

# Migration Trends Key Indicators Report

June 2014



Photograph by Chris Williams



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



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

## ⇒ **Ministry of Business, Innovation and Employment (MBIE)** **Hikina Whakatutuki Lifting to make successful**

MBIE develops and delivers policy, services, advice and regulation to support economic growth and the prosperity and wellbeing of New Zealanders.

MBIE combines the former Ministries of Economic Development, Science + Innovation, and the Departments of Labour, and Building and Housing.

ISSN: 2324-456

June 2014

© Crown copyright 2014

Ministry of Business, Innovation and Employment

PO Box 3705

Wellington

New Zealand

[www.dol.govt.nz](http://www.dol.govt.nz)

[www.mbie.govt.nz](http://www.mbie.govt.nz)

Visit the Labour and Immigration Research Centre online at [www.dol.govt.nz/research](http://www.dol.govt.nz/research)  
or email [research@dol.govt.nz](mailto:research@dol.govt.nz).

### **Disclaimer**

The Ministry of Business, Innovation and Employment has made every effort to ensure that the information contained in this report is reliable, but makes no guarantee of its accuracy or completeness and does not accept any liability for any errors. The information and opinions contained in this report are not intended to be used as a basis for commercial decisions and the Ministry accepts no liability for any decisions made in reliance on them. The Ministry may change, add to, delete from, or otherwise amend the contents of this report at any time without notice.

The material contained in this report is subject to Crown copyright protection unless otherwise indicated. The Crown copyright protected material may be reproduced free of charge in any format or media without requiring specific permission. This is subject to the material being reproduced accurately and not being used in a derogatory manner or in a misleading context. Where the material is being published or issued to others, the source and copyright status should be acknowledged. The permission to reproduce Crown copyright protected material does not extend to any material in this report that is identified as being the copyright of a third party. Authorisation to reproduce such material should be obtained from the copyright holders.

# Migration Trends Key Indicators Report: June 2014

## Purpose

This report summarises key indicators of migration trends for the 2013/14 financial year (1 July 2013 through 30 June 2014). The report focuses on three areas:

- Migration flows
- New Zealand Residence Programme (NZRP)
- Temporary visa entry

and includes information from Statistics New Zealand.

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 in a year.<sup>1</sup>

## Summary of key points

- Permanent and long-term (PLT) migration to New Zealand had a net gain of 38,300 people in the June 2014 year compared with a net gain of 7,900 in the June 2013 year. The net gain was mainly due to fewer New Zealand citizen departures to Australia.
- The New Zealand Residence Programme (NZRP) target planning range was 135,000-150,000 permanent residence approvals over the three year period, 2011/12-2013/14. The achieved number of residence approvals over this three year period was 123,417 residence approvals.
- There has been a large turnaround in residence approval numbers in the most recent financial year with 44,008 people approved for residence, up 13 per cent compared with 38,961 in 2012/13. The top source countries were China (17 per cent) followed by India (14 per cent) and the United Kingdom (12 per cent).
- Skilled Migrant Category (SMC) approvals (20,266 people) accounted for 46 per cent of all residence approvals in 2013/14. The number of SMC approvals increased 12 per cent, the first year-on-year increase since 2009/10.
- India was the top source country of SMC principal applicants in 2013/14 and increased 14 per cent from 2012/13. The increase from India is mainly due to former Indian international students who transition to temporary work and then to permanent residence.
- In 2013/14, 92 per cent of SMC principal migrants were approved with a job or job offer in skilled employment compared with 94 per cent in 2012/13.

---

<sup>1</sup> The Ministry of Business, Innovation and Employment 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 Immigration New Zealand website at [www.immigration.govt.nz/statistics](http://www.immigration.govt.nz/statistics)). The permanent residence statistics are uniform across the Ministry of Business, Innovation and Employment.

- The number of residence approvals through the Uncapped Family Stream increased 20 per cent in 2011/12 to 11,507 and this level has been maintained throughout the 2011/12-2013/14 New Zealand Residence Programme planning period.
- The number of people approved residence through the Capped Family Stream in 2013/14 was 6,364 with 79 per cent approved through the new Tier 1 Parent Category.
- The number of people approved residence through the International/Humanitarian Stream in 2013/14 was 3,369 with Samoa (30 per cent) being the largest source country.
- The number of people approved for a temporary work visa in 2013/14 increased 7 per cent from the previous year due to increases in the number of working holidaymakers, Essential Skills workers, and horticulture and viticulture seasonal workers.<sup>2</sup>
- Essential Skills temporary workers approved in 2013/14 increased 18 per cent from the previous year. This was the second year-on-year increase in Essential Skills workers since the start of the global economic slowdown and reflects the growth in the New Zealand economy and higher demand for labour.
- Demand for Essential Skills workers in the Canterbury region continues to be strong (up 41 per cent in 2012/13 and 40 per cent in 2013/14) as the rebuild gathers pace.
- In 2013/14, the number of international students approved to study in New Zealand (73,510 students) increased 15 per cent from 2012/13.<sup>3</sup> The number of full fee-paying students (57,113 people) increased 18 per cent compared with the previous year.
- The number of visitor arrivals (1.34 million people) for 2013/14 increased 8 per cent from the previous year. The United States had the largest absolute increase in visitor arrivals (up 21,300 people or 12 per cent) from the previous year although China still represented the largest share (17 per cent) of visitor arrivals.<sup>4</sup>

## Migration flows

The total number of people migrating to and from New Zealand fluctuates greatly from year to year, but cyclical patterns emerge over time (refer Figure 1). Permanent and long-term (PLT) migration to New Zealand had a net gain of 38,300 in the June 2014 year compared with a net gain of 7,900 in the June 2013 year. During this time, PLT arrivals increased 14 per cent to 100,800 while PLT departures fell 22 per cent to 62,400.

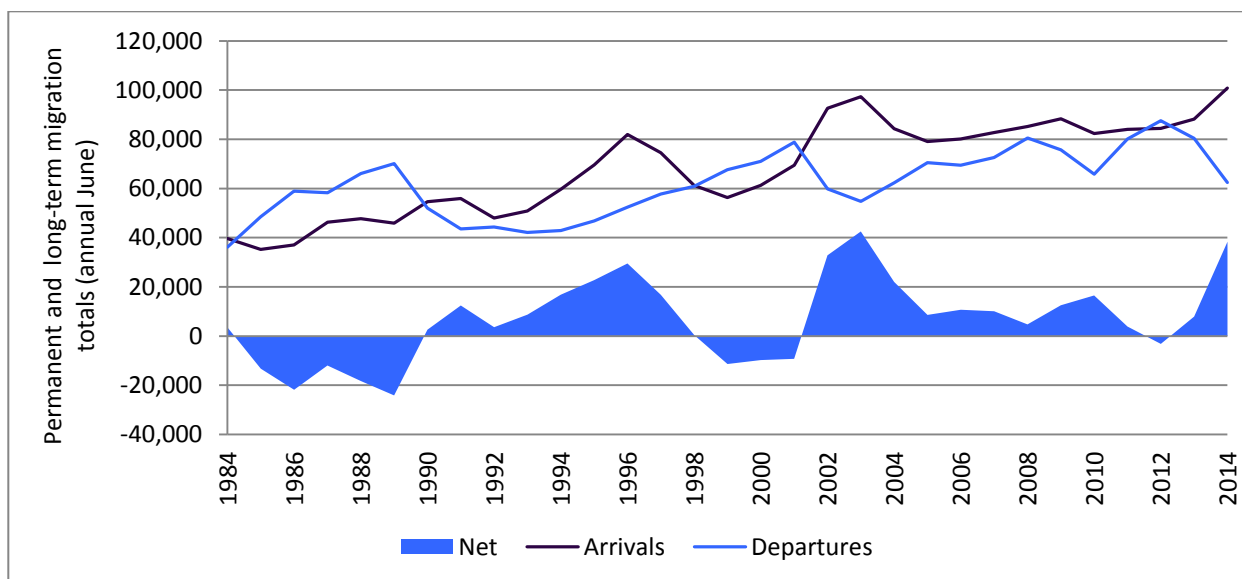
There was a net loss of 8,300 people to Australia in the June 2014 year, which was well down from the net loss of 31,200 people in the June 2013 year. Departures to Australia fell 36 per cent (17,500 people) to 30,500 while arrivals from Australia increased 32 per cent (5,400 people) to 22,200. In both directions, most PLT migrants were New Zealand citizens.

<sup>2</sup> This is a count of individuals approved a work visa rather than the number of applications.

<sup>3</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 TEC/MoE.

<sup>4</sup> Australia remains the top source country of arrivals but is excluded from this analysis of visitor arrivals as their citizens are issued a resident visa on arrival.

Figure 1: Permanent and long-term migration totals (annual June years) 1984-2014



Source: Statistics New Zealand

## New Zealand Residence Programme

The New Zealand Residence Programme (NZRP) target planning range was 135,000-150,000 permanent residence approvals over the three year period, 2011/12 to 2013/14. Table 1 shows the breakdown of residence approvals by stream over this three year period against the target planning ranges. Residence approvals for the Skilled/Business and International/Humanitarian streams fell below the minimum target while the Uncapped Family stream had more residence approvals than the maximum target.

Table 1: Residence approvals for the New Zealand Residence Programme, 2011/12-2013/14

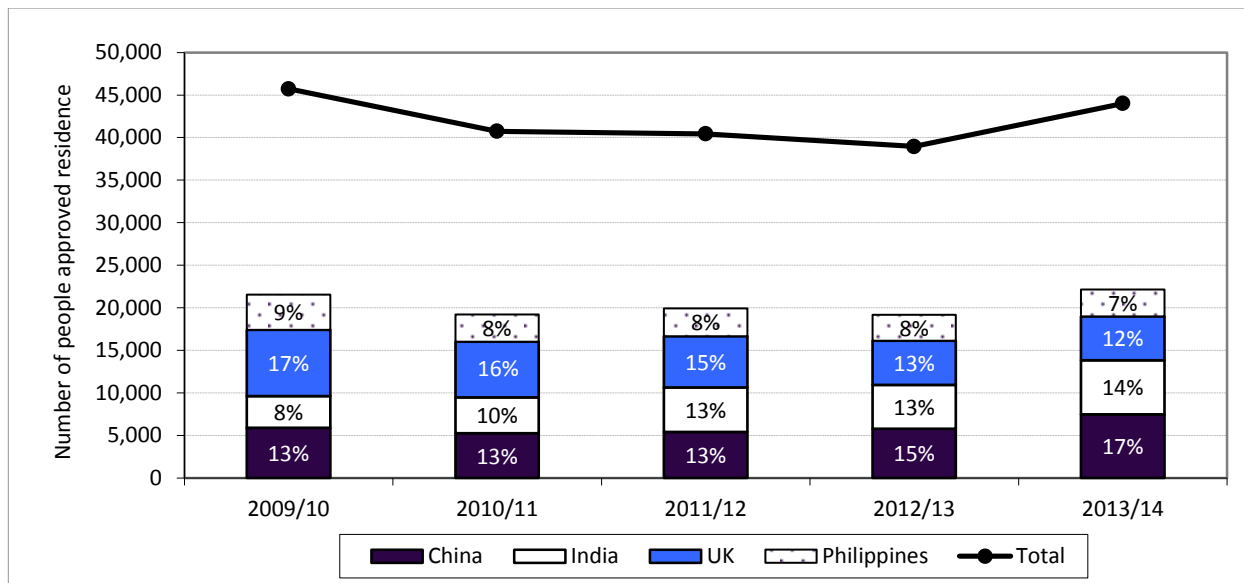
Stream	2011/12	2012/13	2013/14	NZRP (2011/12 - 2013/14)		
				Actual	Planning Range	
					Low	High
Skilled/Business	20,431	20,007	22,924	63,362	80,700	89,925
Uncapped Family	11,507	11,291	11,351	34,149	29,700	32,100
Capped Family	5,708	4,401	6,364	16,473	14,850	16,500
International/Humanitarian	2,802	3,262	3,369	9,433	9,750	11,475
<b>Total</b>	<b>40,448</b>	<b>38,961</b>	<b>44,008</b>	<b>123,417</b>	<b>135,000</b>	<b>150,000</b>

## Residence approvals

In 2013/14, 44,008 people were approved for residence, up 13 per cent from 38,961 in 2012/13 (refer Figure 2). This increase in residence approvals matched the increase in the number of residence applications. The overall decline rate for residence applications was 14 per cent, the same as in the previous year. Driving the increase in residence approvals in 2013/14 were the Skilled/Business stream (up 2,917 people or 15 per cent) and the Capped Family stream (up 1,963 people or 45 per cent).

The increase in residence approvals in the Capped Family stream in 2013/14 follows the closure of the Parent Category in 2012/13 for two and a half months before reopening under new immigration instructions. The number of residence approvals under the Capped Family stream was within the NZRP planning range for 2011/12-2013/14.

Figure 2: Number of people approved residence, 2009/10-2013/14



The top source countries for residence approvals in 2013/14 were China (17 per cent), India (14 per cent), the United Kingdom (12 per cent), and the Philippines (7 per cent). India has overtaken the United Kingdom and is the second top source country of migrants coming to settle in New Zealand. Most of the residents from China (43 per cent) were approved through the Capped Family stream while 65 per cent of residents from India were approved through the Skilled/Business stream.

Compared with 2012/13, there were increases in residence approvals from China (29 per cent increase), India (24 per cent increase) and the Philippines (3 per cent increase) with a steady number of residence approvals from the United Kingdom.

The increase in residence approvals from China was driven mainly by increases in the Capped Family stream (up from 1,839 to 3,227, a 75 per cent increase) and the Skilled/Business stream (up from 1,960 to 2,607, a 33 per cent increase). Across all four residence streams there was an increase in residence approvals from India.

In 2013/14, 5,190 Pacific people were approved residence and comprised 12 per cent of all residence approvals<sup>5</sup>. This was an increase of 3 per cent or 163 people from the previous year. Forty-one per cent of Pacific people were approved residence through the Uncapped Family stream followed by the International/Humanitarian stream (30 per cent), Skilled/Business stream (21 per cent) and Capped Family stream (7 per cent). Residence approvals in the Skilled/Business stream and International/Humanitarian stream were similar to the previous year while those from the Uncapped Family stream increased 7 per cent (up 145 to 2,130) and those approved through the Capped Family stream decreased 10 per cent (down 44 to 384).

In 2013/14, 940 people were approved residence through the Samoan Quota Scheme and 363 through the Pacific Access Category. The Samoan Quota Scheme allows up to 1,100 Samoans to be granted residence each year and the Pacific Access Category allows up to 250 citizens of Tonga, 75 citizens of Tuvalu and 75 citizens of Kiribati to be granted residence.<sup>6</sup>

## Skilled Migrant Category (SMC)

New Zealand needs skilled migrants to contribute to productivity, skills acquisition, diversity and growth in a variety of industries. The SMC is a points-based system designed to ensure people migrating to New Zealand have the skills, qualifications and work experience that New Zealand needs. Anyone applying as a principal applicant may have secondary applicants on their application.

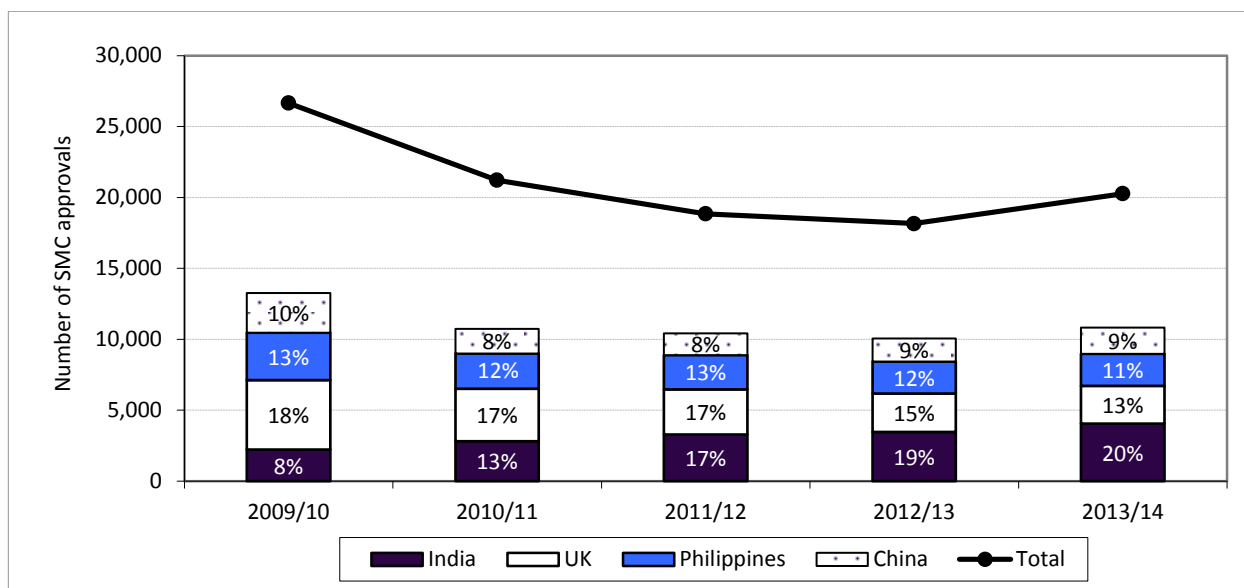
In 2013/14, 20,266 people were approved for residence through the SMC compared with 18,156 in 2012/13 and 18,843 in 2011/12 (refer Figure 3). SMC approvals accounted for 46 per cent of all residence approvals in 2013/14. The number of people approved through the SMC in 2013/14 increased 12 per cent compared with 2012/13. This is the first year-on-year increase since 2009/10. The increase illustrates a flow-on effect to residence from the recent upward trend in Essential Skills (temporary) workers since the global economic slowdown.

---

<sup>5</sup> The top 5 Pacific nationalities were Samoa (42 per cent), Fiji (37 per cent), Tonga (15 per cent), Kiribati and Tuvalu (2 per cent each).

<sup>6</sup> For more information see <http://www.dol.govt.nz/immigration/knowledgebase/item/5451>.

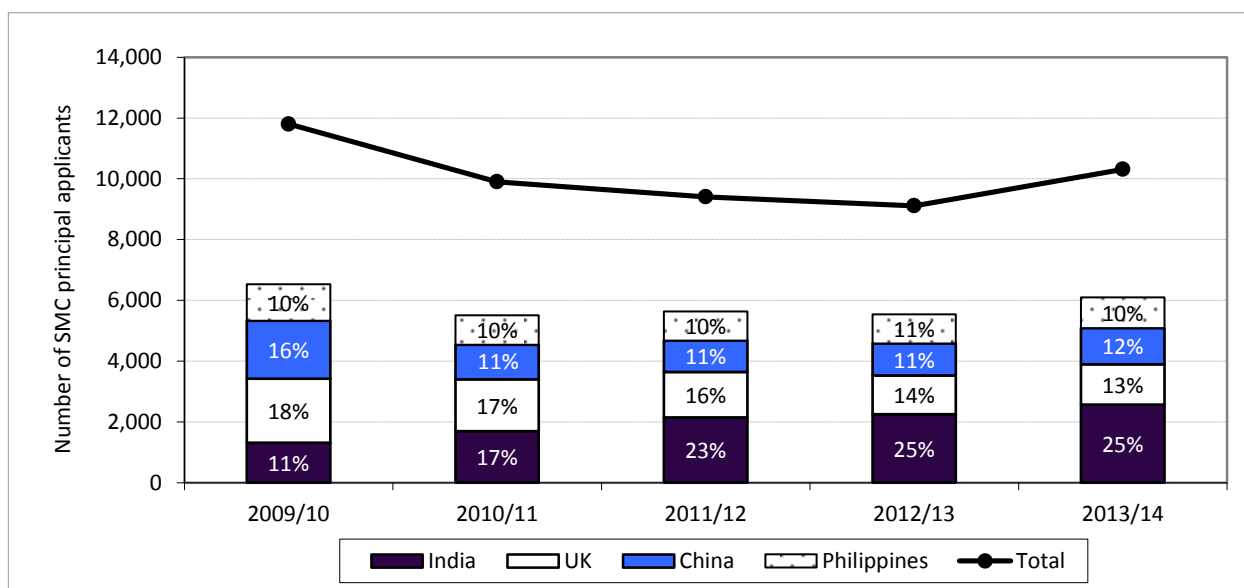
Figure 3: Number of people approved residence through SMC, 2009/10-2013/14



The top source countries of SMC approvals were India (20 per cent), the United Kingdom (13 per cent), the Philippines (11 per cent) and China (9 per cent). Reflecting a long-term trend, the increase from India is mainly due to former Indian international students who transition to temporary work and then to permanent residence.

In 2013/14, there were 10,312 SMC principal applicants, an increase of 13 per cent from 9,109 SMC principal applicants in 2012/13. Figure 4 shows the top source countries of SMC principal applicants. As for all SMC approvals, India remains the top source country for SMC principal applicants (25 per cent) and increased 14 per cent from 2012/13. While all SMC approvals from the United Kingdom are still falling, the number of SMC principal applicants increased 4 per cent in 2013/14.

Figure 4: Number of SMC principal applicants, 2009/10-2013/14



In 2013/14, 92 per cent of SMC principal applicants had a job or job offer (compared with 94 per cent in 2012/13) and 65 per cent gained points for recognised work experience (compared with 63 per cent in 2012/13).



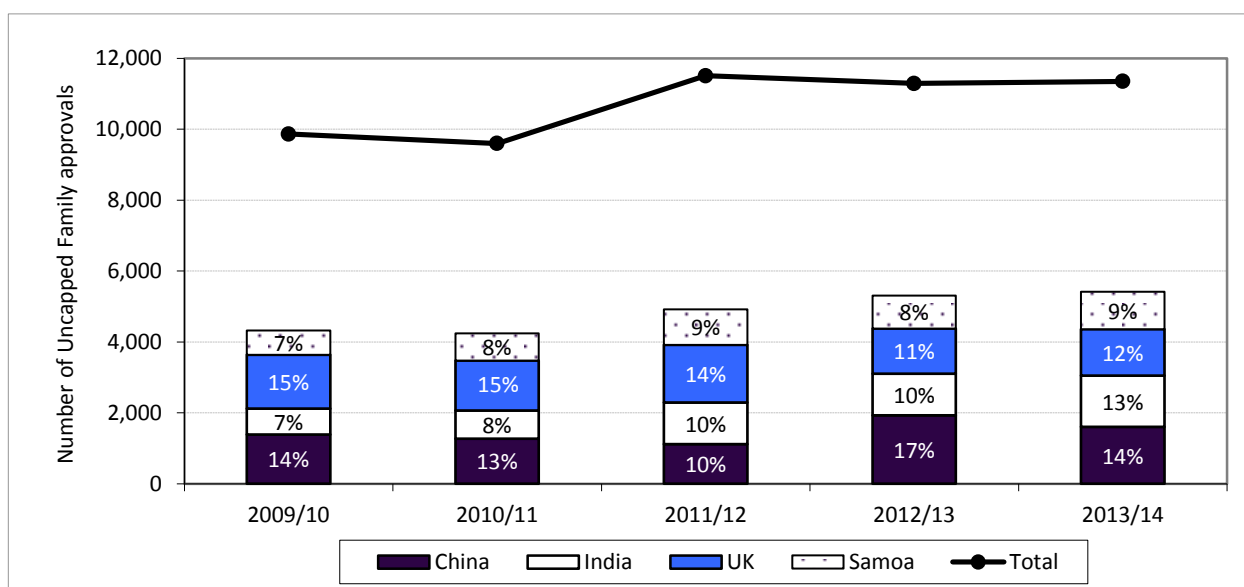
In 2013/14, most SMC principal applicants were approved onshore (87 per cent), of whom 99 per cent had a job or job offer. Of the 13 per cent approved offshore, 45 per cent had a job or job offer.

## Family Streams

The Capped Family Stream and the Uncapped Family Stream enable New Zealand citizens and permanent residents to sponsor close family members for residence. The Partnership Category is the main category in the Uncapped Family Stream while the Parent Category<sup>7</sup> is the main category in the Capped Family Stream.

In 2013/14, 11,351 people were approved for residence through the Uncapped Family Stream compared with 11,291 in 2012/13 and 11,507 in 2011/12. Figure 5 shows that the number of residence approvals through the Uncapped Family Stream increased 20 per cent in 2011/12 to 11,507 and this level has been maintained throughout the 2011/12-2013/14 NZRP planning period. China remains the largest source country although the flow of migrants from India in the Uncapped Family Stream has been rising steadily with a 23 per cent increase from 2012/13.

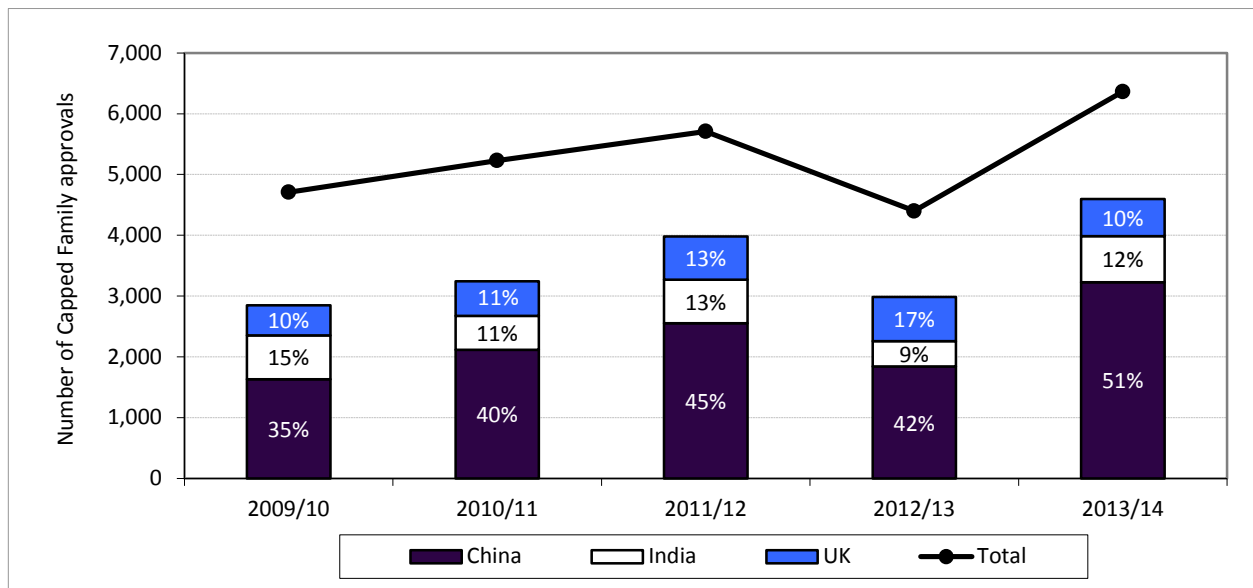
Figure 5: Number of people approved residence through the Uncapped Family Stream, 2009/10-2013/14



The number of people approved residence through the Capped Family Stream in 2013/14 was 6,364 with 79 per cent approved through the new Tier 1 Parent Category. The number of residence approvals increased 45 per cent from 4,401 residence approvals in 2012/13. Figure 6 shows the drop in the number of residence approvals in 2012/13. The two and a half month period between the closure of the Parent Category and reopening of the new Parent Category contributed to the drop in Parent approvals in 2012/13. Residence approvals through the Capped Family Stream have picked up again in 2013/14 with China accounting for half of residence approvals in the Capped Family Stream in 2013/14. Compared with 2012/13 the number of Capped Family residence approvals from China increased 75 per cent. The growth in sponsored migrants from China follows a period of high skilled migration some years earlier (2001/02-2008/09).

<sup>7</sup> The Parent Category closed temporarily on 15 May 2012 and reopened on 30 July 2012 with new requirements, including an expression of interest and a two tier system.

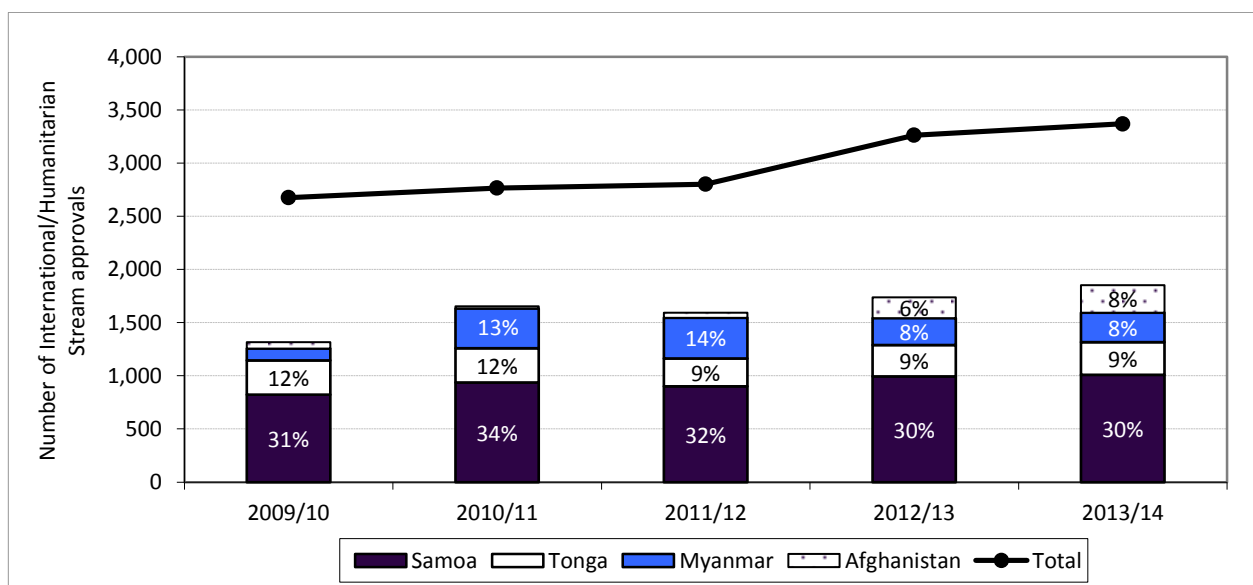
Figure 6: Number of people approved residence through the Capped Family Stream, 2009/10-2013/14



## International/Humanitarian Stream

The International/Humanitarian Stream includes the Refugee Policy, the Samoan Quota Scheme, the Pacific Access Category and other miscellaneous policies. In 2013/14, 3,369 people were approved for residence through the International/Humanitarian Stream compared with 3,262 in 2012/13 and 2,802 in 2011/12. Figure 7 shows steady increases in the number of people approved residence through the International/Humanitarian Stream during the 2011/12-2013/14 NZRP planning period. Samoa (30 per cent) remains the largest source country for people approved residence through the International/Humanitarian Stream in 2013/14, followed by Tonga (9 per cent), Myanmar and Afghanistan (8 per cent each).

Figure 7: Number of people approved residence through the International/Humanitarian Stream, 2009/10-2013/14

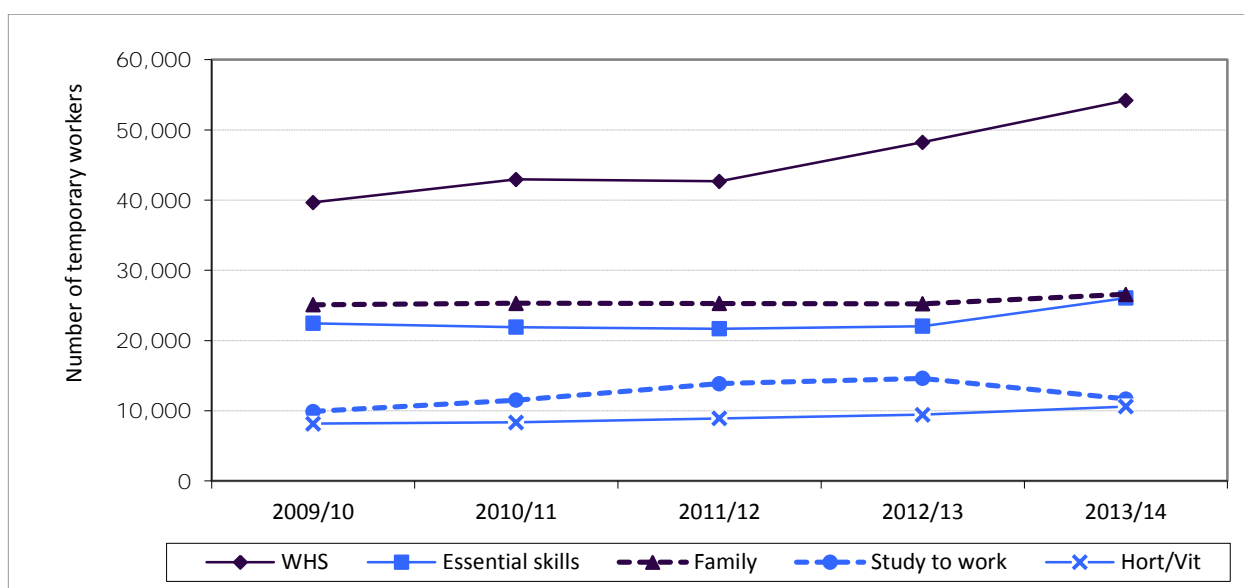


# Temporary migration

## Workers

The number of people approved for a work visa in 2013/14 was 155,794, an increase of 7 per cent from the 144,936 approvals in the previous year.<sup>8</sup> Working holidaymakers were the largest group of temporary workers (35 per cent or 54,647 people). This is the largest number of working holidaymakers approved in any year and increased 12 per cent from 2012/13 (refer Figure 8). New Zealand has working holiday schemes with 41 countries. Research shows working holidaymakers spend on average 8 months in New Zealand and spend around half that time earning wages and salaries.<sup>9</sup> Other main groups of temporary workers include those approved under the Family policy (17 per cent or 26,780 people) and Essential Skills workers (17 per cent or 26,502 people). Essential Skills workers increased 18 per cent, temporary workers under the Family policy increased 5 per cent, and horticulture and viticulture seasonal workers increased 12 per cent while temporary workers approved a ‘study to work’ visa<sup>10</sup> decreased 20 per cent.

Figure 8: Number of temporary workers (individuals) approved by stream, 2009/10-2013/14



The main source countries of temporary workers in 2013/14 were the United Kingdom (13 per cent), India (10 per cent), China (9 per cent), Germany (9 per cent), and the United States (6 per cent). Temporary workers from these countries increased in 2013/14 compared with 2012/13 except for India, which fell by 3 per cent. While Essential Skills workers from India increased, those with a ‘study to work’ visa had the largest absolute decrease in 2013/14 (down 2,156 or 29 per cent).

<sup>8</sup> This is a count of individuals approved a work visa rather than the number of applications.

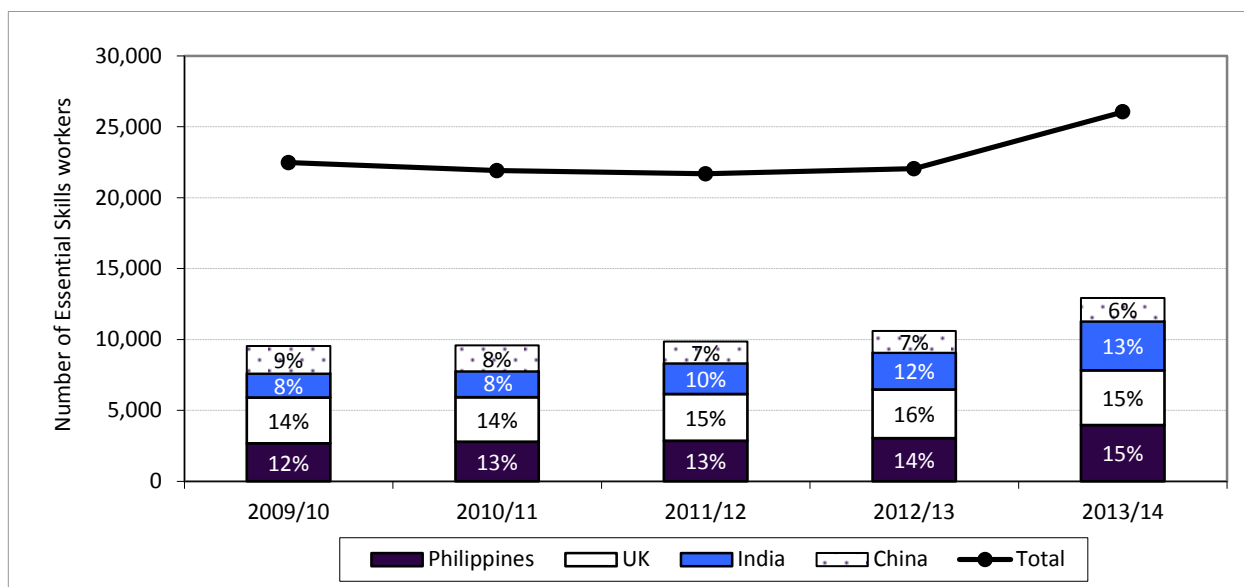
<sup>9</sup> <http://www.dol.govt.nz/publications/research/labour-market-outcomes-recent-migrants-nz/>

<sup>10</sup> Includes the Post-study work visa (open) and Post-study work visa (employer assisted) policies.

## Essential Skills workers<sup>11</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, the trend in the last two years shows that the demand for Essential Skills workers is increasing (refer Figure 9). Essential Skills workers approved in 2013/14 increased 18 per cent, the second year-on-year increase in Essential Skills workers since the start of the global economic slowdown.

Figure 9: Number of Essential Skills workers approved, 2009/10-2013/14



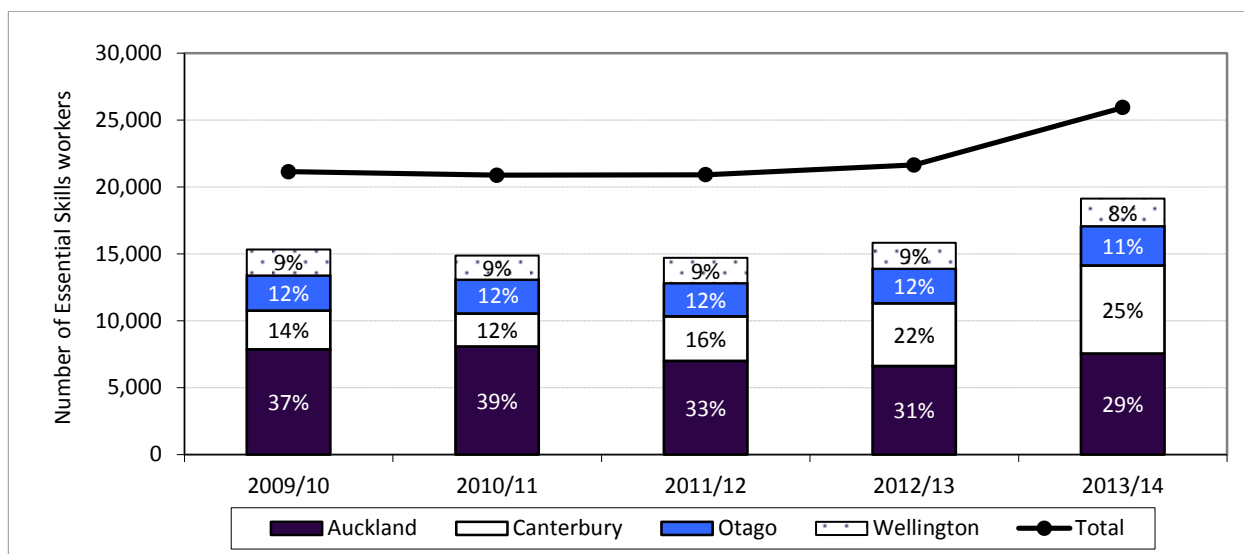
The main source countries of Essential Skills workers in 2013/14 were the Philippines and the United Kingdom (15 per cent each), India (13 per cent), and Fiji (6 per cent). The Philippines had the largest absolute increase in Essential Skills workers in 2013/14 (up 920 people or 30 per cent), followed by India (up 892 people or 34 per cent).

In 2013/14, 98 per cent of Essential Skills workers with a job offer specified a region of employment in New Zealand. Auckland remains the main region of employment in New Zealand for Essential Skills workers (refer Figure 10). There were increases in Essential Skills workers across all regions as the New Zealand economy expands. Demand for Essential Skills workers in the Canterbury region continues to be strong (up 41 per cent in 2012/13 and 40 per cent in 2013/14) as the rebuild gathers pace. The increase in the number of Essential Skills workers in Canterbury was the largest absolute increase in Essential Skills workers across the main regions of New Zealand. Of the occupations recorded in the Canterbury region using the ANZSCO<sup>12</sup> classification, 26 per cent were Construction Trades Workers. 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 during 2013/14.

<sup>11</sup> Includes the following policies: Approved in Principle, Essential Skills, Essential Skills - Skill Level 1, General, and Specialist skills.

<sup>12</sup> ANZSCO is the Australian and New Zealand Standard Classification of Occupations.

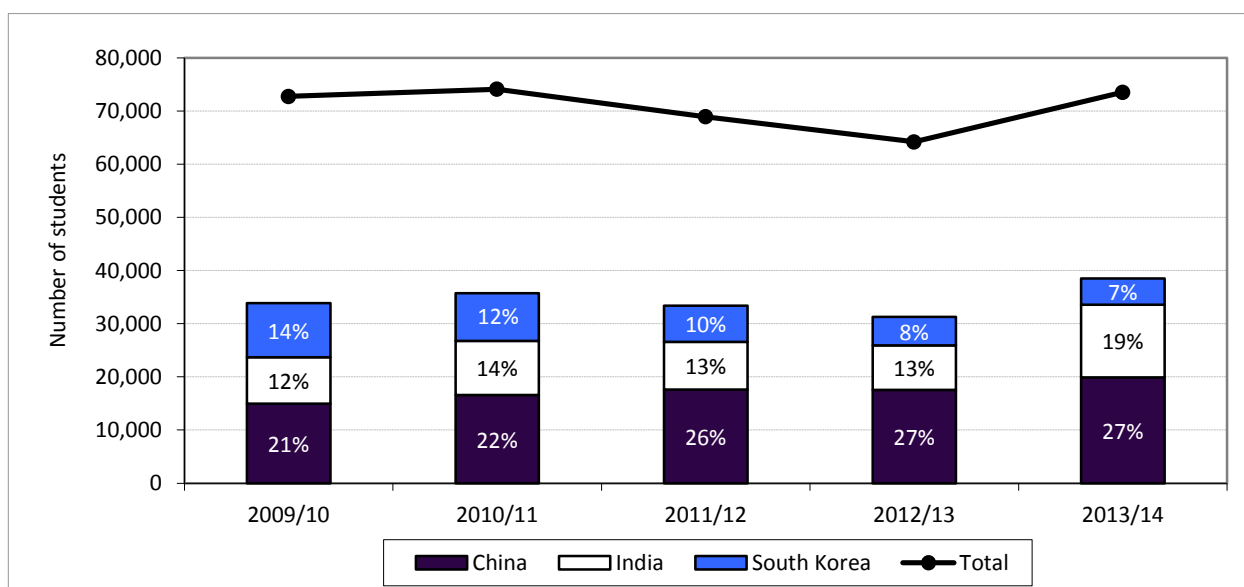
Figure 10: Region of employment of Essential Skills workers, 2009/10-2013/14



### International Students<sup>13</sup>

In 2013/14, the number of international students approved to study in New Zealand (73,510 students) increased 15 per cent from 2012/13.<sup>14</sup> This follows a 7 per cent year-on-year decrease in the previous two years. In 2013/14, 39,203 new international students were approved to study in New Zealand, up 25 per cent from 31,444 in 2012/13. New international students in 2013/14 were 53 per cent of all international students. The number of full fee-paying students (57,113 people) increased 18 per cent compared with the previous year. Figure 11 shows the total number of students approved over the last five years and the number from each of the three main source countries.

Figure 11: Number of students compared to top source countries, 2009/10-2013/14



<sup>13</sup> Includes fee paying and domestic students.

<sup>14</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 TEC/MoE.

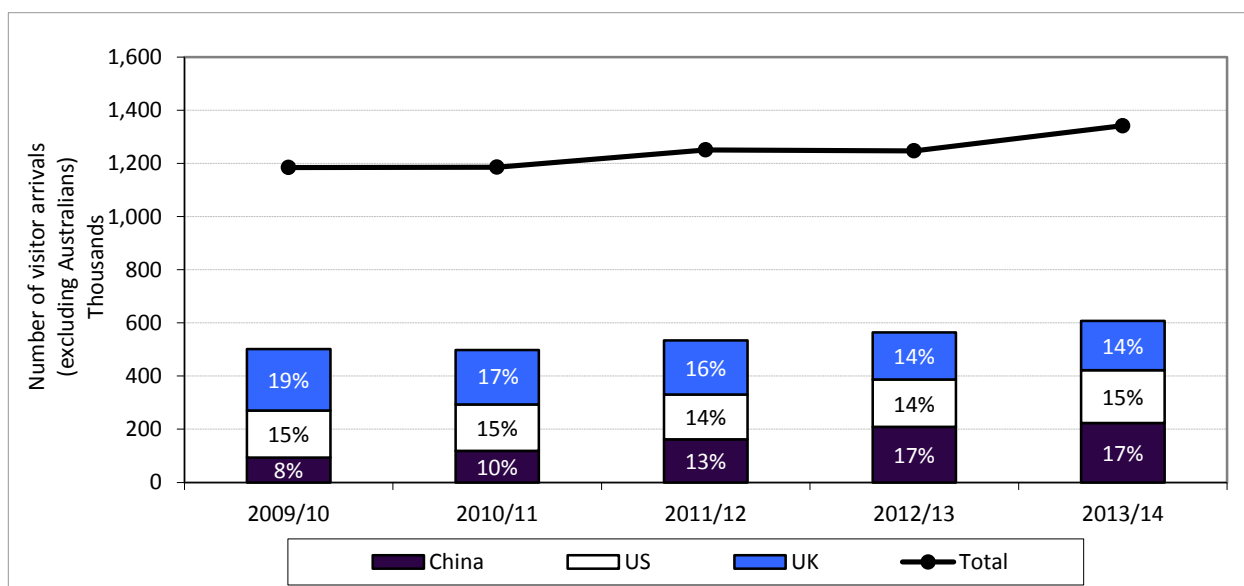
In 2013/14, the largest source countries of students were China (27 per cent), India (19 per cent), and South Korea (7 per cent). Compared with the previous year, India had the largest absolute increase (5,294 students or 63 per cent), followed by China (2,382 or 14 per cent) while the number of students from South Korea decreased by 9 per cent.

The growth in full fee-paying students was mainly due to the increase in student approvals from India with numbers doubling in the Auckland and Canterbury regions and large increases in numbers studying Business or Management related courses in Private Tertiary Establishments.

## Visitors (excluding Australians)

The number of visitor arrivals (1.34 million people) for 2013/14 increased 8 per cent from the previous year (refer Figure 12). Australia is the largest source country of international visitors but visitor visa statistics exclude Australian citizens and resident visa holders, as they are issued a resident visa on arrival.

Figure 12: Number of visitor arrivals (excluding Australians), 2009/10-2013/14



The top source countries for visitor arrivals in 2013/14 were China (17 per cent), the United States (15 per cent) and the United Kingdom (14 per cent). In recent years, China has become a major source country for visitors into New Zealand, compensating for the loss of visitors from the United Kingdom. Compared with the previous year, visitor arrivals from the top three countries increased with the United States having the largest absolute increase in visitor arrivals (up 21,300 people or 12 per cent) followed by China (up 14,300 people or 7 per cent).

For further information please visit <http://dol.govt.nz/research> or email [research@mbie.govt.nz](mailto:research@mbie.govt.nz)

⇒ **More information**

[www.mbie.govt.nz](http://www.mbie.govt.nz)

**0800 20 90 20**

Information, examples and answers to your questions about the topics covered here can be found on our website [www.mbie.govt.nz](http://www.mbie.govt.nz) or by calling us free on 0800 20 90 20.