



# MONTHLY MIGRATION TRENDS

## SEPTEMBER 2009



# MIGRATION TRENDS KEY INDICATORS REPORT: SEPTEMBER 2009

## **Purpose**

This report provides a brief summary of migration trends for the 2009/10 financial year to date. This report is for the months of July-September 2009 and 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 three months to September 2009 was 10,030, compared with 11,818 for the same quarter in 2008 and 10,318 in 2007.
- 82% of Skilled Migrant Category (SMC) principal migrants were approved with a skilled job or offer of employment in the financial year to date.
- The UK is currently the largest source country of migrants approved through the Skilled/Business and Uncapped Family Sponsored Streams.
- Work approval numbers in the financial year to date were down slightly on last year. The decline rate on Essential Skills decisions is easing but demand is well down.
- There is a growing number of working holidaymakers and approvals through the study to work and family-related work policies, which partially offset the lower numbers through Essential Skills Policy.
- International student approvals in the financial year to date were on par with last year. The general trend shows growth has been positive but slower since January 2009.
- There are positive signs for tourism with numbers predicted to pick up in the coming months, albeit from a relatively low base. The continued growth in visitor arrivals from Australia is offsetting the lower numbers from Asia and Europe.

---

<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

- 10,030 people were approved residence in July-September 2009 compared with 11,818 for the same quarter in 2008 and 10,318 in 2007. The lower number of Skilled/Business approvals in the financial year to date partly reflects the higher decline rate on Skilled Migrant Category applications, particularly for those applying from offshore without a job offer, as well as fewer decisions made compared to the same time last year. Table 1 shows the breakdown of approvals by stream for the last three July-September periods.

**Table 1: Residence approvals by stream**

Stream	July-Sept 2007	July-Sept 2008	July-Sept 2009
Business / Skilled	6,116	7,180	5,859
Uncapped Family Sponsored Stream	2,115	2,140	2,306
Parent Sibling Adult Child Stream	1,200	1,791	1,356
International / Humanitarian	887	707	509
<b>Total</b>	<b>10,318</b>	<b>11,818</b>	<b>10,030</b>

- The top 5 source countries in the 2009/10 year to date were the UK (17%), China (13%), South Africa (12%), Fiji (9%) and the Philippines (8%).
- Analysis of residence approvals by nationality shows a trend of decreasing migration from the UK, particularly skilled migration. Skilled/Business migration from China has fallen but remains high through family sponsored categories. Skilled migration from South Africa and Fiji is increasing.
- China is currently the largest source country of residence approvals through the Parent Sibling Adult Child Stream, while UK migrants comprise the largest number of approvals through the Skilled/Business and Uncapped Family Sponsored Streams.

### 1.2 Skilled Migrant Category (SMC)

- 5,360 people were approved for residence through the SMC in July-September 2009 compared with 6,806 for the same period in 2008 and 5,660 in 2007.
- Currently, the top source countries for SMC approvals in 2009/10 to date are South Africa (19%), the UK (18%), the Philippines and China (11% each). The numbers from the UK and China are well down on the same point in the previous two years.
- 82% of SMC principal applicants had a job or job offer (compared with 84% in July-September 2008) and 68% gained points for recognised work experience (compared with 59% in July-September 2008).
- Most SMC principal applicants were approved onshore (89%), of whom 85% had a job or job offer. Of the 11% approved offshore, 59% had a job or job offer.

## 2. Temporary migration

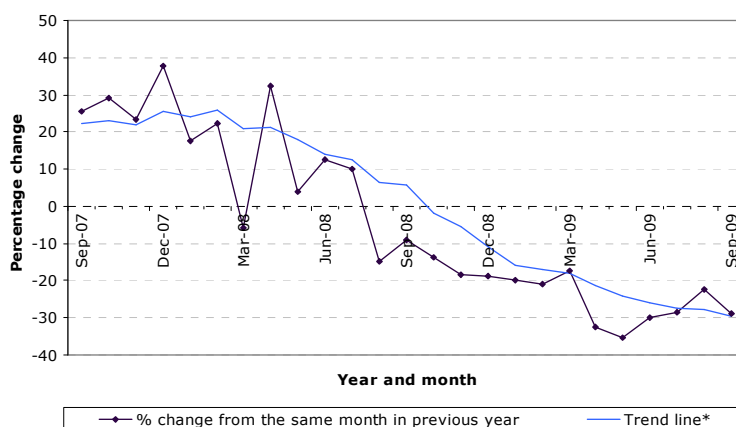
### 2.1 Workers

- The number of people approved a work permit in July-September 2009 was 35,038, which was 2% lower than in the same period last year. The main drivers of lower approval numbers are the lower demand for migrant workers through Essential Skills Policy and the relatively high decline rates for these applicants (section 2.3).
- There is a growing number of working holidaymakers and approvals through the 'study to work'<sup>2</sup> and family-related work policies, which partially offset the lower numbers through Essential Skills Policy.
- The main source countries of temporary workers in 2009/10 to date are the UK, Germany<sup>3</sup>, China, and India. Current trends show a steady number of temporary workers from the UK and China and a growing number from India. In the case of India, a growing number of 'study to work' permits are being approved as Indian international students complete their study.

### 2.2 Essential Skills Policy<sup>4</sup>

- The demand for Essential Skills workers slowed from October 2008 and the inflows of new applications is currently well down on last year. Thirty-eight percent fewer applications were accepted in September 2009 (3,138 compared with 5,099 in September 2008). Data for the three months to September 2009 show over 5,500 fewer applications accepted compared to the same point last year.
- Lower demand for Essential Skills workers, combined with a relatively high decline rate on these applications, has seen approval numbers drop substantially. The number of people approved each month is currently tracking at around 25-30% lower than in the previous year. Approval numbers in the financial year to date were lower for all of the main source countries (the UK, the Philippines, Fiji, India, and China).
- 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 – for example, September 2009 compared with September 2008.

**Figure 1: Monthly percentage change in the number of Essential Skills workers approved.**



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

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

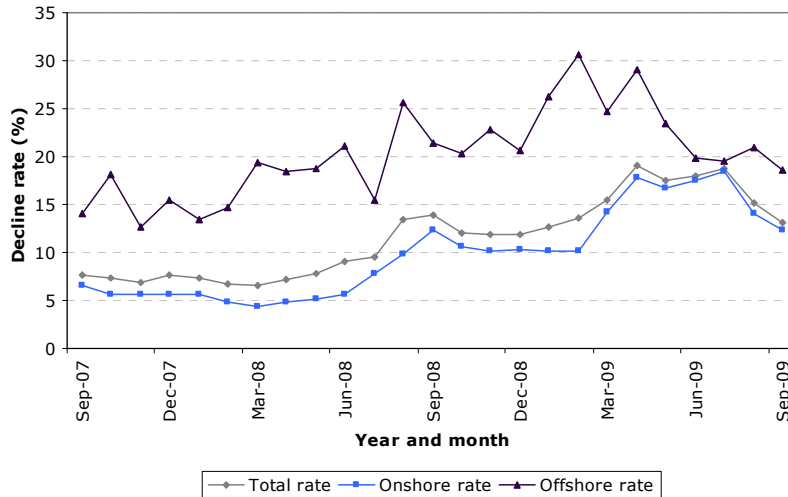
<sup>3</sup> The majority are working holidaymakers.

<sup>4</sup> Includes the following policies: Approved in Principle, Essential Skills, Essential Skills - Skill Level 1, General, and Specialist skills.

### 2.3 Essential Skills Policy decisions<sup>5</sup>

- The decline rate on Essential Skills Policy was relatively high throughout 2008/09 but has fallen over the last two months, particularly for onshore decisions (the bulk of the decisions are currently made onshore). Although the overall rate has decreased it still remains relatively high at 13% in September 2009.

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

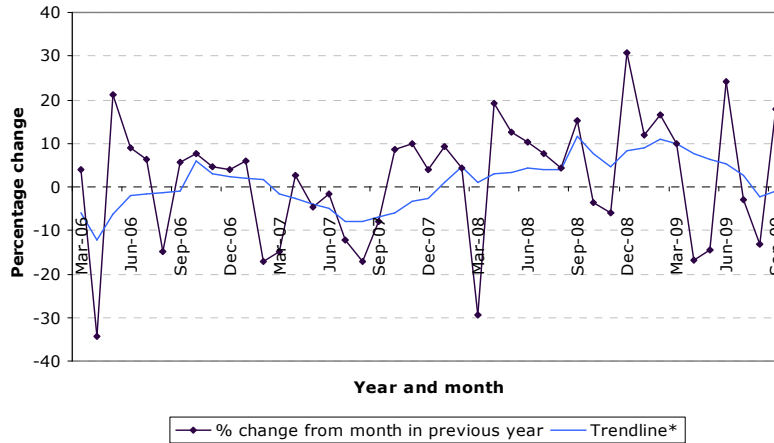


### 2.4 Students

- 21,554 people were approved student permits in the 3 months to September 2009. This number is similar to the same period in 2008, although the number approved in the month of September (around 7,000) was 18% higher than last September. In the 3 months to September 2009, the number of Chinese students approved was 9% lower than in the same period last year. In comparison, the number approved from India was 11% higher, and there were also increases from Fiji and Saudi Arabia.
- 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 year – for example, September 2009 compared with September 2008. There is considerable fluctuation in the monthly comparisons, but the trend shows increasing volumes from January 2008 with positive, but slower, growth from January 2009.

<sup>5</sup> Includes all *decisions* on the following work policy types: Approved in Principle, Essential Skills, Essential Skills - Skill Level 1, General, and Specialist skills.

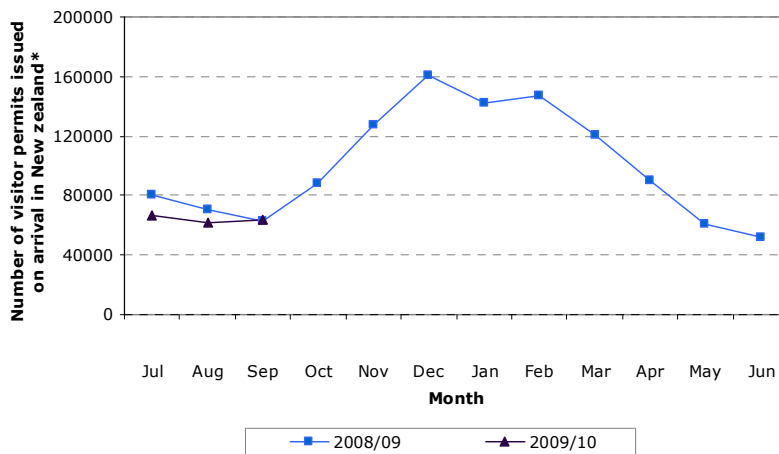
**Figure 3: Monthly percentage change in the number of students approved.**



## 2.5 Visitors

- The number of visitor permits issued at the border was down 11% in July-September 2009 compared with July-September 2008.<sup>6</sup> The number of visitor permits issued in September 2009 was up slightly on September 2008, although visitor numbers at that time were severely impacted by the global financial crisis.

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



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

- Statistics New Zealand data shows the number of arrivals from Australia in August 2009 was 12% higher than in the previous August and this growth largely offsets the lower numbers from Asia and Europe.<sup>7</sup>
- The Ministry of Tourism reports that New Zealand's inbound travel is doing better than many other destinations (such as Australia, the UK, China, and Japan), and tourist numbers are expected to grow over the coming months, albeit relative to the weak performance at the end of 2008.<sup>8</sup>

<sup>6</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>7</sup> [http://stats.govt.nz/browse\\_for\\_stats/population/Migration/InternationalTravelAndMigration\\_HOTPAug09.aspx](http://stats.govt.nz/browse_for_stats/population/Migration/InternationalTravelAndMigration_HOTPAug09.aspx) (accessed 7 October 2009)

<sup>8</sup> <http://www.tourismresearch.govt.nz/Data--Analysis/Key-Statistics/Tourism-Leading-Indicators-Monitor/> (accessed 7 October 2009)

