

Labour & Immigration  
Research Centre

*Te Pokapū a Mahi me Te Manene Rangahau*

A SERVICE OF THE DEPARTMENT OF LABOUR

# Migration Trends Key Indicators Report

March 2012



DOL12056 MAY12

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Department  
of Labour  
TE TARI MAHI



# MIGRATION TRENDS KEY INDICATORS REPORT: MARCH 2012

## Purpose

This report summarises key indicators of migration trends for the 2011/12 financial year to date (1 July 2011 through 31 March 2012). The report's main focus is on two areas: the New Zealand Residence Programme (NZRP) and temporary visa entry.

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. 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

- 28,674 people were approved for residence in July 2011-March 2012, compared with 28,695 in July 2010-March 2011. The United Kingdom remains the largest source country (15%), followed by China (14%) and India (13%).
- Skilled Migrant Category (SMC) approvals (13,265 people) accounted for half of all residence approvals in July 2011-March 2012. The number of SMC approvals was down 12% (1,787 people fewer) from the same period last year. The decrease reflects a flow-on effect from the prior decrease in Essential Skills workers due to the global recession. Essential Skills workers are a key source of future skilled residents.
- 92% of SMC principal migrants were approved with a job or job offer in skilled employment in July 2011-March 2012 compared with 90% in July 2010-March 2011.
- The number of people approved for a work visa for July 2011-March 2012 increased by 3 percent from the same period in the previous year due to increases in the 'study to work' visa and horticulture and viticulture seasonal workers.
- Essential Skills temporary workers approved in July 2011-March 2012 decreased by 3 percent from the same period in the previous year. As the economy and labour market recovery are forecast to continue, it is likely that the number of Essential Skills workers will start to increase.
- In July 2011-March 2012, 56,741 international students were approved to study in New Zealand, a 7 percent decrease from 61,060 in July 2010-March 2011. The number of fee-paying students (41,636 people) decreased by 4 percent compared with the same time in the previous year.
- The Rugby World Cup led to an increase in visitor arrivals in the July 2011-March 2012 period, which was up 5 percent on the same period last year.

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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 Immigration New Zealand website at [www.immigration.govt.nz/statistics](http://www.immigration.govt.nz/statistics)). The permanent residence statistics are uniform across the Department of Labour.

## New Zealand Residence Programme

The New Zealand Residence Programme (NZRP) target planning range is 135,000-150,000 permanent residence approvals over the three year period, 2011/12 to 2013/14.

### *Residence approvals*

In July 2011-March 2012, 28,674 people were approved for residence. This is similar to the 28,695 approved in July 2010-March 2011 but lower than in July 2009-March 2010 (32,359 approvals). The decline rate for residence applications (15%) was unchanged from the same period last year. Table 1 shows the breakdown of residence approvals by stream.

**Table 1: Residence approvals by stream**

<b>Stream</b>	<b>July-Mar 2010</b>	<b>July-Mar 2011</b>	<b>July-Mar 2012</b>
Skilled/Business stream	20,194	16,538	14,428
Uncapped Family stream	6,969	6,655	7,806
Capped Family stream	3,365	3,539	4,384
International/Humanitarian stream	1,831	1,963	2,056
<b>Total</b>	<b>32,359</b>	<b>28,695</b>	<b>28,674</b>

The top source countries for residence approvals in July 2011-March 2012 were the United Kingdom (15%), China (14%), India (13%), the Philippines (8%), Fiji (7%), and South Africa (6%).

Compared with the same period last year, residence approvals from India and China increased by 27 and 6 percent respectively, while there was a decrease in residence approvals from South Africa (32 percent decrease), Fiji (9 percent decrease), the United Kingdom (8 percent decrease), and the Philippines (3 percent decrease).

The increase in residence approvals from India was driven by increases in the Uncapped Family stream (up from 507 to 759, a 50% increase), Capped Family stream (up from 420 to 594, a 41 percent increase), and Skilled/Business stream (up from 1,930 to 2,270, an 18 percent increase).

### *Skilled Migrant Category (SMC)*

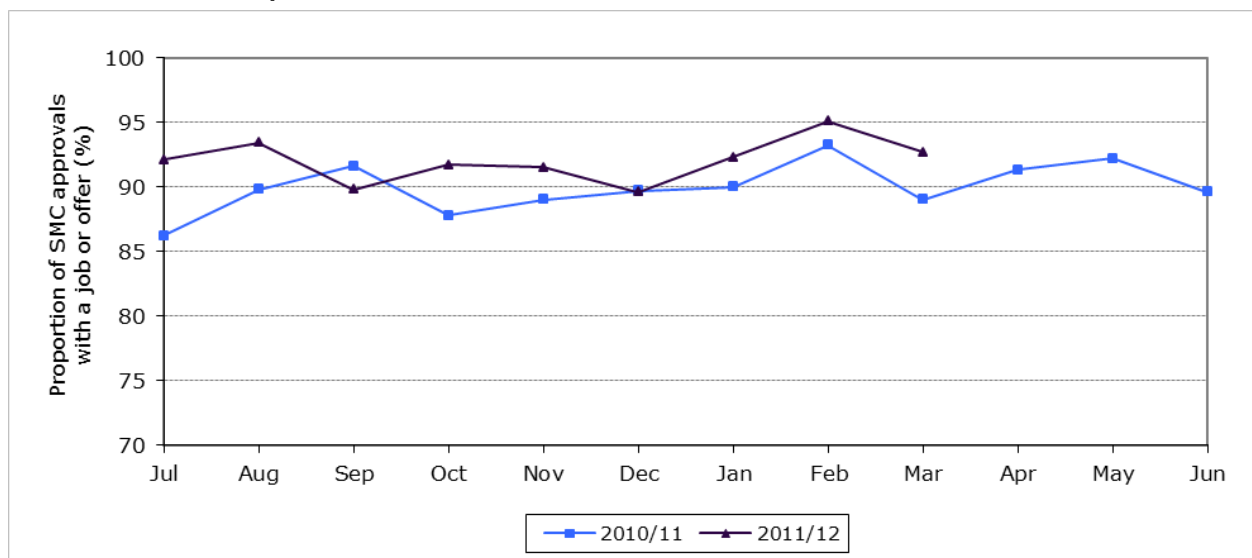
In July 2011-March 2012, 13,265 people were approved for residence through the SMC compared with 15,052 in July 2010-March 2011 and 18,789 in July 2009-March 2010. The number of people applying through the SMC in July 2011-March 2012 decreased by 9 percent compared with the same time in the previous year. The decrease reflects a flow-on effect from the prior decrease in Essential Skills workers due to the global recession. Essential Skills workers are a key source of future skilled residents.

Currently, the top source countries of SMC approvals are the United Kingdom and India (17% each), the Philippines (12%), China and South Africa (8% each), and Fiji (7%). SMC approvals from India increased from the same period last year by 18 percent. 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. SMC approvals from South Africa have decreased over the last two years (from 3,439 in July 2009-March 2010 to 1,905 in July 2010-March 2011 and 1,003 in July 2011-March 2012).

In July 2011-March 2012, 92% of SMC principal applicants had a job or job offer (compared with 90% in July 2010-March 2011) and 65% gained points for recognised work experience (compared with 72% in July 2010-March 2011).

In July 2011-March 2012, most SMC principal applicants were approved onshore (86%), of whom 99% had a job or job offer. Of the 14% approved offshore, 54% had a job or job offer. Figure 1 shows the proportion of SMC approvals with a skilled job or job offer in the year to date 2011/12 compared to the 2010/11 financial year.

**Figure 1: Proportion of SMC approvals with a skilled job or job offer for 2010/11 and 2011/12**



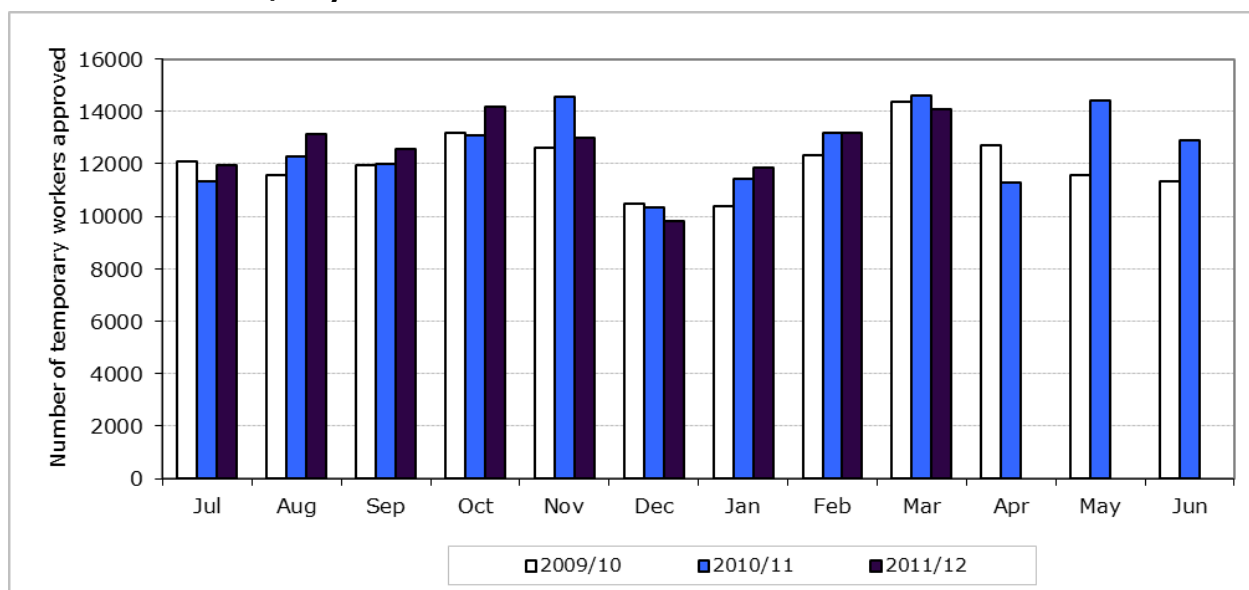
## Temporary migration

### Workers

The number of people approved for a work visa in July 2011-March 2012 was 108,986, an increase of 3 percent from the 105,390 approvals for the same time in the previous year (Figure 2). Those approved a 'study to work' visa<sup>2</sup> increased by 27 percent and horticulture and viticulture seasonal workers increased by 6 percent, while Essential Skills workers decreased by 3 percent and working holidaymakers did not change.

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

**Figure 2: Number of temporary workers (individuals) approved by month 2009/10 to 2011/12 year to date**



The main source countries of temporary workers in July 2011-March 2012 were the United Kingdom (13%), India (12%), China (9%), Germany (7%), and the United States of America (6%). India had the largest absolute increase in temporary workers in July 2011-March 2012 (2,313 people, 21%) due to increases in the 'study to work' and Essential Skills visas.

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

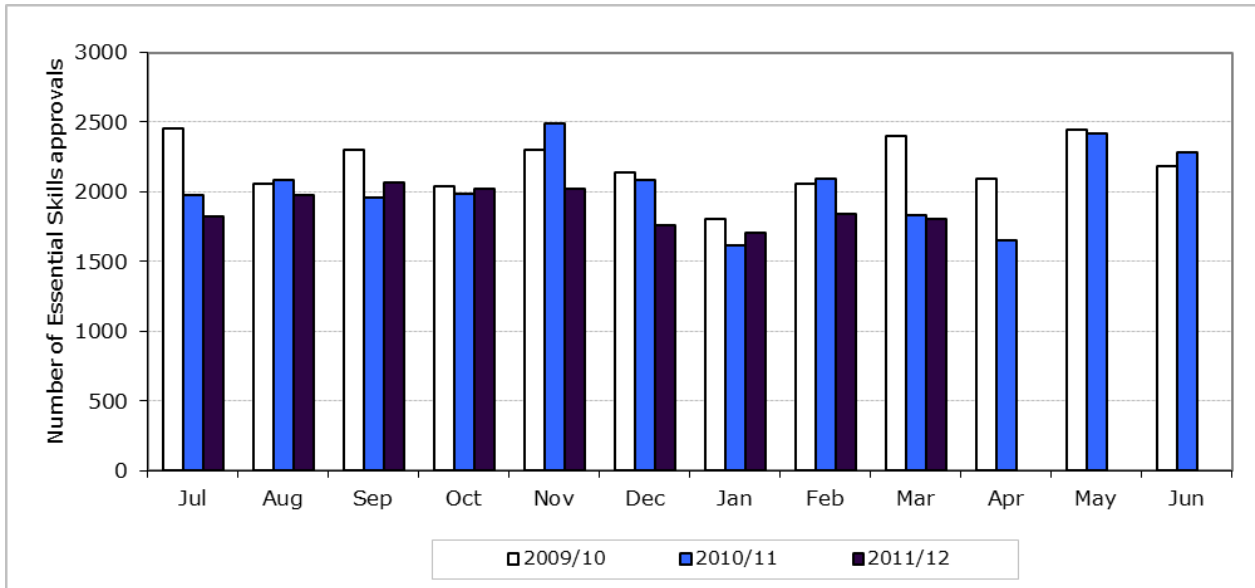
The demand for Essential Skills workers slowed from October 2008 with the onset of the global recession and its effect on the domestic economy. Essential Skills workers approved in July 2011-March 2012 decreased by 3 percent compared with the same time in the previous year. As the economy and labour market recovery are forecast to continue<sup>4</sup>, it is likely that the number of Essential Skills workers will start to increase.

The main source countries of Essential Skills workers in July 2011-March 2012 were the United Kingdom (15%), the Philippines (13%), India (10%), and Fiji and China (7% each).

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

<sup>4</sup> <http://www.dol.govt.nz/publications/lmr/lmr-labour-market-update.asp>

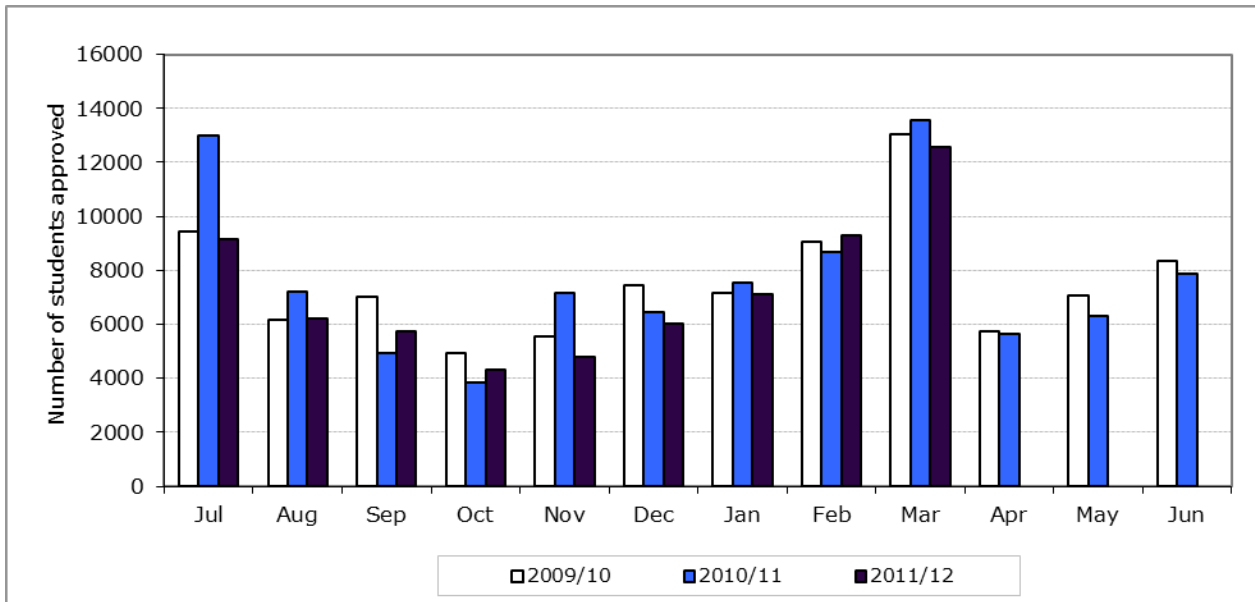
**Figure 3: Number of Essential Skills workers approved by month 2009/10 to 2011/12 year to date**



### **International Students**

In July 2011-March 2012, 56,741 international students were approved to study in New Zealand, a 7 percent decrease from 61,060 in July 2010-March 2011. The number of fee-paying students (41,636 people) decreased by 4 percent compared with the same time in the previous year. Figure 4 shows the number of individual students approved per month from 2009/10 to the 2011/12 year to date.

**Figure 4: Number of students<sup>5</sup> approved by month 2009/10 to 2011/12 year to date**



In July 2011-March 2012 the largest source countries of students were China (26%), India (13%), South Korea (10%) and Japan (5%). Compared with the same period last year, there was a 5 percent increase in the number of students from China and Japan, while the

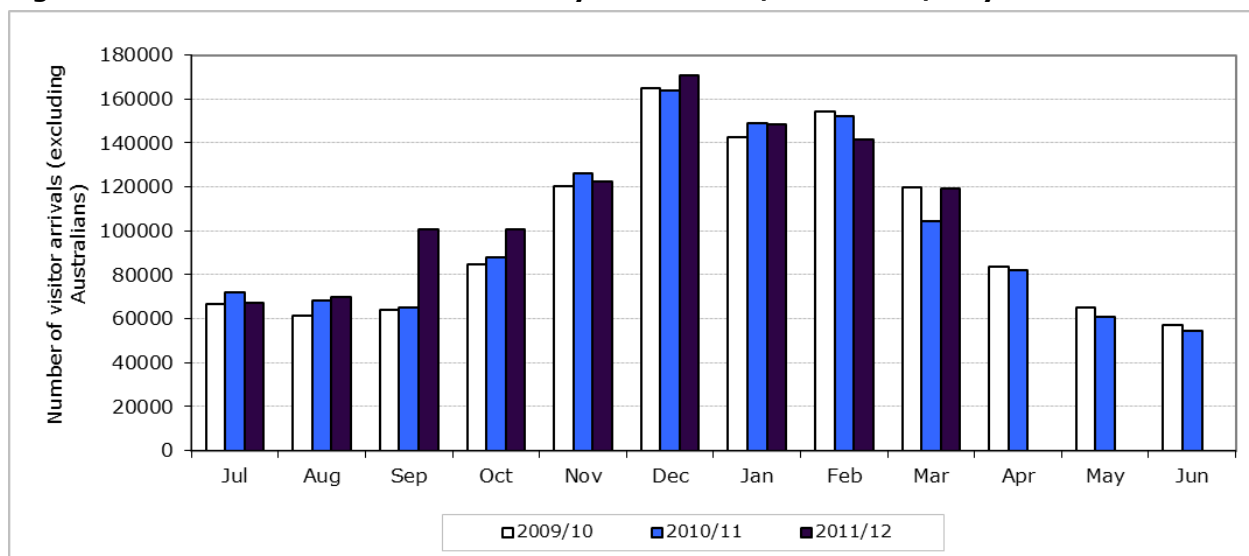
<sup>5</sup> Includes fee paying and domestic students.

number of students from South Korea and India decreased by 23 percent and 11 percent respectively.

### Visitors (excluding Australians)<sup>6</sup>

The number of visitor arrivals for July 2011-March 2012 increased by 5 percent compared with the same time in the previous year (refer Figure 5). This increase is primarily a result of visitors arriving for the Rugby World Cup in September and October 2011. The effect of the Rugby World Cup on total visitor numbers will be higher than shown as the data in Figure 5 excludes Australians.

**Figure 5: Number of visitor arrivals by month 2009/10 to 2011/12 year to date**



The top source countries for visitor arrivals July 2011-March 2012 were the United Kingdom (17%), the United States of America (13%), China (12%), and France (6%). Compared with the same time in the previous year, there was an increase in visitors from the United Kingdom (3 percent increase), China (29 percent increase), and France (25 percent increase), while the United States of America decreased by 3 percent.

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

<sup>6</sup> Number of people issued a visitor visa on arrival in New Zealand. Australian citizens and resident visa holders are issued a resident visa on arrival.

## ⇒ More information

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

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