



# MIGRATION TRENDS KEY INDICATORS REPORT

MAY 2011



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### **Purpose**

This report summarises key indicators of migration trends for the 2010/11 financial year to date (July 2010 - May 2011). The report focuses on three key areas: the New Zealand Residence Programme, permanent skilled migration, and temporary entry. This report provides an update of the emerging effects of the Canterbury earthquake.

All data is sourced from the Department of Labour 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 visas they were granted. In practice, counting individual people gives lower numbers for temporary workers and students than when reporting the number of applications decided, as individuals can make more than one application in a year.<sup>1</sup>

### **Summary of key points**

- 36,474 people were approved for residence in July-May 2011 compared with 41,434 for the same period in 2010.
- 90% of Skilled Migrant Category (SMC) principal migrants were approved with a job or job offer in skilled employment in the current financial year to date compared to 81% in the same period in 2010.
- Temporary work approval numbers in the current financial year to date were up slightly on last year due to increases in the number of working holidaymakers and those approved a 'study to work' visa.
- The number of Essential Skills work approvals for July-May 2011 decreased by 4 percent from the same period in the previous year. The Canterbury earthquake on 22 February had initially reduced the number of Essential Skills approvals in the Canterbury region. However, the approval numbers have recovered to levels similar to before the earthquake.
- 69,448 people were approved a student visa in July-May 2011, a 3 percent increase from the 67,453 who were approved in the same period in 2010.
- The total number of visitor arrivals did not change in July-May 2011 compared with the same period last year. Prior to the 22 February 2011 earthquake, visitor numbers for the current year were ahead of the 2010 trend. However, visitor numbers dropped immediately following the Canterbury earthquake.

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

## 1. New Zealand Residence Programme

The New Zealand Residence Programme (NZRP) planning range is 45,000-50,000 permanent residence approvals in the 2010/11 financial year. This range is unchanged from 2009/10.

The economic slowdown continues to have a significant impact on migration flows globally. Like other OECD countries, New Zealand has not been immune to the decrease in skilled migration. Potential skilled migrants are less willing and able to migrate, while fewer skilled job offers have been available in New Zealand. Opportunities are expected to increase as the economy recovers.

### 1.1 Residence approvals

- 36,474 people were approved for residence in July-May 2011 compared with 41,434 for the same period in 2010 and 41,588 in 2009. The number of people approved for residence in July-May 2011 fell by 12 percent from the same period in 2010. Skilled/Business Stream approvals have dropped 20 percent compared with the same point in the previous year. This is due to fewer job offers available, the quality of applications in the Expression of Interest selection pool and the disruption in applications processed caused by the Canterbury earthquake.
- The decline rate of 15% remained similar to the same period in the previous year (14%). Table 1 shows the breakdown of year to date approvals by stream.

**Table 1: Residence approvals by stream**

Stream	July-May 2009	July-May 2010	July-May 2011
Skilled/Business Stream	25,594	25,779	20,645
Uncapped Family Sponsored Stream	7,964	8,931	8,641
Parent and Sibling/Adult Child Stream	4,811	4,340	4,714
International/Humanitarian Stream	3,219	2,384	2,474
<b>Total</b>	<b>41,588</b>	<b>41,434</b>	<b>36,474</b>

- The top source countries in July-May 2011 were the United Kingdom (16%), China (13%), India (10%), South Africa, the Philippines and Fiji (8% respectively).
- The drop in skilled migration has seen a decrease in residence approvals from all of the main source countries, with the exception of India which increased by 12 percent. The increase from India was mainly through the Skilled/Business Stream. Of the other top source countries, the United Kingdom decreased by 17 percent, China decreased by 11 percent, South Africa decreased by 37 percent and the Philippines decreased by 25 percent.

### 1.2 Skilled Migrant Category (SMC)

- 18,820 people were approved for residence through the SMC in July-May 2011 compared with 24,022 for the same period in 2010 and 24,186 in 2009. The number of people applying through the SMC has decreased by 20%. The decrease reflects

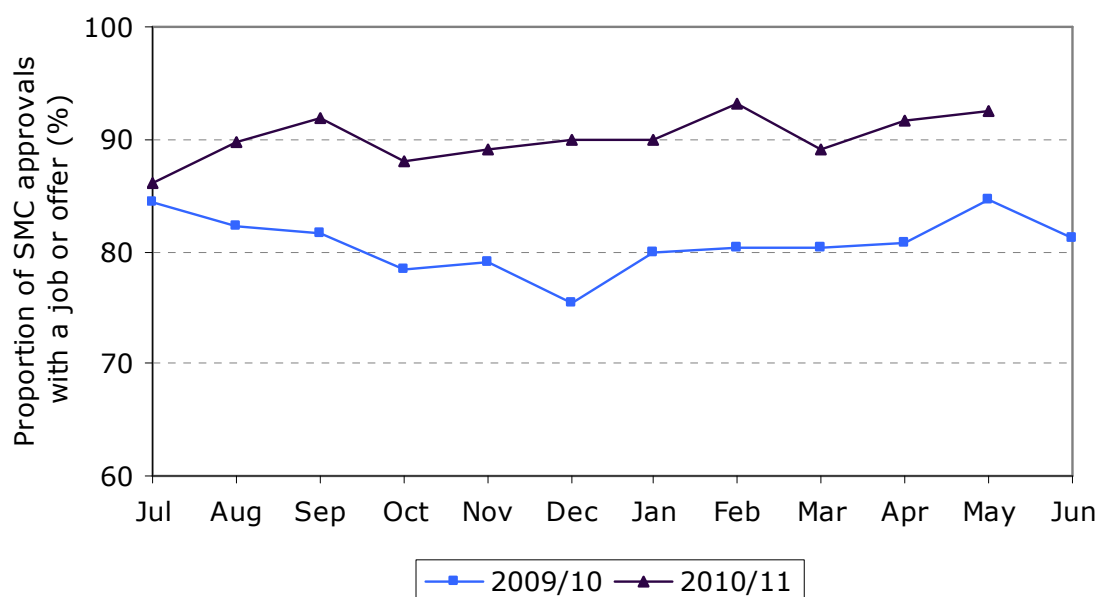
fewer quality Expression of Interest applications that meet the selection criteria and have a job offer.

- Currently, the top source countries of SMC approvals for the current financial year to date are the United Kingdom (17%), South Africa and India (13% each), the Philippines (12%), and China and Fiji (8% each). SMC approvals from these top source countries decreased from the same period last year, with the exception of India which increased by 27 percent. This increase is due to former Indian international students who transition to temporary work and then on to permanent residence.
- 90% of SMC principal applicants had a job or job offer (compared with 81% in July-May 2010) and 71% gained points for recognised work experience, (similar to 72% in July-May 2010).

### 1.3 Skilled migrants with job offers

- Figure 1 shows that the proportion of SMC approvals with a skilled job or job offer is higher in 2010/11 than in 2009/10.

**Figure 1: Proportion of SMC approvals with a skilled job or job offer for 2009/10 and 2010/11**



- Most SMC principal applicants were approved onshore (85%), of whom 97% had a job or job offer. Of the 15% approved offshore, 53% had a job or job offer.

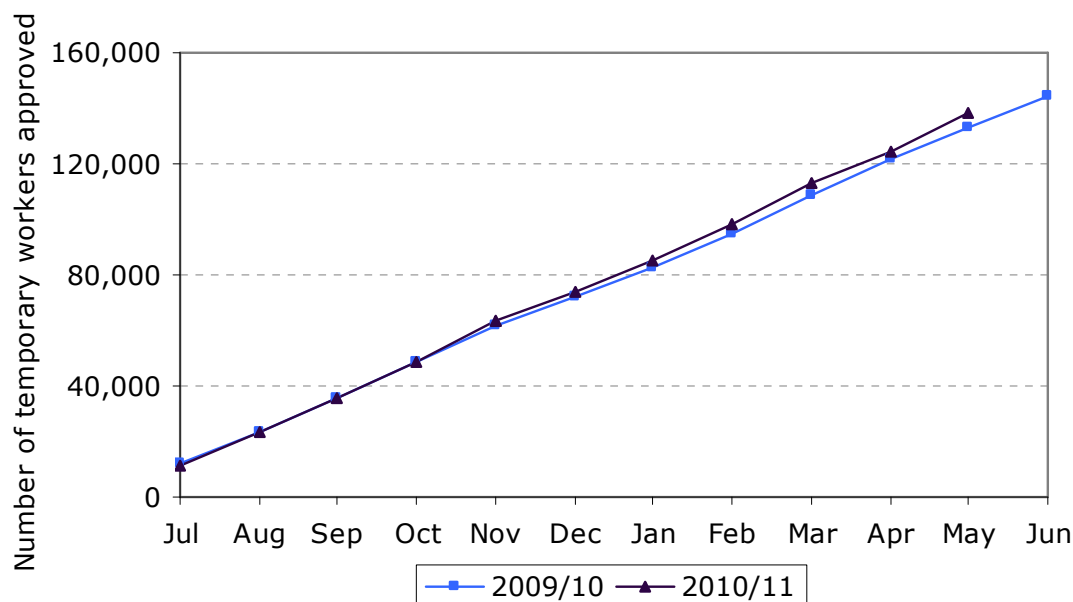
## 2. Temporary migration

### 2.1 Workers

- The number of people approved for a work visa in July-May 2011 was 126,951, up from the 121,178 approvals in the previous July-May year (refer Figure 2). Working

holidaymakers increased 8 percent and those approved a 'study to work'<sup>2</sup> visa increased by 14 percent. These increases offset the lower numbers of Essential Skills workers, which decreased 4 percent.

**Figure 2: Cumulative number of temporary workers (individuals) approved by month: 2009/10 compared with 2010/11**



- The main source countries of temporary workers in July-May 2011 were the United Kingdom (13%), India (11%), China (8%), Germany (7%) and the United States of America (6%).

## 2.2 Essential Skills workers<sup>3</sup>

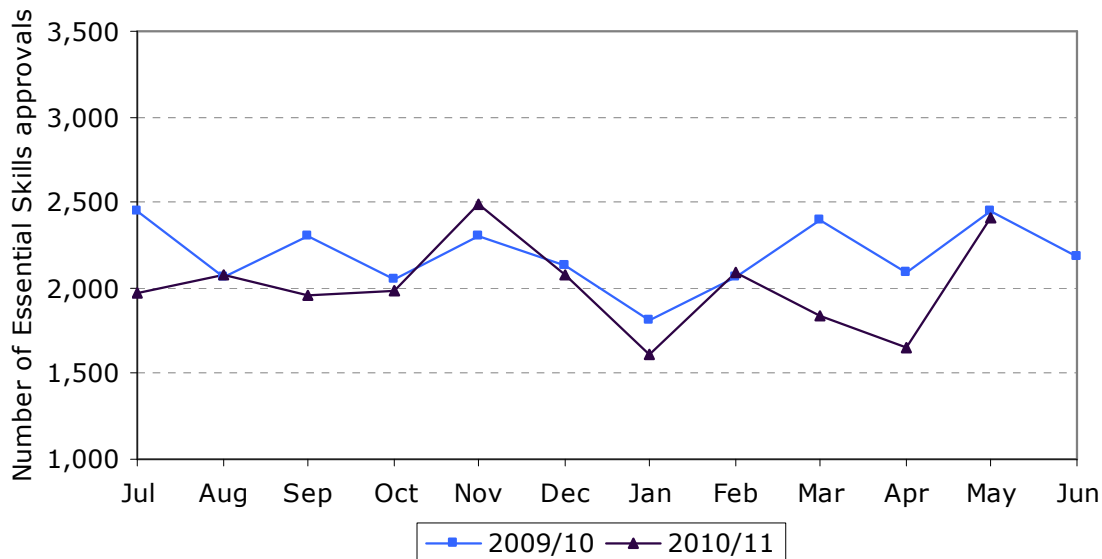
- The demand for Essential Skills workers slowed from October 2008 and the number of new applications is still decreasing. The number of applications decided in July-May 2011 decreased by 20 percent compared to the same period in the previous year. This reflects a decline in the number of applications that were accepted for processing compared to the same point last year, which reflects the falling number of new applications.
- The number of Essential Skills workers with a job in the Canterbury region decreased from 189 in the month of February 2011 to 65 approvals during March. The decline in March was due to disruptions in the processing of applications, in addition to the impacts of the earthquake on the job market in Canterbury. The approval numbers recovered in April (149 approvals) and reached 261 approvals in May 2011.
- The main source countries of Essential Skills workers in July-May 2011 were the United Kingdom (14%), the Philippines (13%), Fiji and India (8% each) and China (6%).

<sup>2</sup> Includes the Graduate Job Search and Practical Experience Post Study policies.

<sup>3</sup> Includes the following policies: Approved in Principle, Essential Skills, Essential Skills - Skill Level 1, General, and Specialist skills.

- Essential Skills work approvals for July-May in 2011 decreased by 4 percent from the same period in the previous year. With the exception of the Philippines (3 percent increase) and India (5 percent increase) approval numbers for the main source countries decreased. The United Kingdom decreased by 6 percent, China decreased by 9 percent, and Fiji decreased by 5 percent. Figure 3 shows the approval numbers in the last two years.

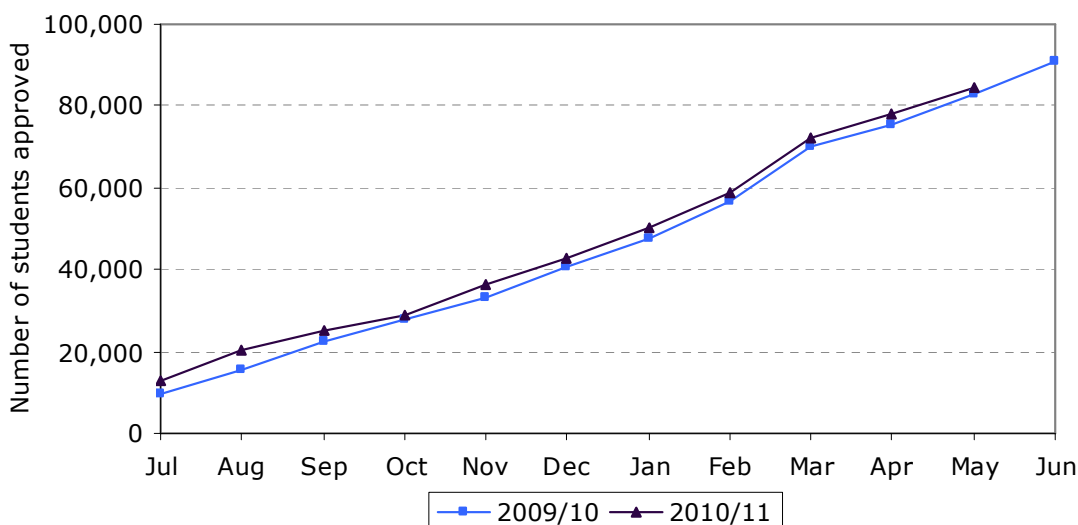
**Figure 3: Number of Essential Skills workers approved: 2009/10 compared with 2010/11**



### 2.3 Students

- 69,448 people were approved for a student visa in July-May 2011, a 3 percent increase from 67,453 in the same period in 2010. Figure 4 shows the cumulative number of students approved in 2009/10 and 2010/11 (refer Figure 5).

**Figure 4: Cumulative number of students approved by month: 2009/10 compared with 2010/11**

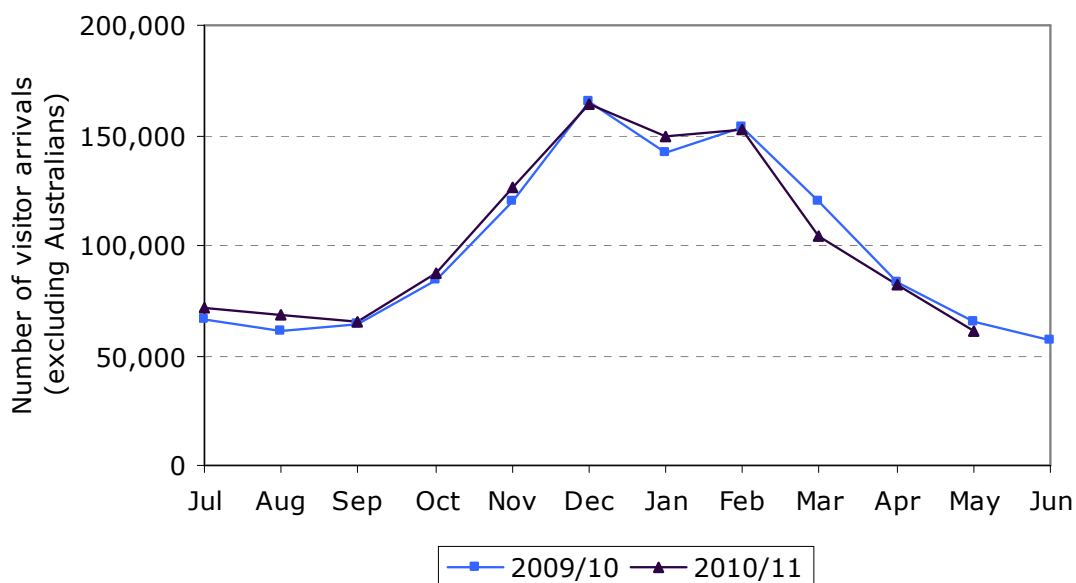


- From July to May 2011, the largest source countries of students were China (23%), India (14%) and South Korea (12%). Compared with the number of student approvals in the same period in the last financial year, approvals from China had an 11 percent increase, India had a 21 percent increase, while South Korea decreased by 11 percent.

#### 2.4 Visitors (excluding Australians)<sup>4</sup>

- The cumulative number of visitor arrivals at the border were the same in July to May 2011 compared to July to May in 2010 (refer Figure 5). Prior to the 22 February Canterbury earthquake, visitor numbers for the current year were ahead of the 2010 trend.

**Figure 5: Number of visitor arrivals by month: 2009/10 compared with 2010/11**



- The top source countries for visitor arrivals from July 2010 to May 2011 were the United Kingdom (18%), the United States of America (15%), China (10%) and Japan (6%). An increase in visitors from China (28 percent increase) and a decrease in visitors from the United Kingdom (11 percent decrease) and the United States of America (2 percent decrease) were seen compared to the same time last year. Visitor numbers for the current financial year to date from Japan remain low (4 percent decrease), after the combined effects of the Canterbury and Japanese earthquakes earlier this year.

<sup>4</sup> Number of people issued a visitor visa on arrival in New Zealand.

