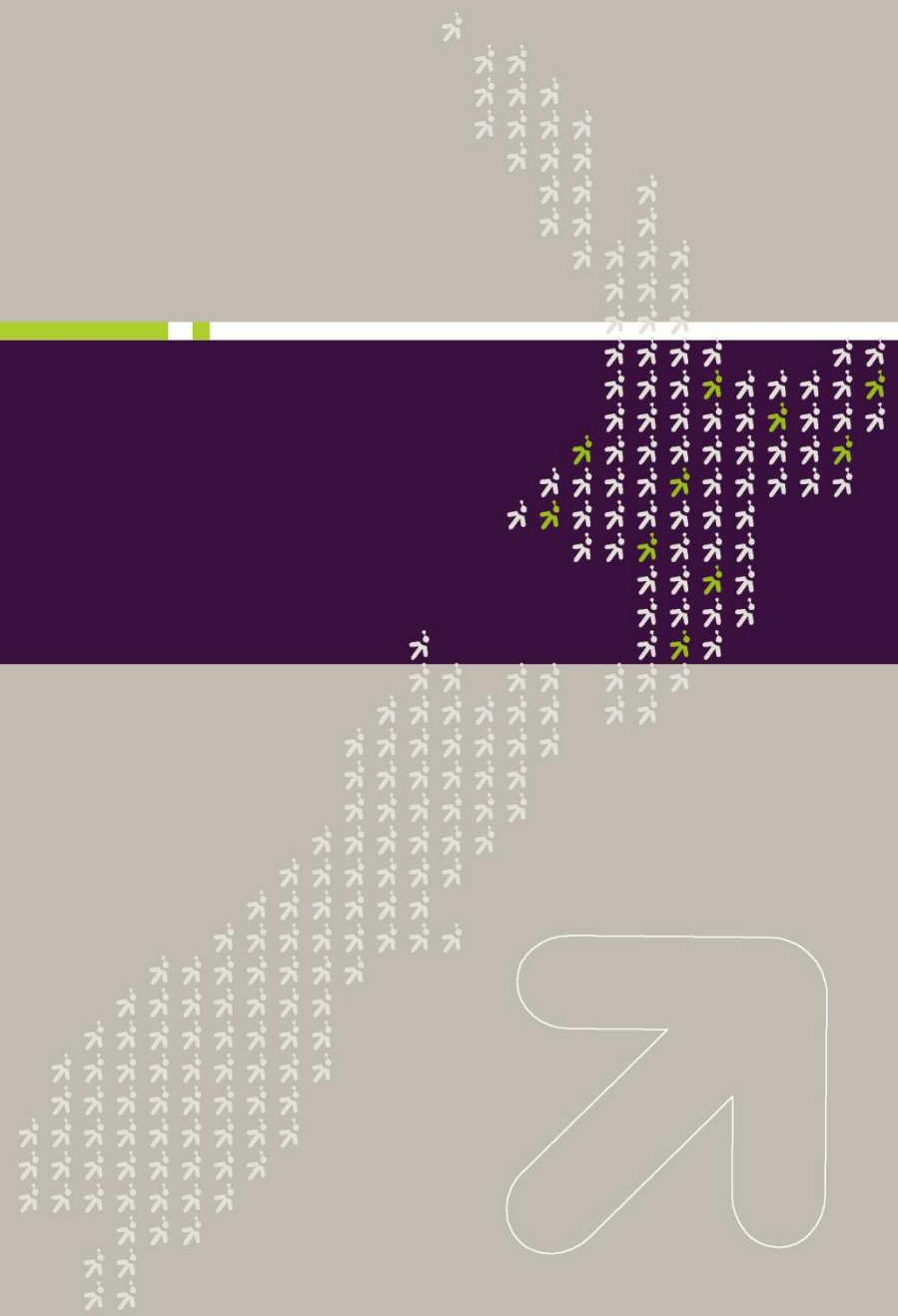


International Migration in Uncertain Times

Rob Hodgson & Paul Merwood



Outline

- Economic context
- Unemployment
- Policy responses
- Temporary applications
- Permanent applications
- PLT migration flows



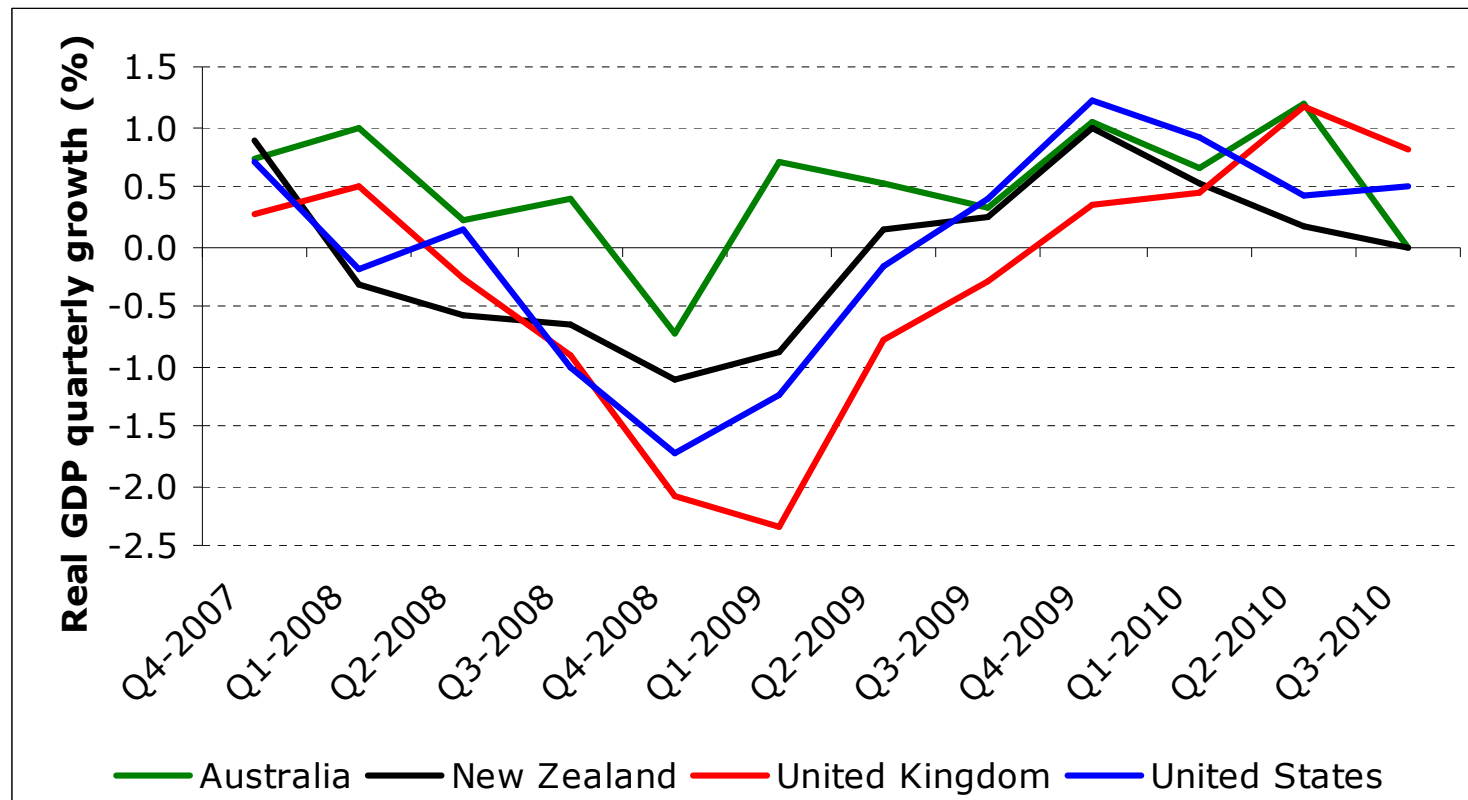
Recessions: Past and present

- The previous 5 recessions (since 1960s) have shown us that:
 - On average, unemployment doubles
 - Disproportionate impact on certain groups
 - Net migration affected
 - Wages and flexible work practices



GDP comparison

Figure: GDP quarterly change in selected countries

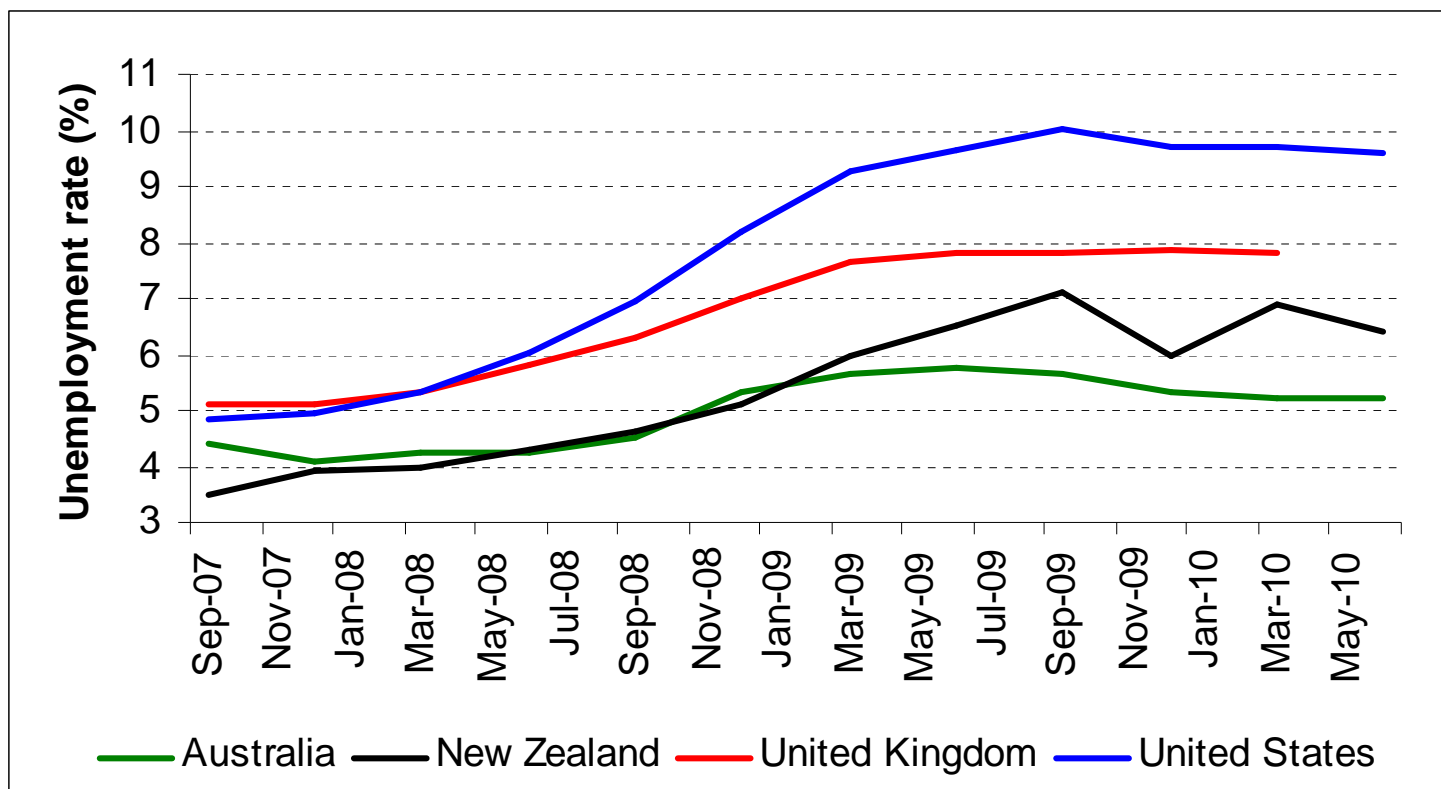


Source: OECD



Unemployment rate comparison

Figure: Quarterly unemployment rates in selected countries

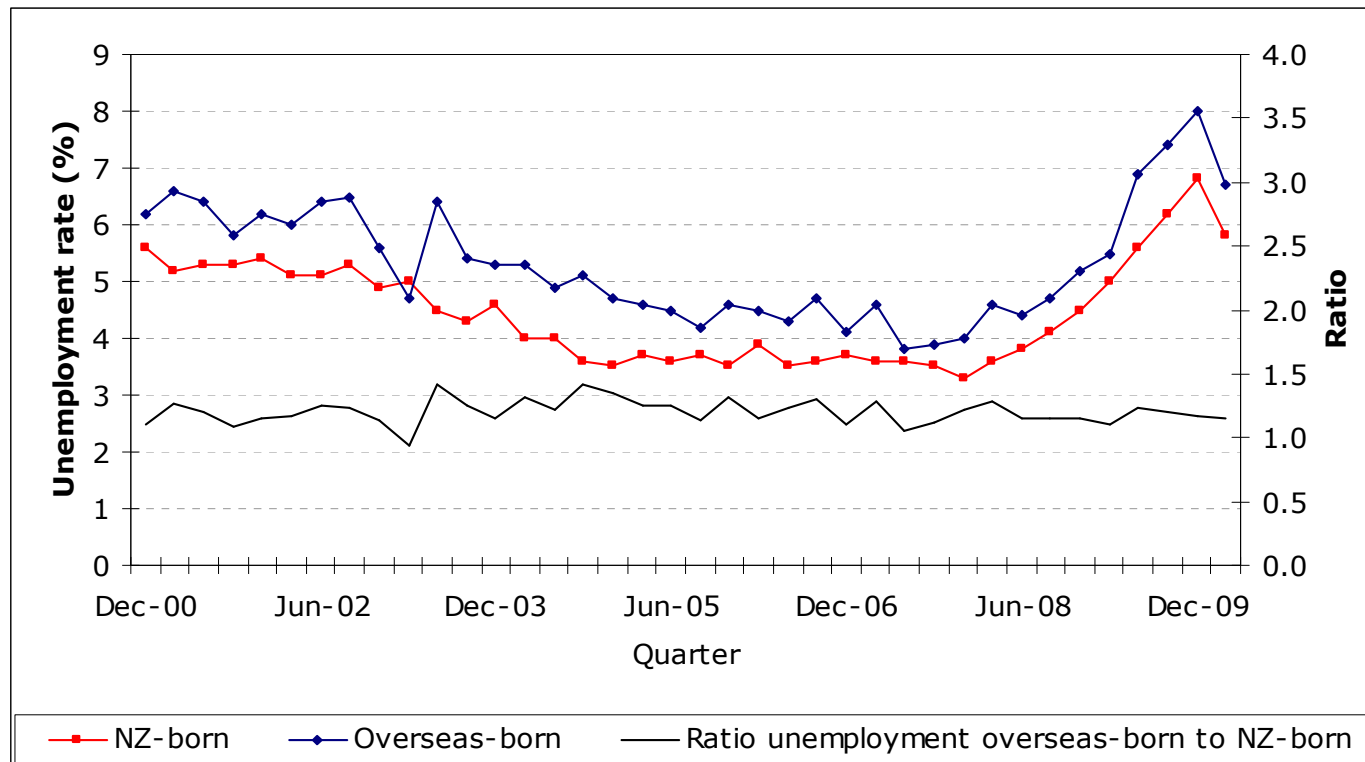


Source: OECD



NZ-born vs overseas-born

Figure: Unemployment rate or NZ- and overseas born



Source: Statistics New Zealand



Restrictive policy measures

Policy change	Country
Temporary migration	Austria, Belgium, Canada, Denmark, Germany, Ireland, Italy, Portugal, Spain, United Kingdom, South Korea, United States
	Canada, Ireland, Italy, Malaysia, Spain, United Kingdom, United States
	Czech Republic, Japan, Norway, Spain
	New Zealand, Australia, Canada, Ireland, Italy, Spain, Sweden, United Kingdom, United States
Changing permanent migration policy	Australia, Spain, United Kingdom, Italy



Facilitative policy measures/change of focus

Policy change	Country
New schemes to attract skilled/entrepreneur migrants	Czech Republic, Germany, Lithuania, New Zealand, Norway
Seasonal employment/labour migration schemes	Australia, Finland, New Zealand, Poland
New policies to retain international graduates	Canada, Czech Republic, Finland, Germany, United Kingdom.
Improved employment conditions/provisions for unemployed migrants	Australia, Japan, Ireland, New Zealand, Norway, United States.



New Zealand's policy responses

- No immediate response to reduce labour supply
- Current and future need for skilled migrants
- 'New Zealanders first' principle
 - Review of Essential Skills in Demand lists
 - Sensitivity of demand-driven policy settings



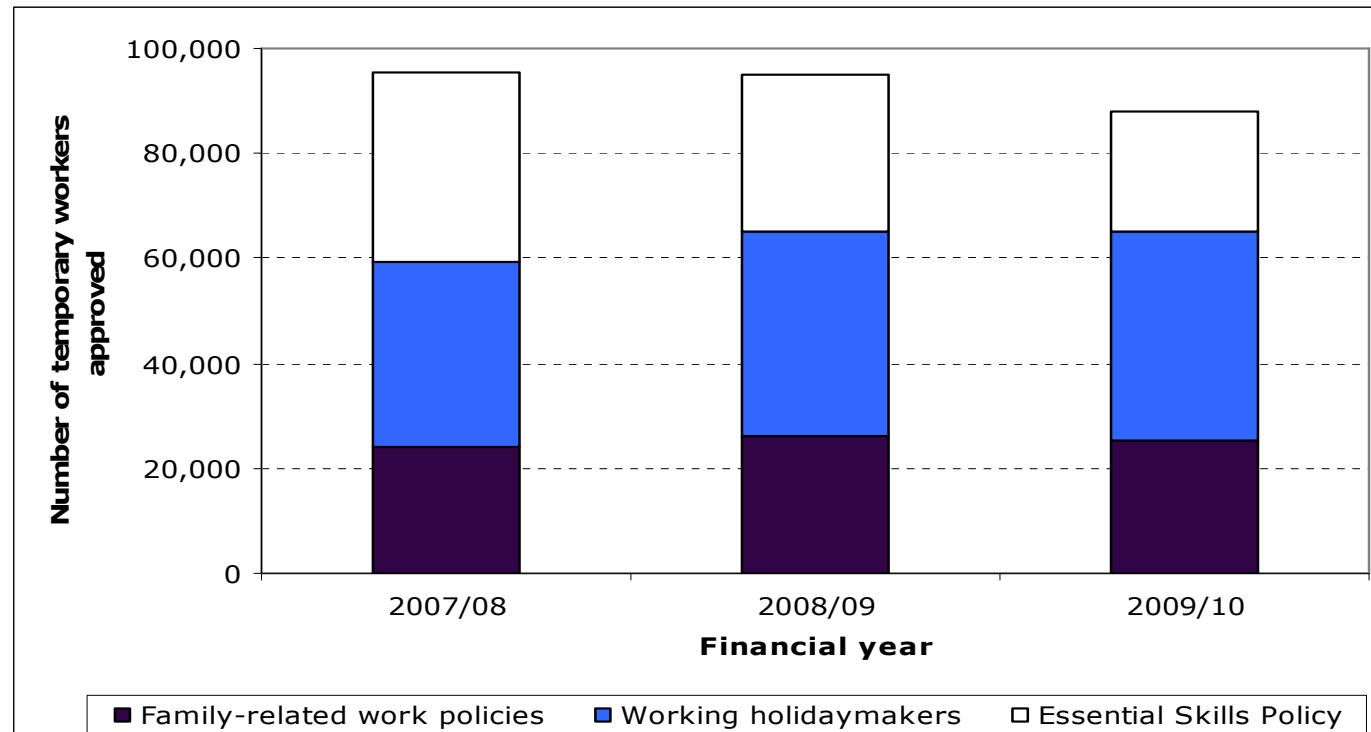
Changes to temporary numbers 08/09 to 09/10

- Students – little change
- Visitors – 2% down (overall)
- Temporary workers – down 5%



Components of temporary work policy

Figure: Number of temporary workers in the three main policy groups

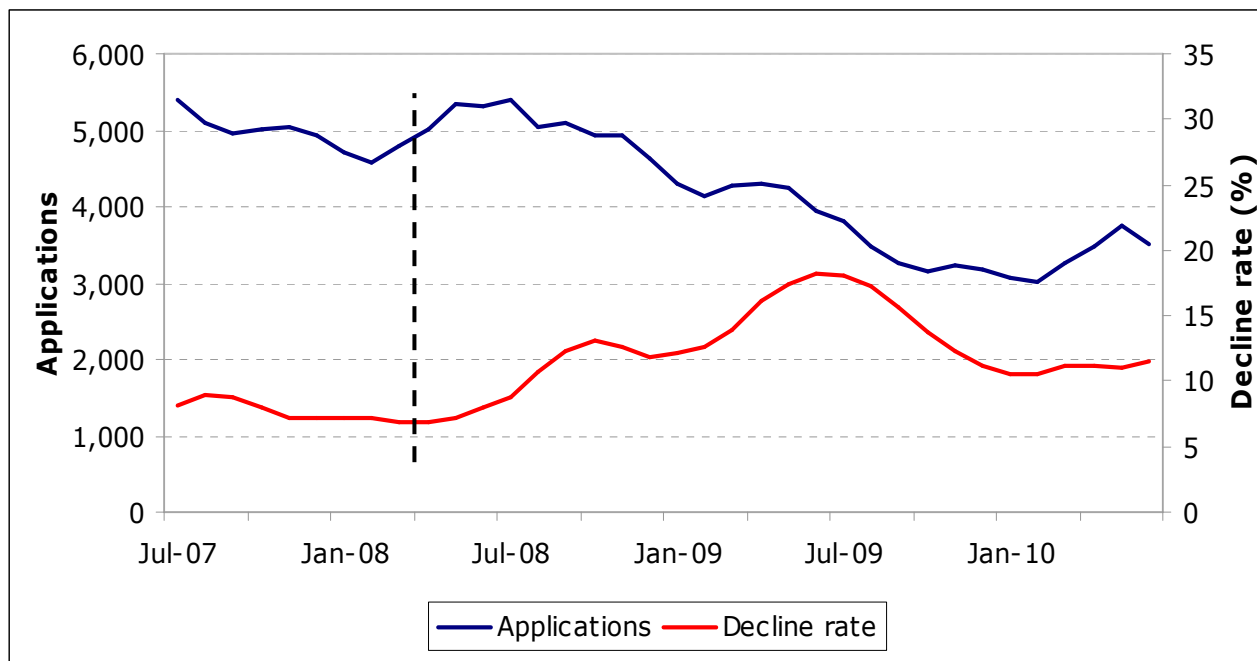


Source: Department of Labour



Responsive policies

Figure: Essential Skills policy applications and decline rate

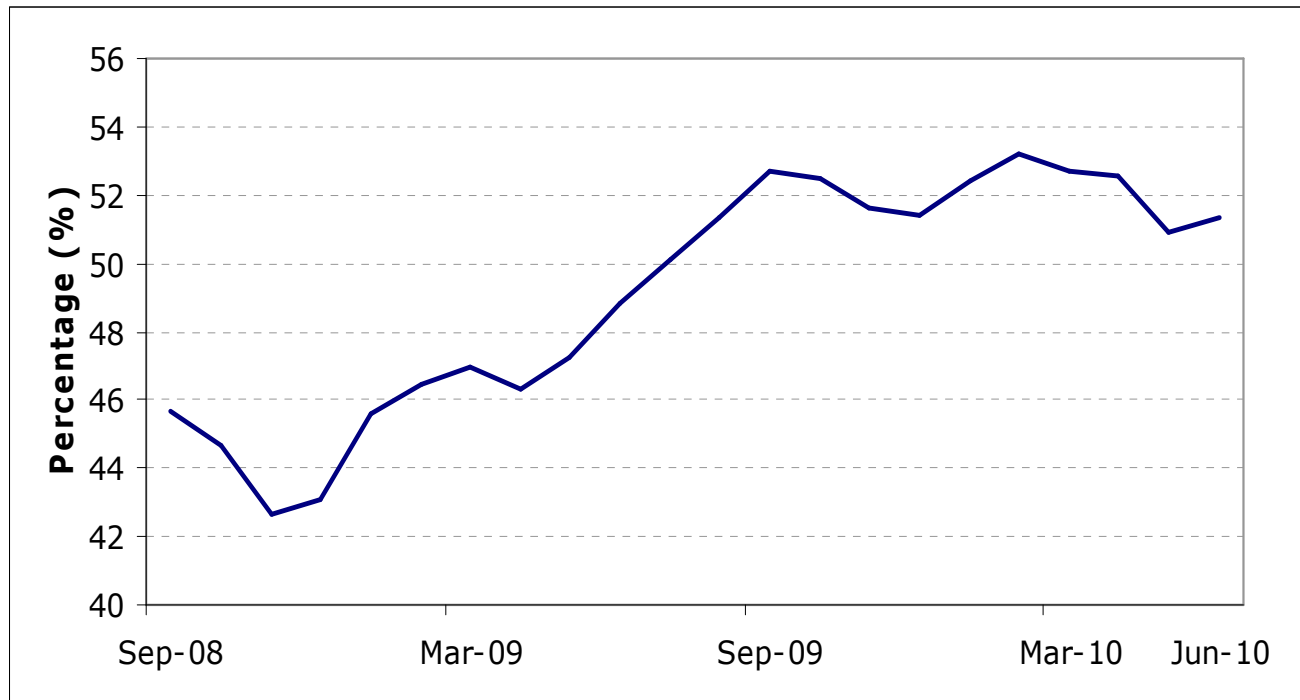


Source: Department of Labour



Skilled jobs still in demand

Figure: Proportion of approved Essential Skills applicants that were high skilled



Source: Department of Labour



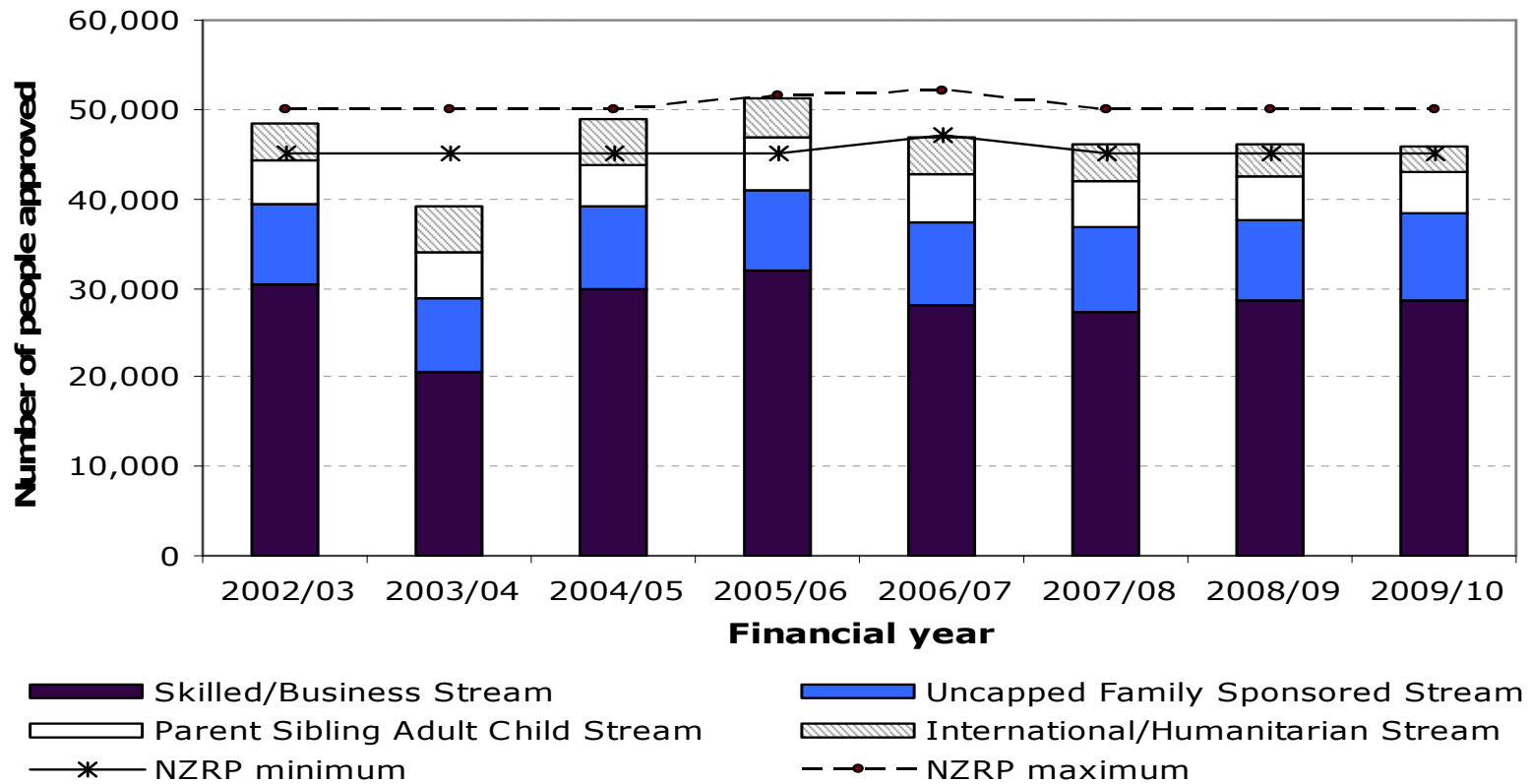
Skill shortages: Summary of reviews

- 2 lists – Immediate skill shortage list and the Long term skill shortage list
- Bi-annual reviews

Review and focus	Immediate Skill Shortage List			Long-Term Skill Shortage List		
	Added	Removed	Total	Added	Removed	Total
R1 2009 – Mainly lower skilled	-	44	88	-	8	60
R2 2009 – Agriculture, Construction and Manufacturing	10	15	83	4	3	61
R1 2010 – Occupations not already reviewed*	2	13	64**	3	1	66**

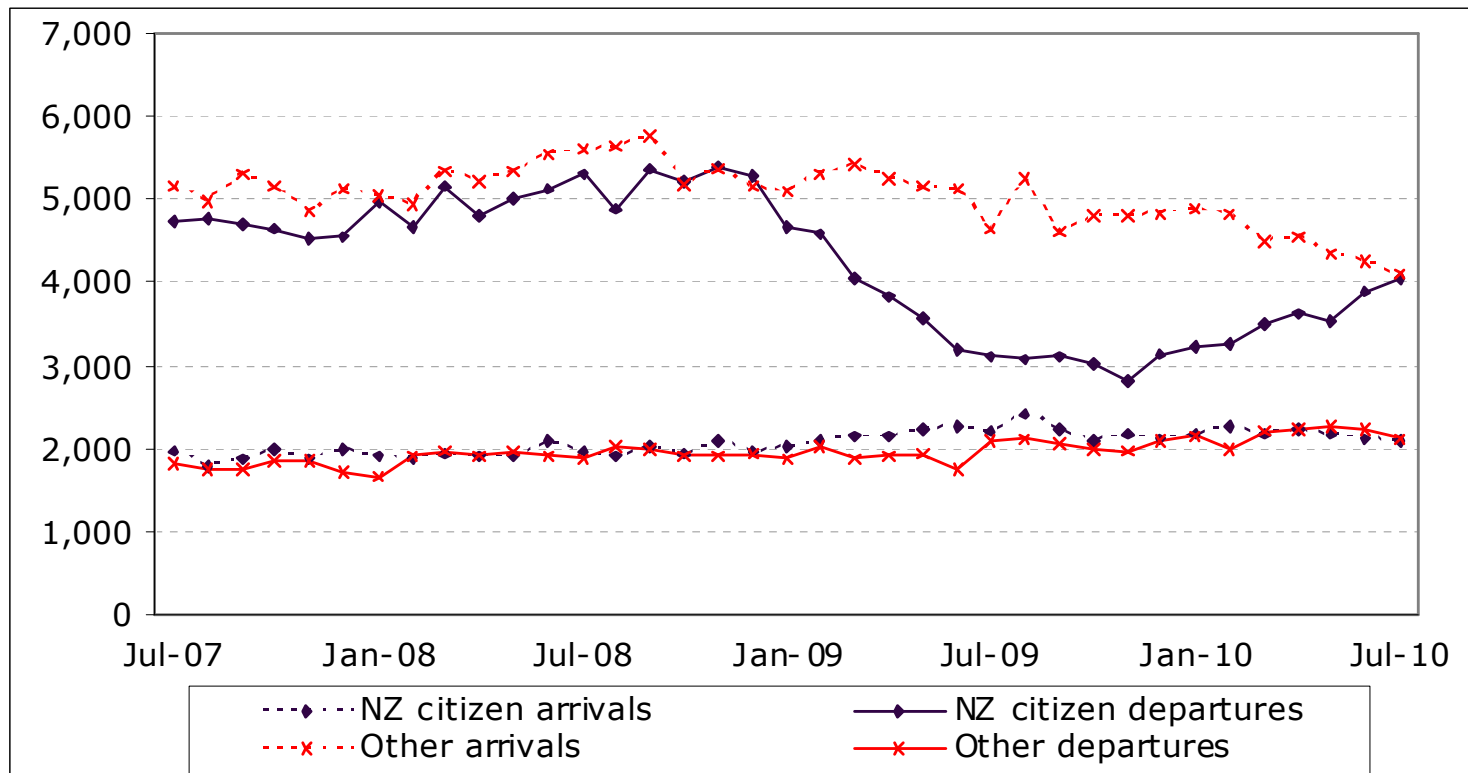


Permanent Migration: New Zealand Residence Programme



Impacts on PLT flows

Figure: Monthly PLT arrivals and departures by citizenship (seasonally adjusted)



Source: Statistics New Zealand. Seasonal adjustment by Department of Labour



Discussion and future implications

- Immigration firmly in the economic agenda
- Demand-led temporary migration picking up
- Downstream impacts on skilled migration?
- Fewer NZ departures have had the biggest impact on PLT flows

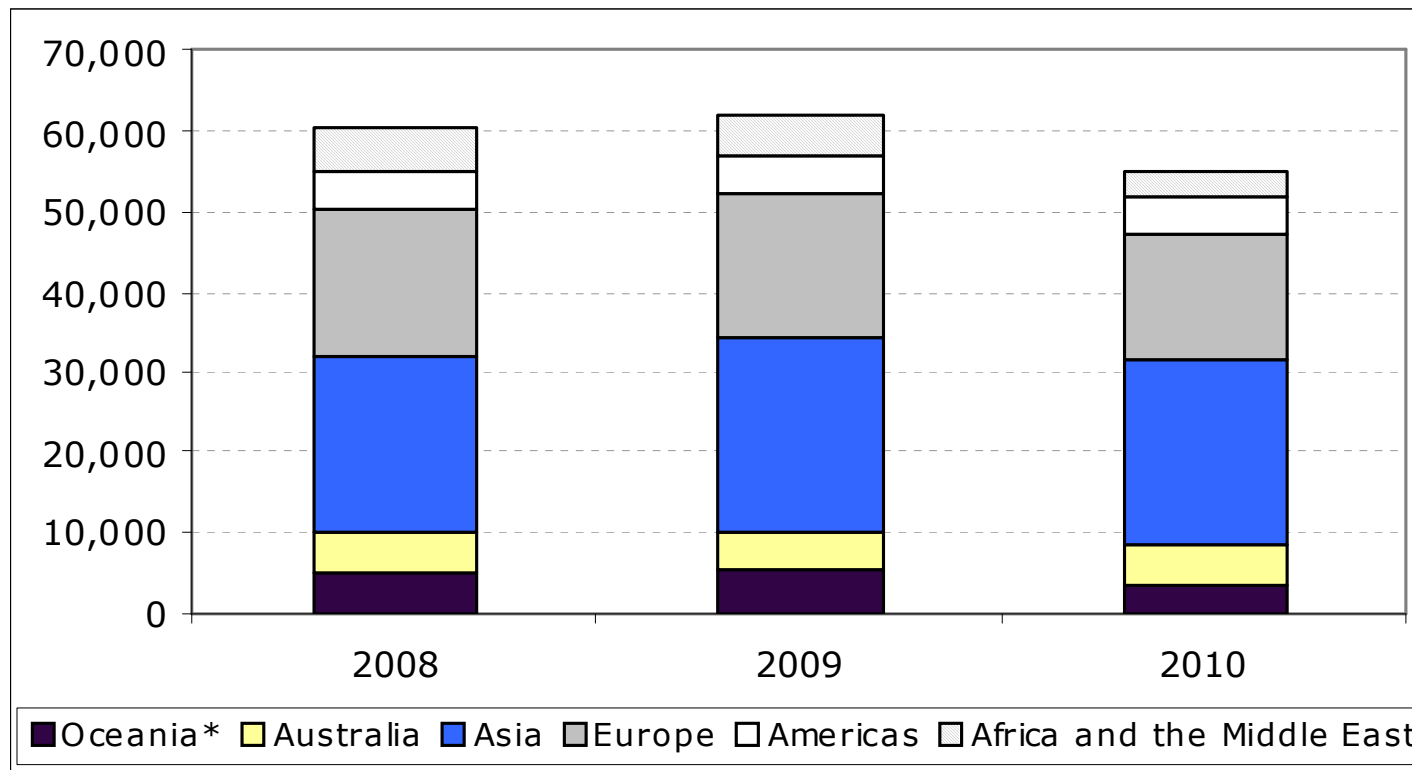


Questions/ Discussion



Regional differences: PLT arrivals

Figure: Previous region of residence: Non-NZ PLT arrivals

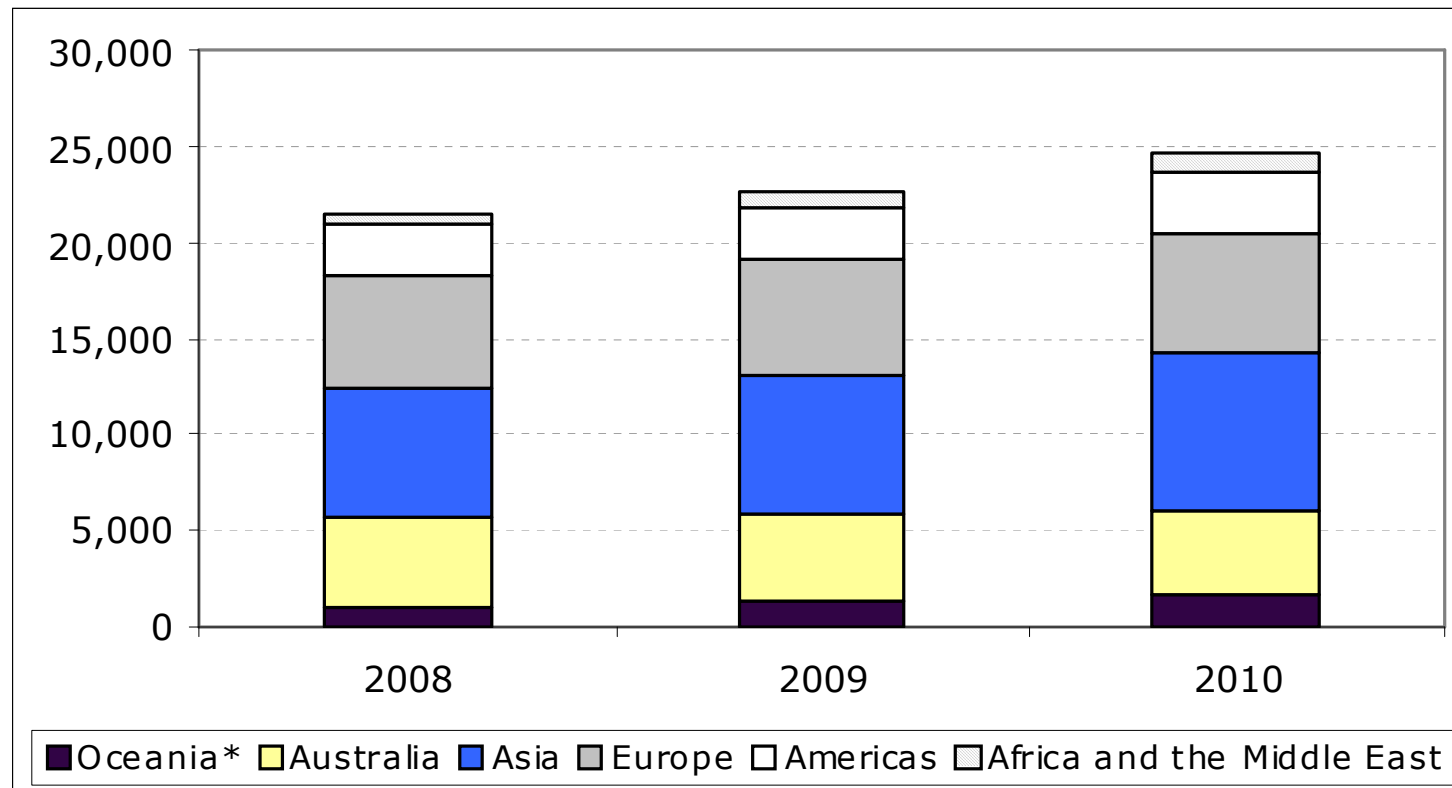


Source: Statistics New Zealand



Regional differences: PLT departures

Figure: Next region of residence: Non-NZ PLT departures



Source: Statistics New Zealand

