



MONTHLY MIGRATION TRENDS

APRIL 2010



MIGRATION TRENDS KEY INDICATORS REPORT: APRIL 2010

Purpose

This report provides a brief summary of migration trends for the 2009/10 financial year to date (July-April 2010). The report focuses on three key areas: the New Zealand Residence Programme, permanent skilled migration, and temporary entry. All immigration data is sourced from Department of Labour administrative data and, unless otherwise stated, is reported as a count of individual people rather than the number of applications.¹

Summary of key points

- The number of people approved for residence in the financial year to date was 36,804, compared with 37,465 for the same period in 2009 and 37,982 in 2008.
- 80% of Skilled Migrant Category (SMC) principal migrants were approved with a skilled job or offer. 86% of SMC principal migrants were approved onshore.
- The UK was the largest source country of migrants approved through the Skilled/Business and Uncapped Family Sponsored Streams, while China was the largest source country of approvals through the Parent and Sibling/Adult Child Stream.
- Work approval numbers in the financial year to date were down 4% on last year.
- The number of applications through the labour market tested Essential Skills Policy is down 29% compared to the same period last year. However, the decline rate for people applying through the Essential Skills Policy has levelled out so more applicants are being approved.
- The lower number of essential skills workers has been largely offset by more working holidaymakers (in part through new schemes), as well as a growing number of approvals through non-labour market tested policies like the study to work policies.
- International student approvals in the financial year to date were comparable to those for the same period last year. The number of students approved from India, United States, Thailand and Saudi Arabia has grown steadily.
- The number of visitor arrivals at the border was 7% lower in April 2010 than in April 2009, and is down 3% in the year to date compared to the same time last year.

¹ The reporting method used in this report is consistent with the annual Migration Trends and Outlook report. The purpose of reporting counts of individuals 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 typically gives lower numbers for temporary workers and students than when reporting the number of applications decided, as some individuals make more than one application in a reporting period. The Department of Labour also reports counts of temporary work and student applications, which are higher than the number of individuals reported here (see the statistics at www.immigration.govt.nz/statistics). Permanent residence statistics are uniform across the Department of Labour.

1. New Zealand Residence Programme (NZRP)

The NZRP planning level is 45,000 - 50,000 permanent residence approvals for the 2009/10 financial year. This range is unchanged from 2008/09.

1.1 Residence approvals

- 36,804 people were approved for residence in the financial year to date compared with 37,465 for the same period in 2009 and 37,982 in 2008. With the exception of the Uncapped Family Sponsored Stream, approval numbers in the year to date were lower than at the same point in the last two years. However, year to date Skilled/Business approvals are close to those of previous years.
- Table 1 shows the breakdown of approvals by stream for the last three July-April periods.

Table 1: Residence approvals by stream

Stream	Jul-Apr 2008	Jul-Apr 2009	Jul-Apr 2010	% change from previous year
Business / Skilled	22,576	23,010	22,889	-0.5%
Uncapped Family Sponsored Stream	7,512	7,032	7,997	13.7%
Parent and Sibling / Adult Child Stream	4,431	4,539	3,849	-15.2%
International / Humanitarian	3,463	2,884	2,069	-28.3%
Total	37,982	37,465	36,804	-1.8%

- The top 6 source countries in the 2009/10 year to date were the UK (17%), China (13%), South Africa (12%), the Philippines (9%), India (8%) and Fiji (7%).
- Analysis of residence approvals by nationality shows a trend of decreasing migration from the UK in recent years, particularly skilled migration. Skilled/Business migration from China has fallen since 2005/06 but remains steady through family sponsored categories.
- China is currently the largest source country of residence approvals through the Parent and Sibling/Adult Child Stream, while the UK is the largest source country of approvals through the Skilled/Business and Uncapped Family Sponsored Streams.

1.2 Skilled Migrant Category (SMC)

- 21,288 people were approved for residence through the SMC in the financial year to date compared with 21,763 for the same period in 2009 and 20,934 in 2008.
- The top source countries for SMC approvals in 2009/10 to date were the UK (19%), South Africa (18%), the Philippines (12%) and China (11%). The number of approvals from China and the UK were down by 28% and 15% on the same point last year.
- 80% of SMC principal applicants had a job or job offer (compared with 81% for the same period in 2009). Most were approved onshore (86%), of whom 85% had a job or job offer. Of the 14% approved offshore, 45% had a job or job offer.
- The overall decline rate on SMC applications was 15% in the financial year to date compared with 10% for the same period last year, which has slightly increased the average processing time on applications. The offshore decline rate was 38% in the year to date compared with 18% this time last year.

2. Temporary migration

2.1 *Workers*

- The number of people approved for a work permit in the financial year to date was 112,066 – 4% lower than in the same period last year. Fewer applicants through the labour market tested Essential Skills Policy continues to drive the lower numbers.
- In the year to date there was a 4% increase in the number of people approved through working holiday schemes (1,145 approvals) and a 16% increase in the 'study to work'² policies (1,222 approvals). These have largely offset the lower number approved through Essential Skills Policy (down 25% or 6,441 approvals) and family-related work policies (down 1% or 181 approvals).
- The main source countries of temporary workers in 2009/10 to date were the UK, India, and China. Current trends show the number of temporary workers from the UK and China has decreased, which is in line with the lower number of Essential Skills Policy approvals for these countries, as well as fewer Chinese students flowing through to the 'study to work' policies.
- The number of workers from India has grown, most notably in the number approved a 'study to work' permit, which is 91% higher (2,080 approvals) than at the same time last year. This reflects the upward trend in recent years in the number of Indian international students.

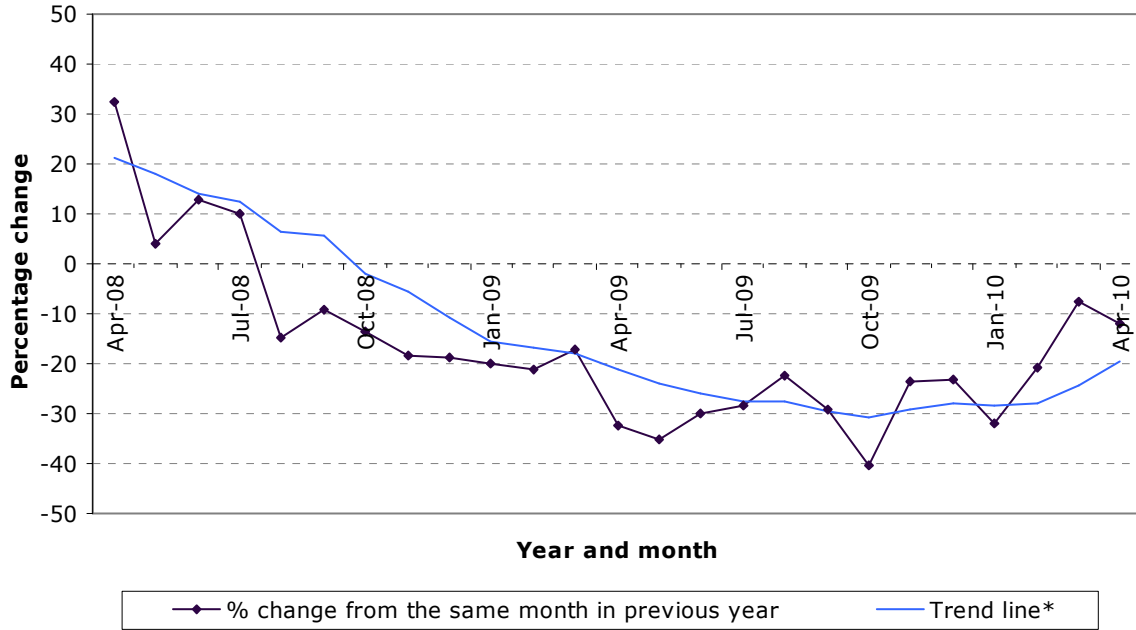
2.2 *Essential Skills Policy*³

- The number of Essential Skills applications began to slow from October 2008 and numbers are currently well down on last year. Data for the year to date shows that 29% fewer applications (over 13,500) were accepted for processing compared with the same period last year.
- The lower number of Essential Skills applications, combined with a relatively high decline rate on these applications, has seen approval numbers drop substantially but the situation is improving. Figure 1 shows that the decline in approvals compared to last year has levelled out and the approval numbers are picking up, albeit from a low base.
- The average number of people approved each month is currently tracking at around 20% lower than the same month in the previous year. Approval numbers among the main source countries were lower for the UK, China, South Africa and Fiji whereas the numbers were higher for India and the Philippines compared to the same month in the previous year.
- Figure 1 shows the trend in the number of people approved through Essential Skills Policy over the last two years. It tracks the percentage change between any given month in one year with the same month in the previous year.

² Includes the Graduate Job Search and Practical Experience Post Study policies.

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

Figure 1: Percentage change in the number of Essential Skills workers approved[†].

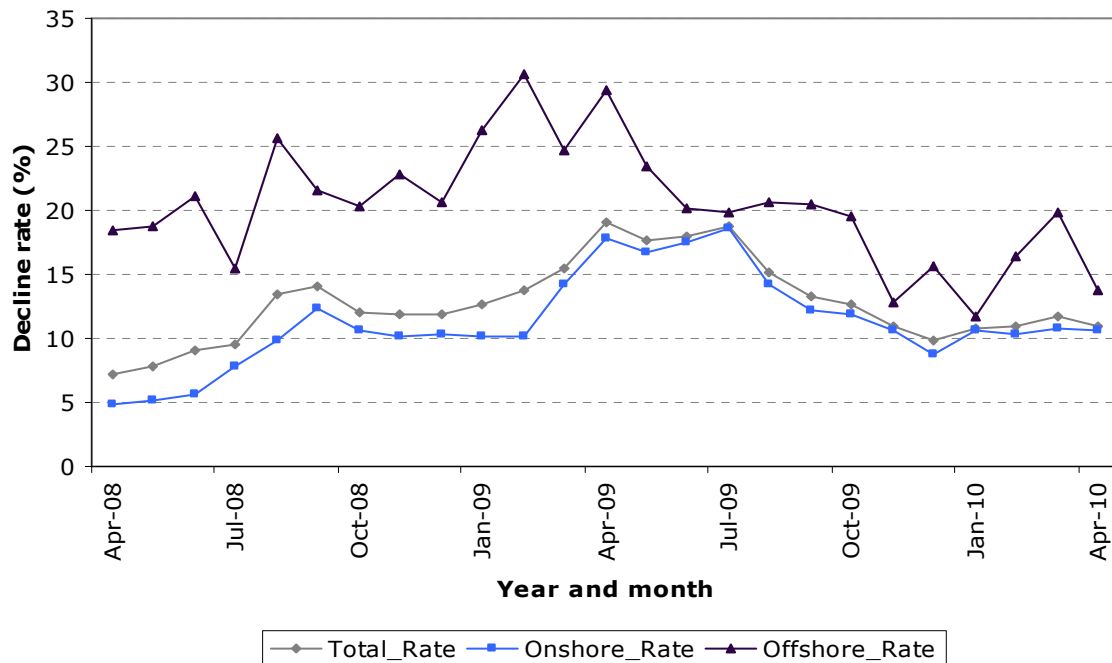


[†]The percentage change from the *same month* in the previous year.

*The trend line is the rolling average percentage change over the last six months.

- The decline rate on Essential Skills Policy decisions⁴ was relatively high throughout 2008/09 but had fallen over the last year for both onshore and offshore decisions. Despite fluctuations in the offshore decline rate, the overall decline rate has sat at around 11-12% for the last six months.

Figure 2: Decline rate on Essential Skills applications by decision branch location.

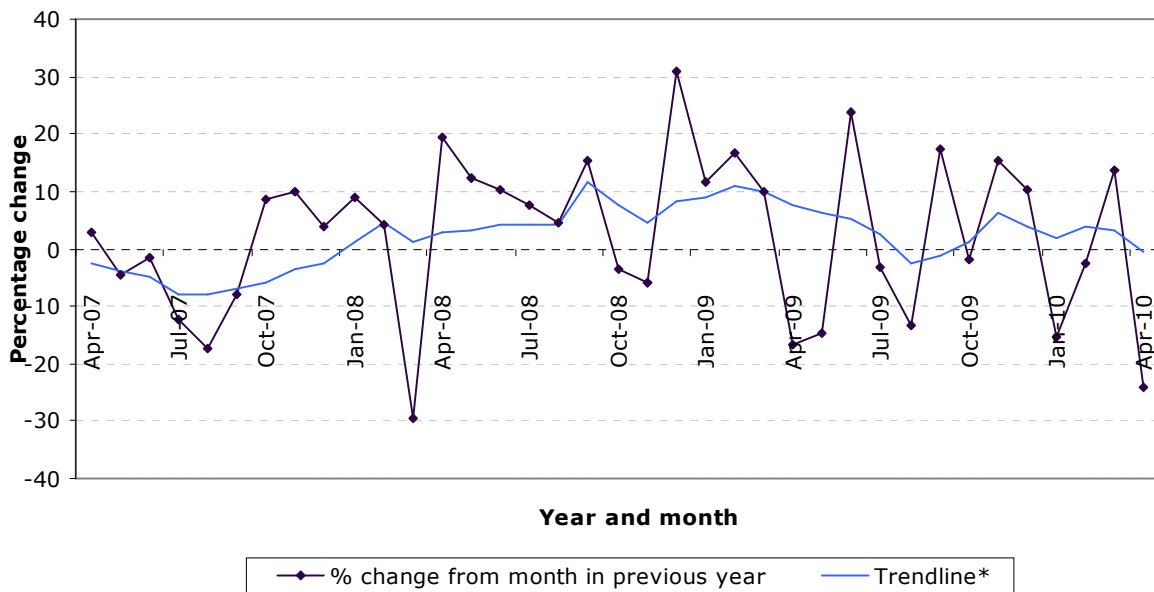


⁴ Includes all *decisions* on the following work policy types: Essential Skills, Essential Skills - Skill Level 1, Approved in Principle, General, and Specialist skills.

2.3 Students

- 62,747 people were approved student permits in the financial year to date. This number is comparable to the same period in 2009. Compared to the same period last year, there has been a steady increase in the number of students approved from India (up 9%), United States of America (up 7%), Thailand and Saudi Arabia (both up 11%).
- Figure 3 shows the trend in the number of international students approved over the last three years. It tracks the percentage change between any given month in one year with the same month in the previous year.

Figure 3: Percentage change in the number of students approved[†].



[†]The percentage change from the *same month* in the previous year.

*The trend line is the rolling average percentage change over the last six months.

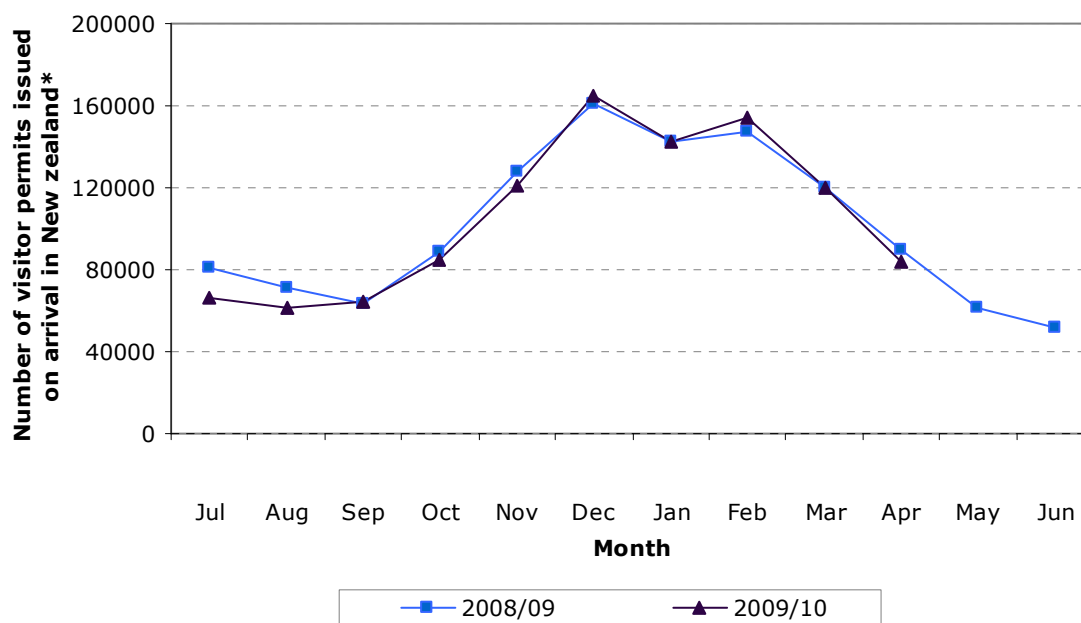
2.4 Visitors

- In the financial year to date, 1,062,200 visitor arrivals were recorded at the border compared to 1,091,700 for the same period in the previous year, indicating a decrease of 3%⁵. The number of visitor arrivals in April 2010 (83,569) was 7% lower compared to April 2009⁶.

⁵ This includes all visa-free and visa-required travellers issued a visitor permit on arrival in New Zealand. It excludes Australian citizens and any other nationals exempt from holding a permit.

⁶ Ibid.

Figure 4: Number of visitor permits issued on arrival by month*



*Excludes Australian citizens and any other nationals exempt from holding a permit

- New Zealand will be hosting the Rugby World Cup (RWC) 2011. According to the Ministry of Tourism a total of 85,000 international visitors are expected to visit New Zealand for the event, comprising 74,800 supporters and 10,200 visitors associated with running the event. New Zealand will be busy during RWC 2011, and it will have to work hard to ensure normal tourism activity is disrupted as little as possible. If that is achieved, the extra RWC 2011 demand during a tourism shoulder season will provide significant extra income for tourism businesses, particularly given the expected higher spending profiles from RWC 2011 visitors.⁷

⁷ <http://www.tourismresearch.govt.nz/Data--Analysis/Key-Statistics/Tourism-Leading-Indicators-Monitor/>
(Accessed 12 May 2010)

