

## At a glance

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## LIFE AFTER STUDY: INTERNATIONAL STUDENTS' SETTLEMENT EXPERIENCES IN NEW ZEALAND

This research uses multiple information sources to describe the characteristics of international students in New Zealand, the motivations of former international students who successfully transition to work and residence, and their early settlement experiences in New Zealand.

### BACKGROUND

Education is one of New Zealand's top five export industries, generating an economic benefit of over \$2.3 billion in 2007/08 and indirectly supporting over 32,000 jobs.<sup>1</sup> Globally, an estimated 3 million tertiary students were enrolled outside their country of citizenship in 2007.<sup>2</sup> Within the OECD, New Zealand is the eighth largest recipient of international students, receiving around 2.1% of foreign students in tertiary education. Yet New Zealand's per capita rate of 15 international students per 1,000 people is the highest in the OECD.<sup>3</sup>

A key development alongside the growth of export education has been the promotion of highly skilled migration and policies that foster links between export education and permanent migration. New Zealand has several policy measures to facilitate the 'two-step migration' of international students.

This research used three primary data sources to examine international students' transition pathways and early settlement experiences in New Zealand, including: the Department of Labour's immigration administrative data for visa and permit applications; the Transitions Survey – a survey of skilled principal migrants who transitioned from temporary to permanent residence; and the Longitudinal Immigration Survey: New Zealand (LisNZ).

### KEY FINDINGS

- Around 70,000 international students are granted permits to study in New Zealand each year and 75 percent are from Asia (predominantly, China, South Korea, and India). Internationally, Asian students comprise about half (47 percent) of all foreign students in OECD countries.
- Over time, around 31 percent of fee-paying international students transition to work and/or permanent residence in New Zealand. Around one-fifth of fee-paying international students gain permanent residence in New Zealand.
- Students from India had the highest rate of transition to work (72%), followed by students from China (43%). Similarly, Students from India also had the highest rate of transition to permanent residence (47%), followed by students from China (23%).
- We modelled transition rates and found that, irrespective of factors such as students' age, gender, and education sector, a student's source country had the greatest effect on their likelihood of transitioning to work or residence.
- Even controlling for other factors, students from India were significantly more likely to transition to work and/or residence than were students from China. Students from both countries had higher rates of transition than students from other regions.

PACIFIC

YOUTH

LISNZ

SETTLEMENT

ISMP

ECONOMIC

GLOBAL MOBILITY

REFUGEE

- The main reasons international students chose to study in New Zealand were the quality and cost of education in New Zealand, opportunities to work here after graduation and to apply for residence, and to study in an English speaking country.
- Our results showed that international students wanted to gain residence in New Zealand because of lifestyle, safety and security, and further educational opportunities. Economic-related motivations, such as job opportunities, were less frequently reported.
- Using the LisNZ, we found that 68% of former international students were in full time employment 18 months after gaining permanent residence in New Zealand. Nearly one-third (31%) worked in professional occupations and 62% worked in a skilled job.<sup>4</sup>
- Former students who gained a New Zealand bachelor's degree or higher experienced more positive labour market outcomes – that is, they earned more money, worked in a higher skilled job, and reported a higher level of job satisfaction than those who gained a vocational qualification in New Zealand.
- In general, we found that many former international students continue their studies after gaining residence. Eighteen months after gaining residence, 48% of former students had done other study in New Zealand (excluding English language study), and almost one-fifth were out of the labour force and studying.

1. Infometrics, NRB, and SkinnerStrategic. 2008. The Economic Impact of Export Education. Wellington: Education New Zealand and Ministry of Education. Available at <http://www.educationcounts.govt.nz/publications>

2. OECD. 2009. Education at a Glance: OECD indicators. Paris: Organisation for Economic Co-operation and Development, p 312.

3. Based on OECD estimates of foreign students and total populations in 2007.

4. A skilled job is defined as an occupation on the Australian and New Zealand Standard Classification of Occupations (ANZSCO 06) with a skill level of 1, 2, or 3.

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or visit [www.immigration.govt.nz/research](http://www.immigration.govt.nz/research)

Information about the *Longitudinal Immigration Survey: New Zealand (LisNZ)* is available at [www.immigration.govt.nz/lisnz](http://www.immigration.govt.nz/lisnz)