



NEW ZEALAND
IMMIGRATION

Regional Migration Trends

Otago Overview 2015/16



MINISTRY OF BUSINESS,
INNOVATION & EMPLOYMENT
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Publishing date: December 2017

ISSN 2538-0362

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New Zealand Government

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Otago Executive Summary

The purpose of this report is to provide an overview of Otago's recent migration population and migration trends. The report shows trends to 2015/16 and compares recent immigration patterns with previous years.

More Skilled Migrant Category principal applicant approvals over the past year in Otago

In 2015/16, three percent (or 368 people) of New Zealand's Skilled Migrant Category principal applicants (permanent migrants) found employment in the Otago region. This is an increase of 13 percent on the previous year. The United Kingdom, India and the Philippines were the top source countries of skilled migrants in the region.

The most common occupations of these migrants in Otago were Chefs (15 percent), Registered Nurses (10 percent) and Café and Restaurant Managers (7 percent).

Essential Skills temporary workers increased over the past year in Otago

The Otago region is the third largest employer of Essential Skills workers in the country. In 2015/16, 3,914 people were approved for Essential Skills work visa in the region. This is an increase of 23 percent over the past year. The United Kingdom, Brazil and the Philippines were the top source countries for Essential Skills workers in the region.

The most common occupations of Essential Skills workers in Otago were Retail Supervisors (9 percent), Housekeepers (7 percent) and Chefs (6 percent). The high proportion of workers in the hospitality sector is most likely skewed by temporary migrants in the Queenstown district.

International student numbers increased in Otago

Otago has the fifth largest share of international students in country. In 2015/16, 4,012 international students were approved for study in Otago, which is five percent of the total student visas granted. This is an increase of seven percent from the previous year.

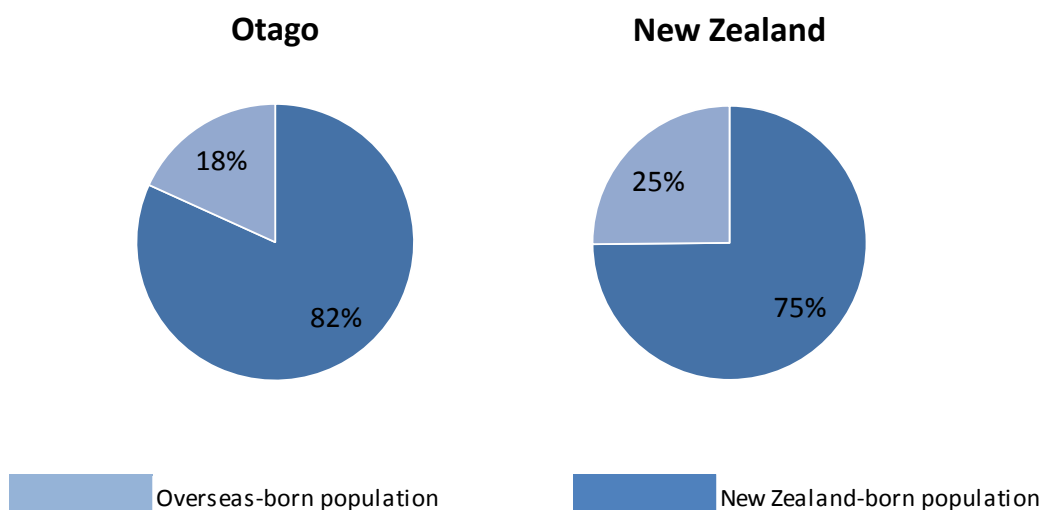
Introduction

The Otago region is the second most southerly region of New Zealand and covers an area of approximately 32,000, very diverse, square kilometres. The terrain includes mountainous regions, vast open plains, glacier-fed rivers and deserted sandy beaches. Main centres in the region include Dunedin, Oamaru, Balclutha, Alexandra and tourist centres, Queenstown and Wanaka. The region is key for tourism, superior wool production, winemaking, design and specialised manufacturing.

Otago is ranked as the seventh most populated region in New Zealand. As at 30 June 2016, the region's population was 219,200¹, which represents five percent of New Zealand's total population.

According to the 2013 Census, 18 percent of the population were born overseas compared with 25 percent for New Zealand overall. The majority of new migrants² coming into Otago were from Asia (31 percent) and the United Kingdom and Ireland (24 percent).

Figure 1: Proportion of the overseas-born and the New Zealand-born population in the Otago region and New Zealand overall, 2013



Source: 2013 Census of Population and Dwellings, Statistics NZ

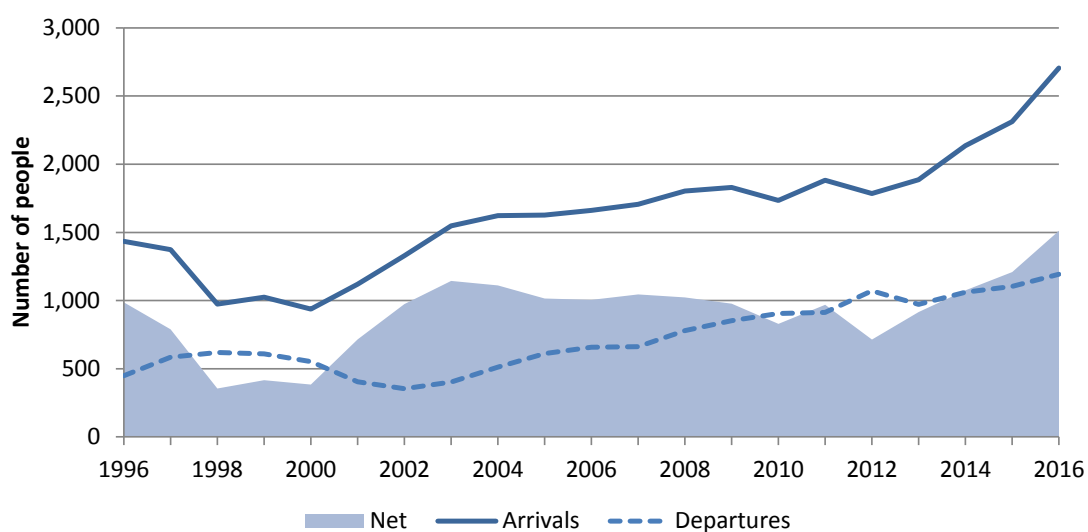
¹ Subnational Population Estimates as at 30 June 2016 (provisional), Statistics NZ

² Those who have been living in New Zealand for under two years before the 2013 Census.

New Zealand’s population is affected by migration flows. Apart from new resident migrants, this includes the arrival and departures of temporary migrants on work and student visas.

Figure 2 below shows that in recent years, there have been more permanent and long-term³ arrivals of non-New Zealand and non-Australian citizens than departures in the region. In June 2016, there were 2,705 permanent and long-term arrivals in Otago, an increase from 2,312 arrivals recorded the previous year. Permanent and long-term departures totalled to 1,193 in 2016. This resulted in the net gain of 1,512 in 2016, which is the highest net gain recorded in the region over the last 20 years. Note that these figures are based on people’s intention rather than their actual stay in New Zealand.

Figure 2: Annual permanent and long-term migration (excluding New Zealand and Australian citizens) to Otago region, year to June 1996-2016



Source: Permanent and long-term statistics, Statistics NZ

Note: Net migration flow is the difference between the number of permanent and long-term (PLT) arrivals and departures.

³ An arrival or departure is ‘permanent and long-term’ if the intended length of stay or absence is 12 months or more.

Residence Approvals

Permanent residence provides a person with the right to live in New Zealand and to gain access to all the work, business, education, property, and health privileges available to New Zealanders.

People who wish to migrate permanently to New Zealand must enter through one of the three residence streams of the New Zealand Residence Programme (NZRP). These are:

- Skilled/Business Stream
- Family Stream
- International/Humanitarian Stream.

This chapter describes the trends in the number of people coming in on a residence visa rather than a number at a single point in time. After a decrease from the previous year, the number of New Zealand residence approvals has increased by 21 percent from 43,085 in 2014/15 to 52,052 in 2015/16.⁴

New Zealand needs skilled migrants to contribute to skills acquisition, productivity and growth in a range of industries. Most migrants under the NZRP were approved under the Skilled/Business Stream (57 percent). Under the Skilled/Business Stream, the Skilled Migrant Category (SMC) has the largest number of residence approvals (50 percent in 2015/16). 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.

In 2015/16, 49 percent of residence approvals under the SMC were principal applicants (13,096 people) and 51 percent were secondary applicants (12,660). Secondary applicants include partners and/or dependent children of principal applicants. Regional breakdown of data for secondary applicants is not available.

Regional data on residence approvals is only available for SMC principal applicants who specified their region of employment. The next section will focus on SMC principal applicants with a job or job offer in the Otago region.

Otago context

In 2015/16, the Otago region attracted three percent (or 368 people) of the SMC principal applicants to New Zealand. This is an increase of 12 percent from the 328 approved in the previous year (see Appendix Table 1:).

Source country

Table 1 below shows the top source countries of SMC principal applicants over the last five years. The United Kingdom continues to be the main source country of SMC principal applicants in Otago, followed by India and the Philippines. Together, the top five source countries represent 61 percent of the total approved SMC principal applicants in the region in 2015/16.

⁴ MBIE. (2016). *Migration Trends 2015/16*

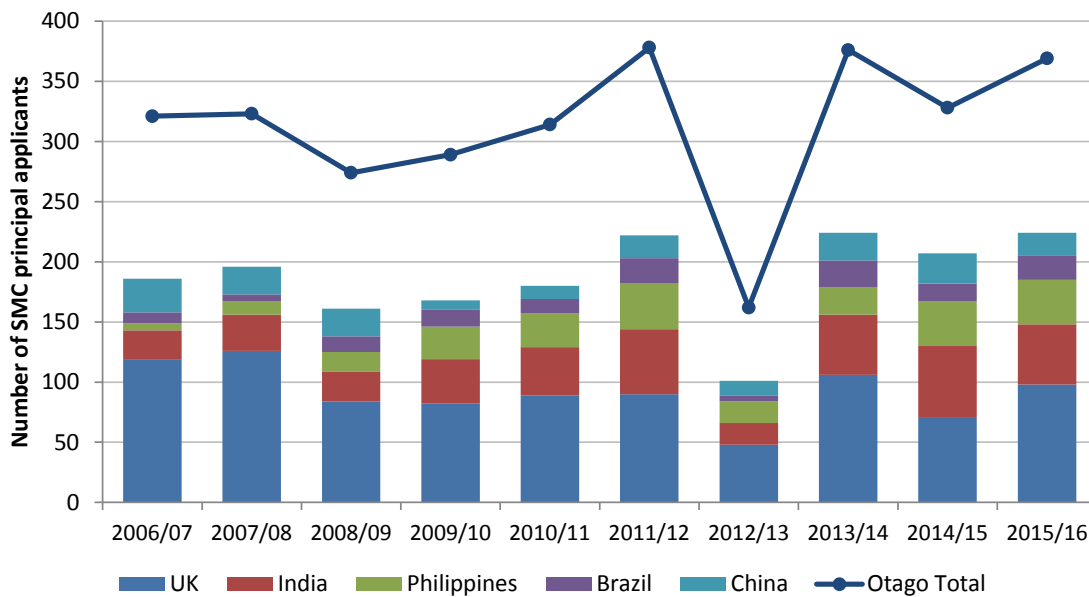
Table 1: Top source countries of Skilled Migrant Category principal applicants in Otago, 2011/12 to 2015/16

Source country of principal applicant	2011/12	2012/13	2013/14	2014/15	2015/16
UK	90 (24%)	48 (30%)	106 (28%)	71 (22%)	98 (27%)
India	54 (14%)	18 (11%)	50 (13%)	59 (18%)	50 (14%)
Philippines	38 (10%)	18 (11%)	23 (6%)	37 (11%)	37 (10%)
Brazil	21 (6%)	5 (3%)	22 (6%)	15 (5%)	20 (5%)
China	19 (5%)	12 (7%)	23 (6%)	25 (8%)	19 (5%)

Source: Ministry of Business, Innovation and Employment

Figure 3 below shows that the number of SMC principal applicants coming into Otago has increased in recent years. Over the last ten years, the number of SMC principal applicants from the United Kingdom has been declining but it has remained as the main source for skilled migrants in the region. On the other hand, the number of skilled migrants coming into the region from India and the Philippines has been increasing over time.

Figure 3: The top five source countries of Skilled Migrant Category principal applicants in Otago, 2006/07 to 2015/16



Source: Ministry of Business, Innovation and Employment

Occupations

Table 2 below shows the main occupations of SMC principal applicants with a job or job offer in the Otago region in the 2015/16 year. It also lists the top source countries for each occupation group.

The main occupations of skilled migrants in Otago in 2015/16 were Chefs (15 percent), Registered Nurses (10 percent), and Café and Restaurant Managers (7 percent).

Table 2: Occupations of Skilled Migrant Category principal applicants with a job or job offer in Otago, 2014/15 and 2015/16

	Number of applicants ⁵		Change over the past year	Top 2 source countries for each occupation
	2014/15	2015/16		
Top 5 occupations (2-digit level ANZSCO)				
Food Trades Workers	55	62	↑	Brazil, India
Health Professionals	60	55	↓	Philippines, India
Hospitality, Retail and Service Managers	52	53	↑	UK, China
Construction Trades Workers	23	33	↑	UK, Brazil
Design, Engineering, Science and Transport Professionals	20	19	↓	UK, China
Top 5 occupations (4-digit level ANZSCO)				
Chefs	44	54	↑	Brazil, UK
Registered Nurses	44	36	↓	Philippines, India
Cafe and Restaurant Managers	20	26	↑	UK, India
Carpenters and Joiners	11	18	↑	UK, Ireland
Hotel Service Managers	13	14	↑	India, Brazil

Source: Ministry of Business, Innovation and Employment

Note 1: Occupations are based on the Australian and New Zealand Standard Classification of Occupations (ANZSCO). Data are reported at both a high level breakdown (ie 2-digit level ANZSCO) and a more detailed breakdown (ie 4-digit level ANZSCO) of occupations.

Note 2: Due to the small number of counts for the region, only the top five occupations are reported.

⁵ Applicants whose occupations were not coded to ANZSCO or were classified as 'responses out of the current definition of the labour force' are excluded from the count.

Temporary Workers

The temporary work policy allows people to enter New Zealand for a variety of work-related purposes. Work visas allow employers to recruit temporary workers from overseas to fill skill shortages, while still protecting employment opportunities for New Zealand workers.

There are three main work policies. These are:

- Essentials Skills policy
- Working Holiday Schemes
- Family policy.

This chapter describes the trends in the number of people coming in on a temporary work visa rather than a number at a single point in time. In 2015/16, 192,688 people were granted work visas in New Zealand, an increase of 13 percent from 170,814 in 2014/15. Of these, 16 percent were approved for Essential Skills visa.⁶

Regional data on temporary work visa approvals is only available for Essential Skills visa holders. The next section will focus on temporary migrants who were granted Essential Skills visa for employment in the Otago region.

Essential Skills workers

The Essential Skills policy facilitates the entry of people required on a temporary basis to fill shortages where there are no suitably qualified New Zealand citizens or residents for the work offered. It is a labour market tested visa which means that employers in New Zealand have proven that they made genuine efforts to attract and recruit New Zealanders to fill a position, but have been unable to find such people.

The number of approved Essential Skills workers in New Zealand has been gradually increasing over time. In 2015/16, 31,766 people were approved to work in New Zealand under the Essential Skills work policy, an increase of 11 percent from 28,548 in 2014/15. The increase in the number of temporary workers indicates an ongoing demand for labour in New Zealand.

Otago context

Otago is the third main region for employment of Essential Skills workers. In 2015/16, 3,914 people were approved to work in Otago under the Essential Skills work policy (see Appendix Table 2:). There has been an increase of 23 percent in the number of approved workers in the region over the previous year (compared to an 11 percent increase nationwide).

Source country

Table 3 below shows the top five source countries of Essential Skills workers in Otago over the last five years. Together, the top five source countries accounted for over half (52 percent) of the total number of Essential Skills workers coming to jobs in the region.

In 2015/16, the United Kingdom was the main source country of Essential Skills workers in Otago, followed by Brazil and the Philippines. Over the past year, there has been an increase in the number of Essential Skills workers from all top five source countries.

⁶ MBIE. (2016). *Migration Trends 2015/16*

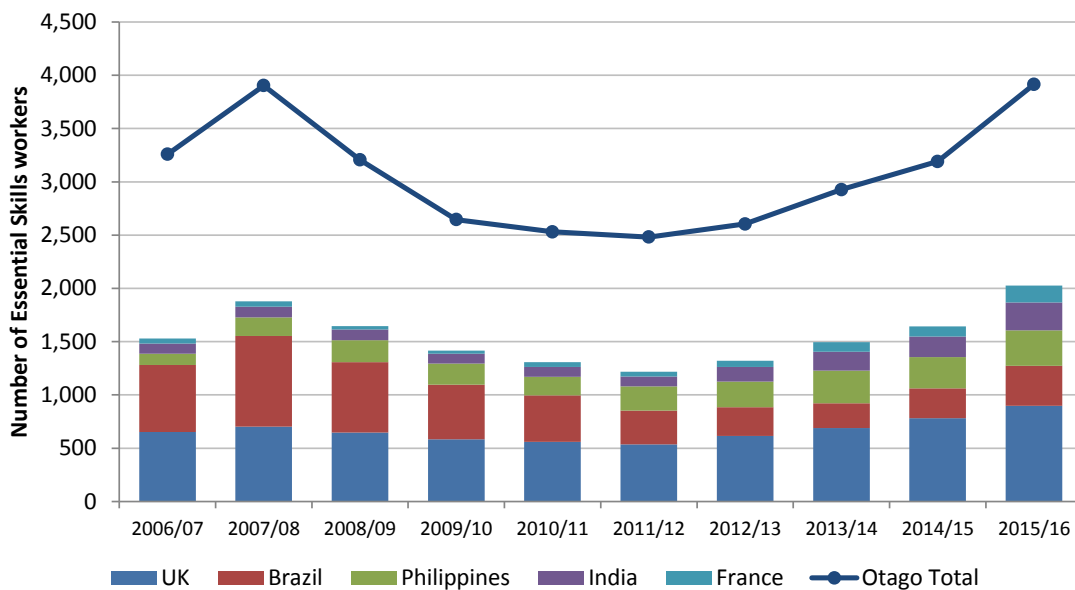
Table 3: Source country of Essential Skills workers in Otago, 2011/12 to 2015/16

Source country of Essential Skills workers	2011/12	2012/13	2013/14	2014/15	2015/16
UK	535 (22%)	614 (24%)	690 (24%)	783 (25%)	898 (23%)
Brazil	317 (13%)	271 (10%)	233 (8%)	280 (9%)	375 (10%)
Philippines	228 (9%)	239 (9%)	305 (10%)	291 (9%)	334 (9%)
India	94 (4%)	140 (5%)	177 (6%)	193 (6%)	260 (7%)
France	45 (2%)	56 (2%)	89 (3%)	97 (3%)	159 (4%)

Source: Ministry of Business, Innovation and Employment

Figure 4 below shows that there has been an increasing trend in the number of Essential Skills workers coming into the region. The number of Essential Skills workers arriving from most of the top five source countries has been generally increasing over the last ten years, apart from Brazil, which peaked in 2007/08. Overall, the United Kingdom has remained the main source country of Essential Skills workers in Otago.

Figure 4: The top five source countries of Essential Skills workers in the Otago region, 2006/07 to 2015/16



Source: Ministry of Business, Innovation and Employment

Occupations

Table 4 below shows the main occupations of approved Essential Skills workers who received an offer of employment in Otago. It also lists the top source countries for each occupation group.

The most common occupations of Essential Skills workers in Otago in 2015/16 were Retail Supervisors (9 percent), Housekeepers (7 percent) and Chefs (6 percent). The high proportion of workers in the hospitality sector was most likely skewed by temporary migrants in the Queenstown district.

Table 4: Occupations of Essential Skills workers in Otago, 2014/15 and 2015/16

	Number of applicants		Change over the past year	Top 2 source countries for each occupation
	2014/15	2015/16		
Top 10 occupations (2-digit level ANZSCO)				
Sales Assistants and Salespersons	428	550	↑	UK, India
Cleaners and Laundry Workers	324	417	↑	Brazil, Chile
Hospitality Workers	343	411	↑	UK, France
Sports and Personal Service Workers	351	378	↑	UK, US
Food Trades Workers	272	307	↑	UK, China
Food Preparation Assistants	169	238	↑	Brazil, UK
Hospitality, Retail and Service Managers	113	156	↑	UK, India
Farmers and Farm Managers	136	145	↑	Philippines, India
Construction Trades Workers	81	117	↑	UK, Brazil
Inquiry Clerks and Receptionists	95	116	↑	UK, India
Top 10 occupations (4-digit level ANZSCO)				
Retail Supervisors	285	349	↑	UK, India
Housekeepers	172	257	↑	Brazil, China
Chefs	198	220	↑	UK, China
Sports Coaches, Instructors and Officials	191	195	↑	UK, US
Waiters	152	195	↑	UK, France
Sales Assistants (General)	116	178	↑	UK, Brazil
Livestock Farmers	133	140	↑	Philippines, India
Kitchenhands	75	137	↑	Brazil, Argentina
Commercial Cleaners	89	112	↑	Brazil, Philippines
Outdoor Adventure Guides	84	109	↑	UK, US

Source: Ministry of Business, Innovation and Employment

Note: Occupations are based on the Australian and New Zealand Standard Classification of Occupations (ANZSCO). Data presented at both a high level breakdown (ie 2-digit level ANZSCO) and a more detailed breakdown (ie 4-digit level ANZSCO) of occupations.

International Students

International education makes a considerable contribution to New Zealand’s economy. The economic value of international education was estimated to be \$4.0 billion in 2015/16⁷.

In 2015/16, a total of 91,261 international students⁸ were approved to study in New Zealand, an 8 percent increase from 84,856 in 2014/15.

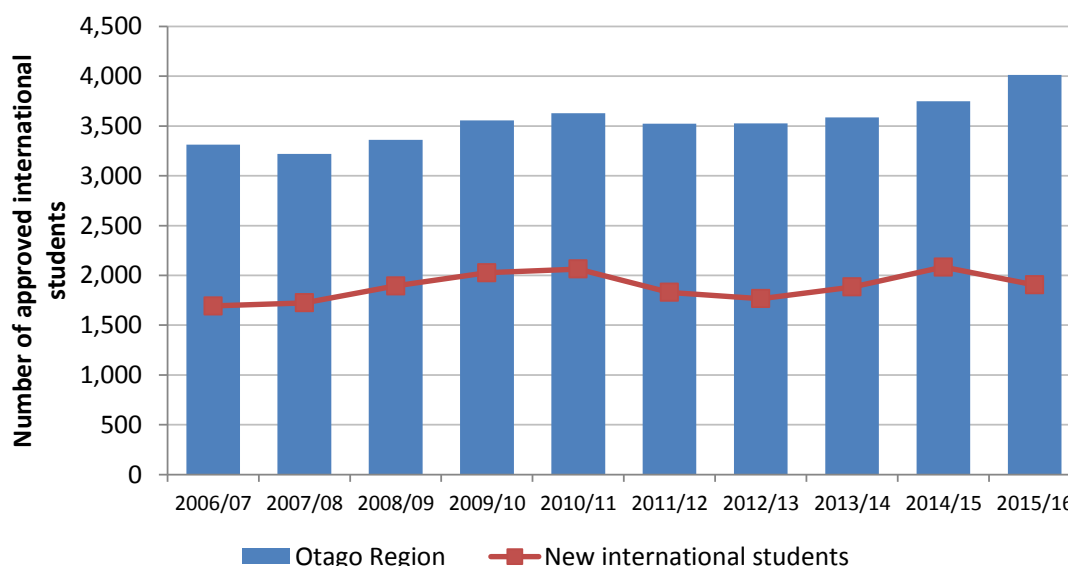
International students have identified that they chose to study in New Zealand because of the quality and cost of education, opportunities to work after graduation and to apply for residence, and opportunities to study in an English-speaking country⁹.

Otago context

International students are an important component of migration flows into New Zealand. Attracting international students into Otago plays an important role in bringing value into the region. The University of Otago, located in Dunedin, attracts many of its students from outside the region. Dunedin City has become an educational centre and much of the city’s economy relies on the presence of students in tertiary education.

Otago has the sixth largest share of international students in the country¹⁰. In 2015/16, 4,012 international students were approved for study in Otago, making up five percent of the total student visas granted. This is a seven percent increase from 3,749 in 2014/15 (see Figure 5 below). However, there has been a small decrease in the number of new international students in the region, down nine percent to 1,905 from 2,083 in 2014/15.

Figure 5: Approved international students in the Otago Region, 2006/07 to 2015/16



Note: This is a count of individuals approved for a student visa rather than the number of visa applications.

Source: Ministry of Business, Innovation and Employment

⁷ Infometrics and the National Research Bureau. (2016). *The Economic Impact of International Education 2015/16*. Wellington: Education New Zealand.

⁸ This includes primary and secondary school students.

⁹ MBIE (2010). *Life After Study: International students’ settlement experiences in New Zealand*.

¹⁰ Export education levy statistics 2016, Ministry of Education.

Appendices

Appendix Table 1: Region of skilled employment for Skilled Migrant Category principal applicants, 2009/10 to 2015/16

Region	Financial Year							% change since 2014/15
	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	
Auckland	3,706	4,002	4,063	4,648	4,310	4,641	5,382	16%
Canterbury	861	754	990	774	1,624	1,470	1,772	21%
Wellington	1,194	939	1,045	1,076	991	1,055	1,220	16%
Waikato	670	553	493	512	452	501	604	21%
Bay of Plenty	407	438	305	276	398	461	584	27%
Otago	288	313	378	162	374	328	368	12%
Hawkes Bay	137	139	87	125	134	147	226	54%
Manawatu-Whanganui	211	201	190	171	188	160	206	29%
Northland	205	203	146	143	142	168	203	21%
Taranaki	202	174	133	168	166	142	169	19%
Southland	93	97	131	64	140	135	155	15%
Nelson/Marlborough/Tasman	147	126	168	73	163	114	160	40%
Other	186	153	130	107	124	133	178	34%
Total where region is known	8,307	8,093	8,259	8,301	9,219	9,465	11,227	19%
Total SMC principal migrants	11,800	9,903	9,408	9,109	10,312	10,621	13,096	23%

Source: Ministry of Business, Innovation and Employment

Note: 'Other' includes Gisborne and West Coast

Appendix Table 2: Number of people granted Essential Skills work visas by region of employment, 2006/07 to 2015/16

Region	Financial Year										% change since 2014/15
	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	
Auckland	9,860	10,585	10,191	7,873	8,094	7,016	6,639	7,580	8,668	11,249	30%
Canterbury	3,499	4,545	3,567	2,910	2,469	3,335	4,694	6,592	7,166	7,204	1%
Otago	3,259	3,904	3,206	2,645	2,531	2,482	2,604	2,927	3,190	3,914	23%
Wellington	2,376	3,496	2,637	1,978	1,869	1,963	1,979	2,119	2,061	2,094	2%
Waikato	1,673	1,776	1,492	1,100	1,086	1,198	1,195	1,342	1,450	1,513	4%
Southland	562	778	790	624	721	713	737	752	935	1,074	15%
Bay of Plenty	1,526	1,529	1,035	833	826	809	709	920	998	1,022	2%
Nelson/Marlborough/Tasman	1,274	1,886	1,285	748	609	659	641	756	796	950	19%
Manawatu-Whanganui	589	667	573	480	481	462	455	507	515	496	-4%
Hawkes Bay	955	750	382	304	299	284	331	380	429	438	2%
Northland	347	346	309	256	270	247	269	320	380	453	19%
Taranaki	551	854	595	496	514	505	479	710	424	288	-32%
West Coast	148	144	173	171	142	175	170	211	213	270	27%
Gisborne	116	91	111	88	111	152	172	181	193	152	-21%
Total where region is known	26,735	31,351	26,346	20,506	20,022	20,000	21,074	25,297	27,418	31,117	13%
Total Essential Skills workers	31,015	36,333	29,626	22,947	22,341	22,065	22,406	26,497	28,548	31,766	11%

Source: Ministry of Business, Innovation and Employment.

Appendix Table 3: Number of people granted student visas by region of study, 2006/07 to 2015/16

Region	Financial Year										% change since 2014/15
	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	
Auckland	29,866	30,774	33,278	33,952	36,499	34,741	31,984	38,929	46,697	49,615	6%
Canterbury	8,746	8,224	8,422	8,639	7,367	5,189	5,215	5,832	6,720	7,512	12%
Wellington	4,805	4,508	4,231	4,422	4,371	4,162	4,148	4,204	4,628	5,206	12%
Waikato	3,942	3,761	3,810	3,821	3,705	3,674	3,494	3,667	3,985	5,036	26%
Otago	3,312	3,220	3,360	3,556	3,629	3,524	3,526	3,587	3,749	4,012	7%
Manawatu-Whanganui	2,369	2,249	2,220	2,283	2,327	2,494	2,240	2,247	2,314	2,282	-1%
Bay of Plenty	996	1,079	1,396	1,520	2,238	2,057	1,792	2,311	2,680	2,088	-22%
Nelson/Marlborough/Tasman	649	728	796	882	886	830	673	671	1,023	1,083	6%
Southland	185	187	226	344	434	501	526	648	767	934	22%
Hawkes Bay	494	517	555	543	598	689	543	623	745	878	18%
Taranaki	512	442	474	544	546	536	463	517	549	531	-3%
Northland	444	433	467	518	426	472	425	417	451	484	7%
Other	113	97	62	68	53	36	32	49	41	28	-32%
Total where region is known	56,433	56,219	59,297	61,092	63,079	58,905	55,061	63,702	74,349	79,689	7%
Total students	67,149	69,105	73,107	72,755	74,096	68,905	64,189	73,423	84,856	91,261	8%

Source: Ministry of Business, Innovation and Employment

Note 1: 'Other' includes Gisborne and West Coast.

Note 2: This includes secondary school and tertiary students.

Note 3: This is a count of individuals approved for a student visa rather than the number of visa applications. The number of approved student visa holders will be lower than the number of student enrolments reported by the Ministry of Education.

