



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

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# Migration Trends Key Indicators

## December 2014

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# Ministry of Business, Innovation and Employment (MBIE)

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# Migration Trends Key Indicators Report: December 2014

## Purpose

This report summarises key indicators of migration trends for the 2014/15 financial year to date (1 July 2014 through 31 December 2014). The report focuses on two areas: the New Zealand Residence Programme and temporary visa entry.

All New Zealand immigration data is sourced from the Ministry of Business, Innovation and Employment and, unless otherwise stated, is reported as a count of individual people rather than the number of applications. The purpose of this reporting is to show the number of people who enter New Zealand rather than the number of visas they were granted. In practice, counting individual people gives lower numbers for temporary workers and students than when reporting the number of applications decided, as individuals can make more than one application between July and December 2014.<sup>1</sup>

## Summary of key points

- Between July and December 2014, 19,668 people were approved for residence, up 5 per cent from the 18,707 approved between July and December 2013. The number of Skilled Migrant Category (SMC) approvals was up 6 per cent from the same period in 2013, though more SMC applications were declined than in previous years (21 per cent in the 2014 period compared with 19 per cent in the 2013 period).
- The number of people approved for a work visa between July and December 2014 (87,541 people) increased by 10 per cent from the same period in 2013. This was due to large increases in the number of approvals through Working Holiday Schemes, family-related work policies (not labour market tested) and Essential Skills work policy (labour market tested).
- Essential Skills workers approved between July and December 2014 increased 9 per cent from the same period in 2013. The increase in Essential Skills workers reflects the overall growth in labour demand in New Zealand and the rebuild in Canterbury, with one in five Essential Skills workers employed in the Canterbury region employed as Construction Trades Workers.
- Between July and December 2014, 39,841 international students were approved to study in New Zealand, up 22 per cent from the same period in 2013. The number of new international students between July and December 2014 increased 42 per cent from the same period in 2013.

## New Zealand Residence Programme (NZRP)

The NZRP planning range has been set at 90,000-100,000 residence approvals for the period from 1 July 2014 to 30 June 2016, that is, on average 45,000 to 50,000 per year for 2014/15 and 2015/16.

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

## Residence approvals

Between July and December 2014, 19,668 people were approved for a resident visa. This is up 5 per cent from the 18,707 approved between July and December 2013 which follows a 9 per cent increase in the same period in the previous year. The decline rate for residence applications between July and December 2014 was 15 per cent compared with 14 per cent for the same period in 2013. Table 1 shows the breakdown of resident visa approvals by NZRP stream.

Table 1: Resident visa approvals by NZRP stream, July-December period from 2012 to 2014

NZRP stream	Jul-Dec 2012	Jul-Dec 2013	Jul-Dec 2014
Skilled/Business	9,017	9,404	10,262
Family	6,580	7,772	7,686
International/Humanitarian	1,419	1,531	1,720
<b>Total</b>	<b>17,016</b>	<b>18,707</b>	<b>19,668</b>

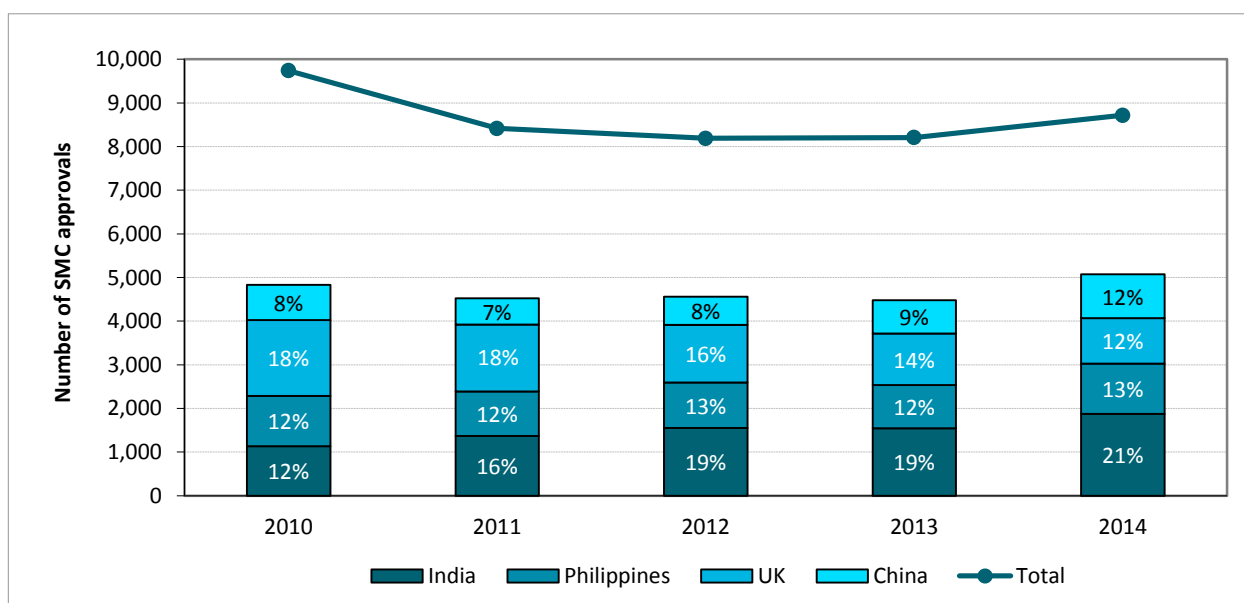
China (17 per cent), India (15 per cent), the United Kingdom (12 per cent), and the Philippines (8 per cent) were the largest source countries for resident visa approvals between July and December 2014. These four countries contributed over half of all residence approvals (52 per cent) between July and December 2014.

Compared with the period July-December 2013, there was an increase in residence approvals from China (up 7 per cent), India (up 17 per cent) and the Philippines (up 14 per cent) with a slight decrease in residence approvals from the United Kingdom (down 1 per cent).

## Skilled Migrant Category (SMC)

Between July and December 2014, 8,716 people were approved for residence through the SMC, accounting for 44 per cent of all residence approvals. The decline rate for SMC residence applications between July and December 2014 was 21 per cent compared with 19 per cent for the same period in 2013. Figure 1 shows that the number of people approved through the SMC between July and December 2014 was up 6 per cent from 8,205 in the same period in 2013.

Figure 1: Number of people approved for residence through the SMC, July-December period from 2010 to 2014



The top source countries of SMC approvals between July and December 2014 were India (21 per cent), the Philippines (13 per cent), the United Kingdom and China (12 per cent each). The SMC approvals from India increased 21 per cent from the same period in 2013. The large proportion of SMC approvals from India reflects the long-term trend of former Indian international students transitioning to temporary work and then to residence. For the July-December period over the last 4 years, SMC approvals from the United Kingdom have continued to fall (on average down 12 per cent each year).

Between July and December 2014, 91 per cent of SMC principal applicants had a job or job offer in skilled employment (compared with 93 per cent between July and December 2013) and 64 per cent gained points for recognised work experience (same proportion over the last 3 years).

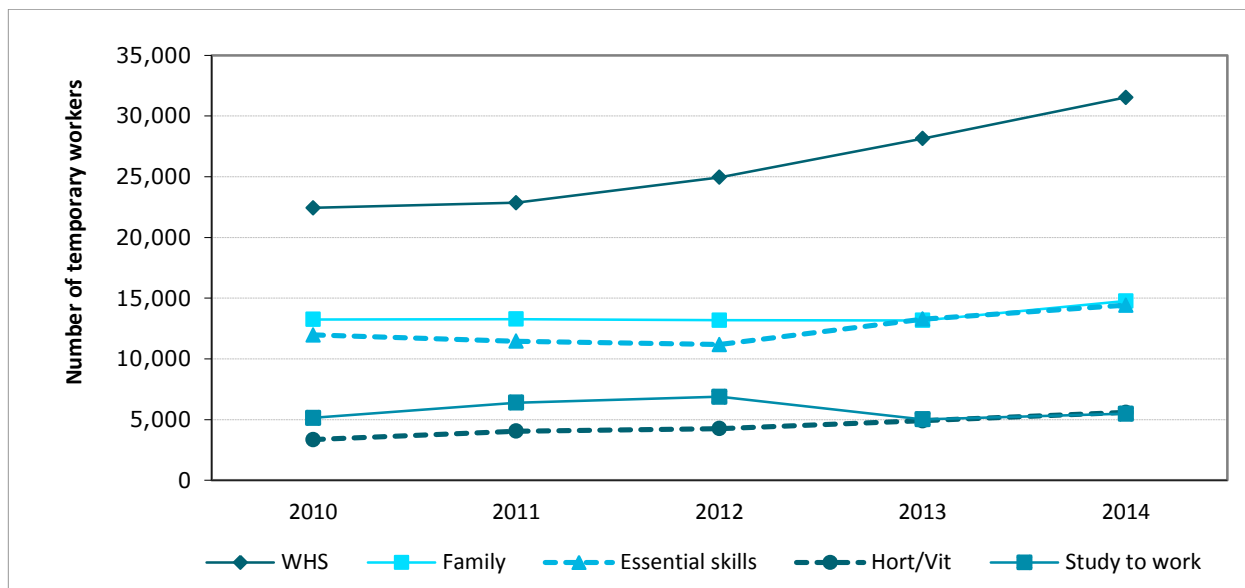
Between July and December 2014, most SMC principal applicants were approved onshore (85 per cent), of whom 99 per cent had a job or job offer. Of the 15 per cent approved offshore, 47 per cent had a job or job offer.

## Temporary migration

### Workers

The number of people approved for a work visa between July and December 2014 was 87,541, an increase of 10 per cent from the 79,231 approvals in the same period in 2013. The increase was due to large increases in the number of approvals through Working Holiday Schemes and family-related work policies (up 12 per cent each), Essential Skills work policy (up 9 per cent), Horticulture and Viticulture Seasonal work policy (up 14 per cent), and the Study to Work policy<sup>2</sup> (up 9 per cent) (refer Figure 2).

Figure 2: Number of temporary workers approved by stream, July-December period from 2010 to 2014



The main source countries of temporary workers between July and December 2014 were the United Kingdom (13 per cent), Germany (11 per cent), India and China (10 per cent each), France and the United States (6 per cent each). Of these countries, India had the largest absolute increase in temporary workers

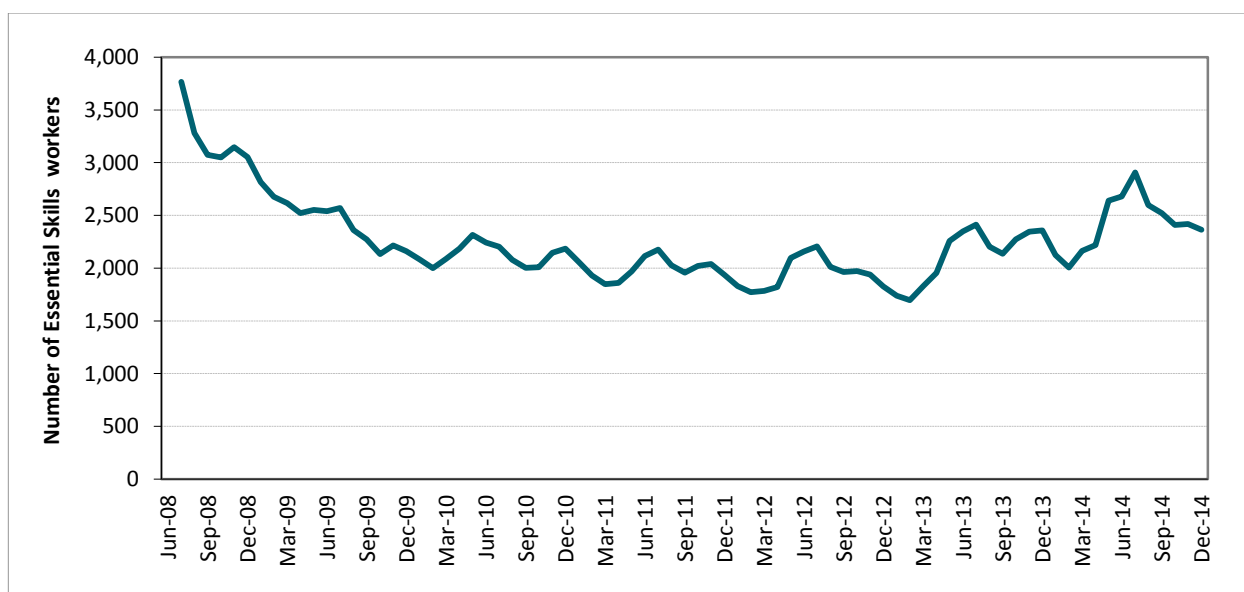
<sup>2</sup> Includes the Graduate Job Search, Graduate Work Experience and Practical Experience Post Study policies.

(up 1,552 people or 21 per cent), followed by France (up 1,436 people or 36 per cent) and China (up 1,296 people or 18 per cent). The increase in Indian workers was due to increases in approvals through the family-related work policies (up 39 per cent), Essential Skills (up 29 per cent) and the Study to Work policies (up 9 per cent). The increase in French workers is largely due to the increase in working holidaymakers (89 per cent of new French workers).

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

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

Figure 3: Number of Essential Skills workers approved, July 2008 to December 2014



Note: 3 month moving average applied.

Essential Skills workers approved between July and December 2014 increased by 9 per cent compared with the same period in 2013. This increase reflects the overall growth in labour demand in New Zealand and the rebuild in Canterbury. The latest quarterly labour market report shows that New Zealand economic growth is robust and labour demand growth remains solid, so it is likely that the number of Essential Skills workers will continue to increase.<sup>4</sup> The main source countries of Essential Skills workers between July and December 2014 were the Philippines (16 per cent), India and the United Kingdom (14 per cent each). Essential Skills workers from the Philippines and India had large increases (up 25 per cent and 29 per cent respectively), while the number of workers from the United Kingdom was down 6 per cent compared with the same period in 2013.

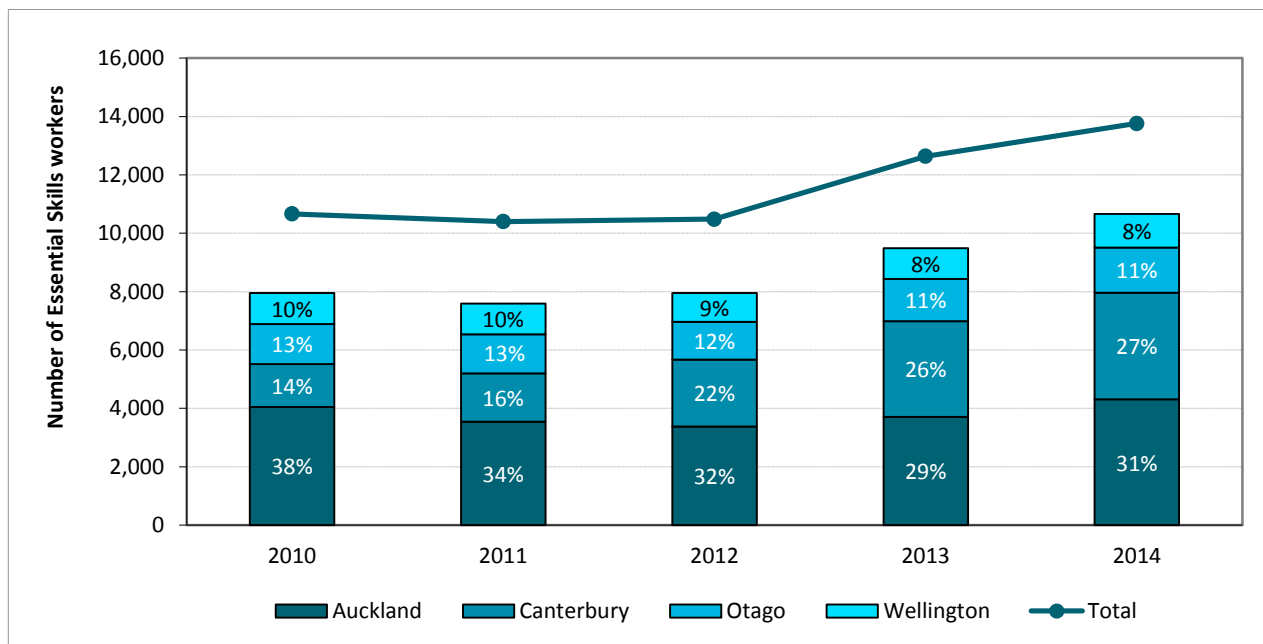
Between July and December 2014, 95 per cent of Essential Skills workers specified a region of employment in New Zealand. Figure 4 shows the main regions of employment in New Zealand for Essential Skills workers. There were big increases in Essential Skills workers with a job offer in the

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

<sup>4</sup> MBIE. (2014). *Quarterly labour market report: November 2014*. Wellington: MBIE. Retrieved February 2015 from: <http://www.dol.govt.nz/publications/lmr/labour-market-report/labour-market-report-nov-2014.pdf>

Auckland and Canterbury regions (up 16 per cent and 11 per cent from July-December 2013 respectively). The job offers in Canterbury for Essential Skills workers have increased continually as the Canterbury rebuild has gathered pace. Of the occupations recorded in the Canterbury region using the ANZSCO classification<sup>5</sup>, 20 per cent were Construction Trades Workers between July and December 2014. This figure does not include people on other work visas (WHS, partner of a worker for example) who may have sought or gained employment in Canterbury for the period July-December 2014.

Figure 4: Region of employment of Essential Skills workers, July-December period from 2010 to 2014



## International Students

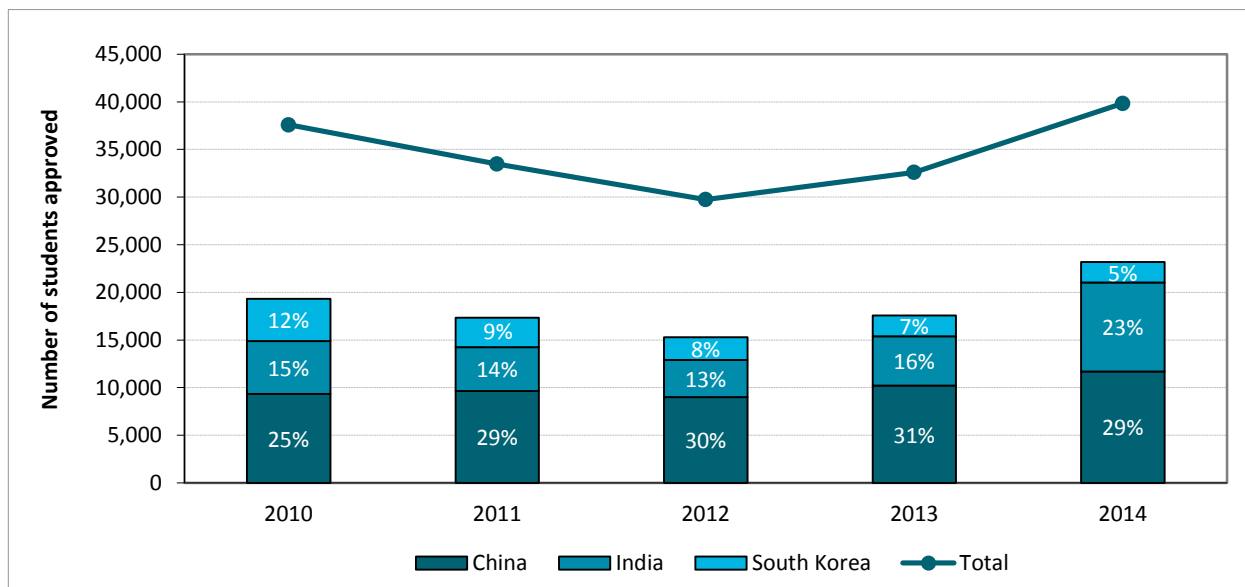
Between July and December 2014, the number of international students approved to study in New Zealand (39,841 students) was up 22 per cent from the same period in 2013, the majority being full fee-paying students.<sup>6</sup> The number of new international students between July and December 2014 increased 42 per cent from the same period in 2013.<sup>7</sup> Figure 5 shows the total number of students approved for the July-December period over the last five years and the proportion from each of the three main source countries.

<sup>5</sup> ANZSCO is the Australian and New Zealand Standard Classification of Occupations.

<sup>6</sup> This is a count of individuals approved a student visa rather than the number of applications and will be different from the number of student enrolments reported by the Ministry of Education.

<sup>7</sup> In this analysis, a student is counted as 'new' the year in which their first student visa was approved.

Figure 5: Top source countries of international students, July-December period from 2010 to 2014<sup>8</sup>



International students from China and India contributed over half of all international students between July and December 2014 (29 per cent and 23 per cent respectively). Compared with the same period in 2013, Indian students had the largest increase (up 4,180 students or 81 per cent), followed by Chinese students (up 1,467 students or 14 per cent). Of the increased 4,180 Indian students, 94 per cent were new students. Most were studying at private training establishments (70 per cent) or polytechnics (27 per cent).

## Visitors

### Australian visitors

Australia was the largest source country of international visitor arrivals between July and December 2014, with 461,635 arrivals of Australian citizens (up 2 per cent from the same period in 2013). Although Australian citizens and permanent residents are issued a resident visa on arrival, most Australian arrivals only stay in New Zealand for a short period.

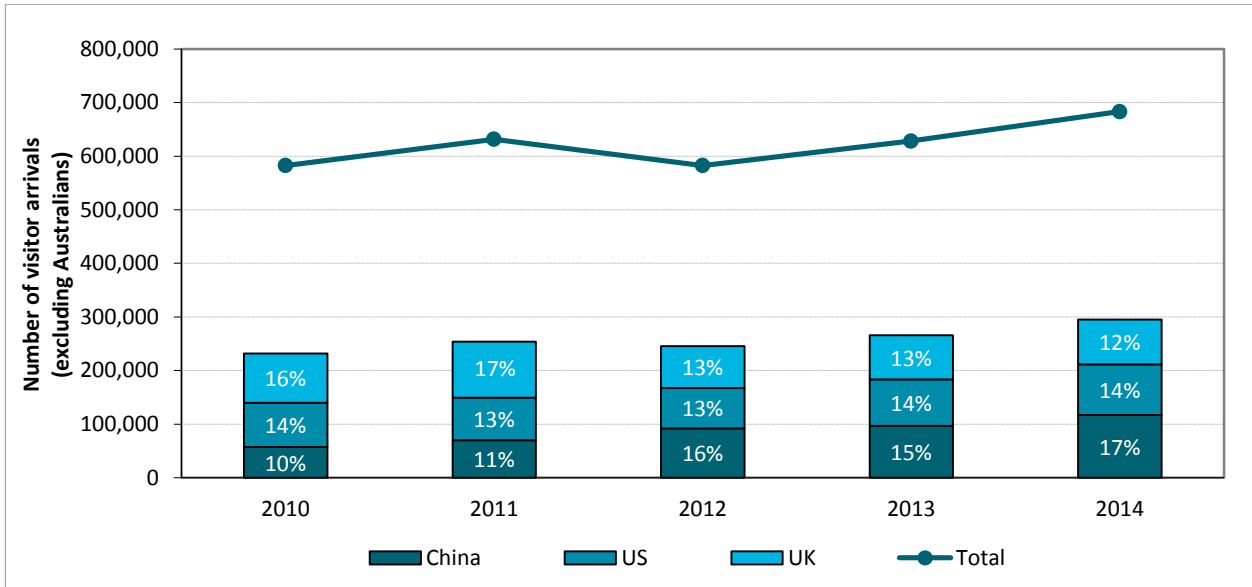
### Visitors from other countries

The number of visitor visa arrivals from other countries (683,321 people) between July and December 2014 increased by 9 per cent from the same period in 2013 (refer Figure 6). The top source countries for these visitor arrivals were China (17 per cent), the United States (14 per cent) and the United Kingdom (12 per cent). In recent years, China has become a major source country for visitors to New Zealand, compensating for the reduction of visitors from the United Kingdom. Compared with July-December 2013, visitor arrivals from these top three source countries increased.

<sup>8</sup> Includes fee paying and domestic students.



Figure 6: Number of visitor arrivals (excluding Australians), July-December period from 2010 to 2014



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