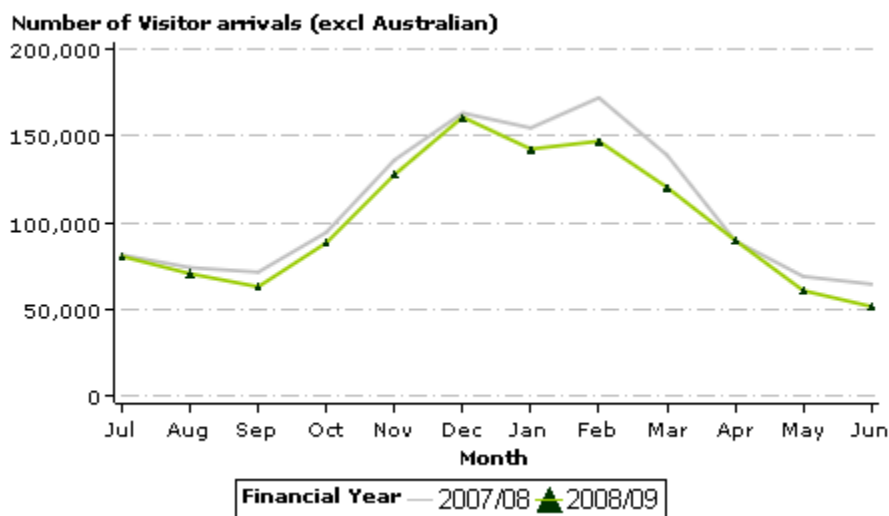


- The number of students approved offshore in 2008/09 was 28,669, which was 11% higher than in 2007/08.⁵ The growth in new students from India has been particularly strong with a 38% increase in offshore approvals (3,609 in 2007/08 to 4,988 in 2008/09). Increases in new students from China (5%) and South Korea (22%) were also seen in 2008/09.

2.6 Visitors (excluding Australians)⁶

- Total visitor arrivals were down 8% in 2008/09 (1,204,600) compared with 2007/08 (1,310,600). This equates to around 106,000 fewer visitor arrivals for the 2008/09 year.
- On a monthly basis, visitor arrivals tracked below the previous year's figures for most months (except April) in 2008/09. During the peak months of December, January, and February, total arrival numbers were 8% lower than the previous year's figures.

Figure 7: Number of visitor arrivals by month: 2007/08 compared with 2008/09



⁵ Students approved offshore are being used as a proxy for new student applications.

⁶ Number of people issued a visitor permit on arrival in New Zealand.

