



# MONTHLY MIGRATION TRENDS

## NOVEMBER 2009

# MIGRATION TRENDS KEY INDICATORS REPORT: NOVEMBER 2009

## **Purpose**

This report provides a brief summary of migration trends for the 2009/10 financial year to date (July-November 2009). The report focuses on three key areas: the New Zealand Residence Programme, permanent skilled migration, and temporary entry. All immigration 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.<sup>1</sup>

## **Summary of key points**

- The number of people approved residence in the financial year to date was 16,765, compared with 18,952 for the same period in 2008 and 18,105 in 2007.
- 81% of Skilled Migrant Category (SMC) principal migrants were approved with a skilled job or offer and 88% 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 Sibling Adult Child Stream.
- Work approval numbers in the financial year to date were down 3% on last year. The number of applications through Essential Skills Policy is well down on last year but the decline rate has eased in recent months.
- 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 the study to work and family-related work policies.
- International student approvals in the financial year to date were up 2% on last year. The number of Chinese students approved was lower than last year, but there has been steady growth in the number from India, Fiji, and Saudi Arabia.
- There are signs that the tourism industry is recovering from the impacts of the recession and the Influenza A (H1N1) pandemic with inbound travel picking up in recent months. The strong growth in the Australian market has largely offset the falls from other markets.

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<sup>1</sup> 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](http://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

- 16,765 people were approved residence in the financial year to date compared with 18,952 for the same period in 2008 and 18,105 in 2007. 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. Most approvals in the Uncapped Family Sponsored Stream were through Partnership policy, of whom 13% were the partner of an expat New Zealander.
- The lower number of Skilled/Business approvals partly reflects the higher decline rate on Skilled Migrant Category applications in the year to date, as well as fewer decisions made overall compared with the same time last year. Table 1 shows the breakdown of approvals by stream for the last three July-November periods.

**Table 1: Residence approvals by stream**

Stream	Jul-Nov 2007	Jul-Nov 2008	Jul-Nov 2009	% change from previous year
Business / Skilled	10,642	11,639	10,021	-13.9
Uncapped Family Sponsored Stream	3,717	3,504	3,773	7.7
Parent Sibling Adult Child Stream	2,164	2,611	2,042	-21.8
International / Humanitarian	1,582	1,198	929	-22.5
<b>Total</b>	<b>18,105</b>	<b>18,952</b>	<b>16,765</b>	<b>-11.5</b>

- The top 5 source countries in the 2009/10 year to date were the UK (16%), China (13%), South Africa (12%), the Philippines (9%), India and Fiji (8% each).
- 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 but remains steady through family sponsored categories.
- China is currently the largest source country of residence approvals through the Parent 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)

- 9,219 people were approved for residence through the SMC in the financial year to date compared with 11,046 for the same period in 2008 and 9,779 in 2007.
- The top source countries for SMC approvals in 2009/10 to date were South Africa (19%), the UK (18%), China and the Philippines (12% each). The numbers from the UK and China were down more than 30% on the same point last year, while the numbers from South Africa and the Philippines were 8% and 17% lower.
- 81% of SMC principal applicants had a job or job offer (compared with 83% for the same period in 2008). Most were approved onshore (88%), of whom 84% had a job or job offer. Of the 12% approved offshore, 59% had a job or job offer.
- The decline rate on SMC applications was 14% in the financial year to date compared with 11% for the same period last year, which has increased the average processing time on applications. The offshore decline rate was 35% in the year to date compared with 20% 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 59,349 – 3% lower than in the same period last year. The lower demand for migrant workers through Essential Skills Policy continues to drive the lower numbers overall. The decline rate continues to ease on Essential Skills applications.
- In the year to date there was an increase in the number of people approved through working holiday schemes (up 13%), the 'study to work'<sup>2</sup> (up 20%) and family-related (up 3%) work policies, which have largely offset the lower number approved through Essential Skills Policy (down 30%).
- The main source countries of temporary workers in 2009/10 to date were the UK, China, and India. 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' permit.
- The number of workers from India has grown, most notably in the number approved a 'study to work' permit, which has more than doubled in the year to date. This reflects the upward trend in recent years in the number of Indian international students.

### 2.2 *Essential Skills Policy*<sup>3</sup>

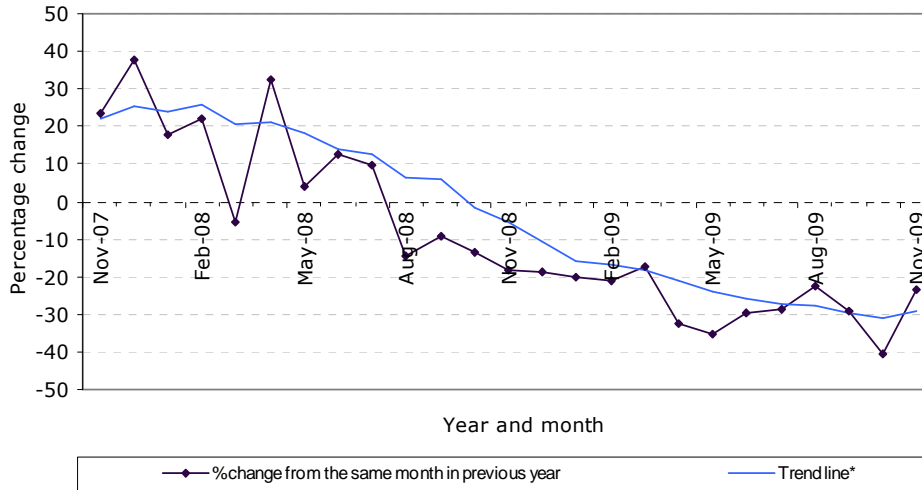
- The number of Essential Skills applications began to slow from October 2008 and numbers are currently well down on last year. Data for the year to date shows that 35% fewer applications (around 8,600) were accepted for processing compared with the same period last year.
- The lower number of Essential Skills applications, combined with a relatively high decline rate on these applications, has seen approval numbers drop substantially. The average number of people approved each month is currently tracking at around 29% lower than the same month in the previous year. Approval numbers were lower for all of the main source countries (the UK, the Philippines, Fiji, China, and India).
- 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.

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

<sup>3</sup> 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<sup>†</sup>.**

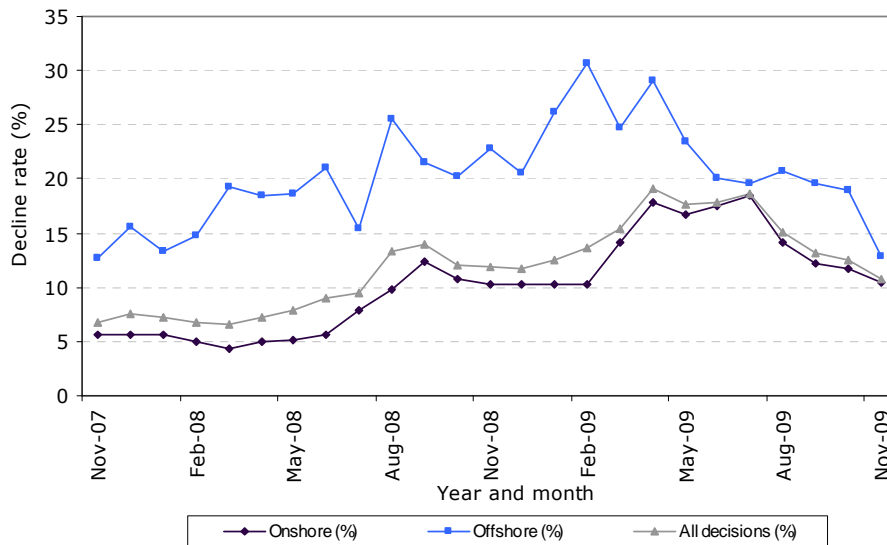


<sup>†</sup>The percentage change from the *same month* in the previous year.

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

- The decline rate on Essential Skills Policy decisions<sup>4</sup> was relatively high throughout 2008/09 but has fallen in recent months for both onshore and offshore decisions. While the overall decline rate is still relatively high, it has fallen to its lowest point since July 2008. The decline rate for offshore decisions is at its lowest point in 2 years (although the bulk of the decisions are currently made onshore).

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



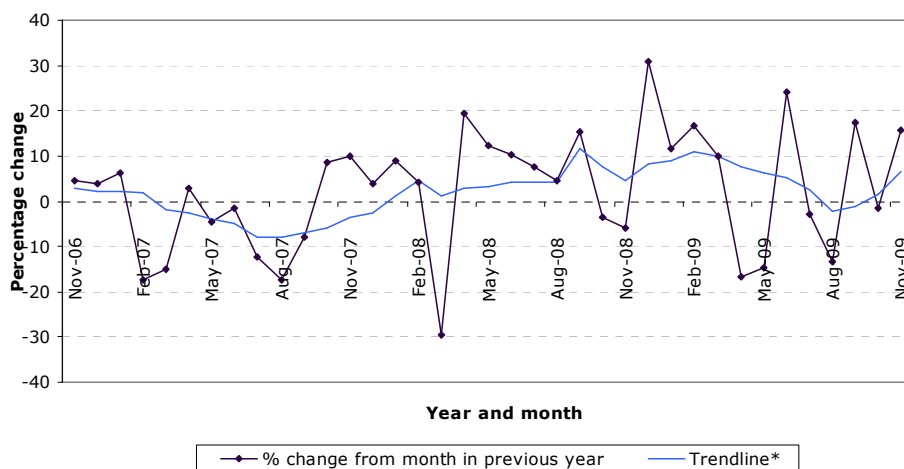
### 2.3 Students

- 30,573 people were approved student permits in the financial year to date. This number is 2% higher than in the same period in 2008. The number of Chinese students approved was 5% lower than in the same period last year, but there has been a steady increase in the number approved from India (up 14%), Fiji (up 13%) and Saudi Arabia (up 45%).

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

- 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.

**Figure 3: Percentage change in the number of students approved<sup>†</sup>.**



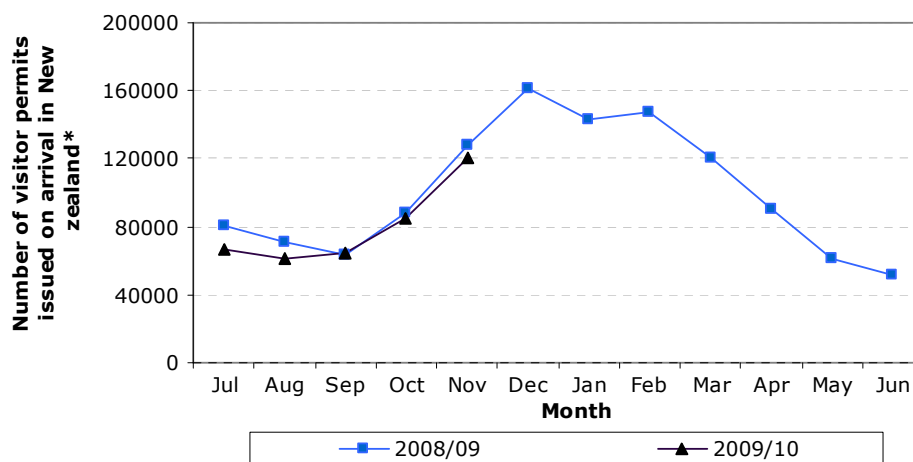
<sup>†</sup>The percentage change from the *same month* in the previous year.

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

## 2.4 Visitors

- The number of visitor permits issued at the border was down 8% in the financial year to date compared with the same period in 2008.<sup>5</sup> The number issued in November 2009 was down 6% on November 2008, but there is growing confidence among businesses in the tourism sector.<sup>6</sup>

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



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

- The Ministry of Tourism reports that New Zealand’s inbound travel continues to improve and there are signals that the industry is recovering from the impacts of the recession and the Influenza A (H1N1) pandemic. International visitor arrivals in September and October were well up on the previous year (9.3% and 7.7%

<sup>5</sup> 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.

<sup>6</sup> <http://www.tourismresearch.govt.nz/Data--Analysis/Key-Statistics/Tourism-Leading-Indicators-Monitor/> (accessed 11 Dec 2009).

respectively). The strong growth in the Australian market has largely offset the falls from other markets.<sup>7</sup>

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<sup>7</sup> Ibid.

