

# ECONOMIC OVERVIEW SPECIAL TOPIC

**Migration.**

October 2023



# SPECIAL TOPIC: MIGRATION

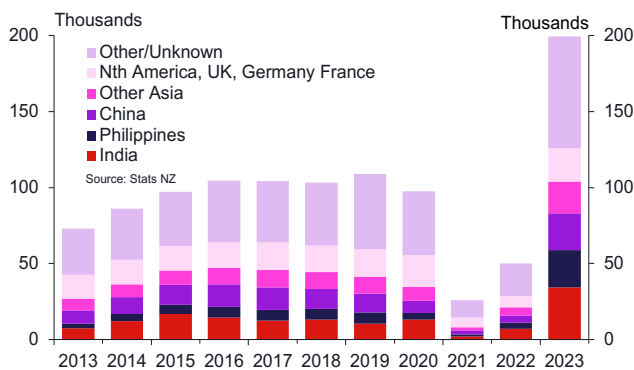
## Who is coming?

Over the past year migrants have arrived in New Zealand in record numbers. In this section we take a closer look at the characteristics of this inflow.

According to the latest estimates, a net 110,000 people came to New Zealand in the year to August with the likely intention of remaining for at least 12 of the subsequent 16 months – the timeframe required for a visitor to be considered a long-term migrant. Disentangling this flow, more than 225,000 long-term migrants arrived over this period, including around 26,000 returning New Zealanders. That inflow was only partly offset by the departure of around 68,000 New Zealanders and around 47,000 foreigners.

Just over 60% of the long-term arrivals into New Zealand were in the 15-39 age group, with a further 20% in the 40-64 age group. The median age was just over 30 years – a couple of years older than typically seen prior to the pandemic. Around 65% of the long-term departures were in the 15-39 age group, with a further 18% in the 40-64 age group. As with arrivals, the median age currently sits at just over 30 years, which is about three years higher than was seen prior to the pandemic.

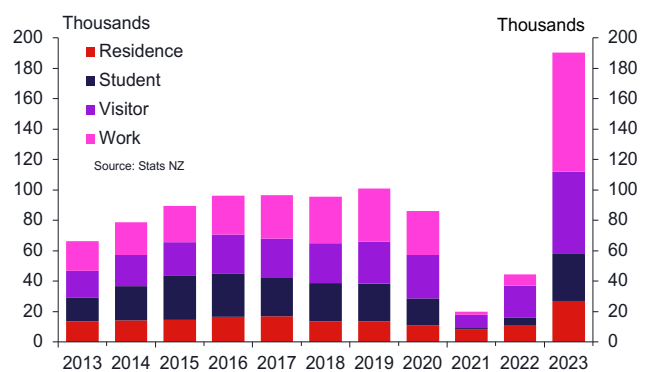
Figure 10: Migrant arrivals, by citizenship, year to August



The inflow of almost 200,000 non-New Zealand citizens is dominated by arrivals from Asia, including over 34,000 arrivals from India, almost 25,000 from the Philippines, over 24,000 from China and over 20,000 from elsewhere in Asia. Other significant nationalities include over 8,000 arrivals from both Fiji and South Africa. The number of arrivals from North America, the UK, Germany and France stood at just over 21,000 combined – only slightly larger than typically seen prior to the pandemic. Given that mix, it seems reasonable to think that the wealth of today’s average migrant might be lower than seen in the past, with probable implications for the ‘rent vs house

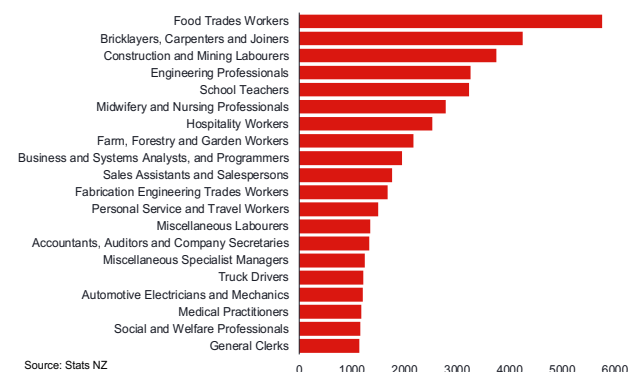
purchase’ choice made on arrival, as well as migrants’ propensity to spend vs save. Nonetheless the scale of the inflows are significant.

Figure 11: Migrant arrivals, main visas, year to August



Of the near 200,000 non-New Zealand citizens that entered in the year to August, over 78,000 (39%) arrived on a work visa while over 54,000 (27%) arrived on a visitor visa (later upgraded to allow the visa holder to remain in New Zealand for longer than 9 months). In addition, there were more than 31,000 (16%) entrants on a student visa and almost 27,000 (13%) entrants on a residence visa. Information on migrants’ occupations is incomplete. However, where identified, the top professions are consistent with previously reported skill shortages i.e., hospitality and food preparation, builders and engineers, teachers and healthcare workers. This likely explains some of the easing in skills shortages reported in surveys since earlier in 2023.

Figure 12: Migrant arrivals, top 20 occupations, year to August



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