

On the Move

MIGRATION AND POPULATION
– TRENDS AND POLICIES



NEW ZEALAND
**Planning
Council**

*Te Kaunihera Whakakaupapa
Mo Aotearoa*

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MIGRATION AND POPULATION
—TRENDS AND POLICIES

Population Monitoring Group

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Foreword

International migration has attracted considerable public and political comment in recent years. In an article published in the *New Zealand Herald* on 26 April 1991 John Gould, Emeritus Professor of Economic History at Victoria University of Wellington, observed that the current debate about immigration "is founded on the basis of astonishing ignorance of the facts".

This report by the Population Monitoring Group of the New Zealand Planning Council aims to clarify some of the misconceptions which are evident in comments about recent trends and immigration policy initiatives. Special attention is given to the migration of New Zealanders, the largest single group of travellers in the international migration statistics, and a group which is often ignored in the "immigration debate".

The report has been prepared as part of the regular monitoring of population trends and assessments of their policy implications which has characterised the work of the Population Monitoring Group since the early 1980s. All members of the group have contributed to the preparation of this report. Special mention should be made, however, of the work done by Jeremy Lowe (Thorndon Research and Consultancy Services) on the migration of New Zealanders. Some of the graphs produced by Mr Lowe have also been published by the Department of Statistics in their statistical publication *Demographic Trends*, 1990.

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The views expressed in the report are not necessarily endorsed by members of the Secretariat or Councillors of the New Zealand Planning Council.

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Executive Summary

Chapter One: A Context for International Migration

- The driving force behind population growth in New Zealand remains natural increase, since net migration was only 6 percent of total growth in the period 1960-1990.
- Over the last two decades, 1970-90, net migration contributed only 3 percent of total population growth compared with Australia where net migration contributed 36 percent to total growth during that period. The downward trend in New Zealand's net migration saw the 1980s become the first decade since European settlement in which more people left than arrived.
- Because the volatility of international migration either sharply accentuates or subverts the impact of growth by natural increase, the role of migration in *regulating* population growth assumes a significance in the short term out of proportion to its overall contribution.
- The ebb and flow of migration resulted in fluctuations which were more marked in the 1980s than at any previous time this century. In most of those years, the numbers of New Zealand citizens leaving (135,100 over the decade) exceeded the numbers of non-citizens arriving (105,300). Since the mid 1970s New Zealanders have dominated migration flows, and can be expected to continue to do so unless there is a substantial increase in the arrivals of citizens from other countries. This dominance means that the travel patterns of New Zealanders must be included in any analysis of migration flows.
- In 1990, for the first time, combined arrivals and departures exceeded the country's population—a huge change from 1960 when the combined flows amounted to just 7 percent of residential population. This change reflects the worldwide “revolution” in travel, air transport and tourism.
- Permanent and long-term (PLT) migrants are a reducing proportion of total arrivals and departures. PLT migration figures commonly give a false impression of international migration movements because they indicate intended rather than actual migration behaviour.
- Losses of New Zealanders have made a major contribution to the total net migration losses of the 1980s, offsetting net migration gains of non-citizens in most years.

Chapter Two: The Migrant New Zealanders

- Migration patterns of New Zealanders since the mid 1970s have been quite different from earlier periods. The period 1945-65 was one of slight net loss but near balance; 1965-75 saw a much larger loss, perhaps as high as 100,000. Since 1976 major net loss of New Zealanders has occurred although this has taken the form of cycles, rather than a continuous or increasing loss. The 1991 year, in fact, has seen a record net gain of New Zealanders.
- New Zealanders have, for a long time, formed a high proportion of the PLT departures but since the late 1970s have comprised around half or more of the PLT arrivals, making New Zealanders an important component of both arrivals and departures.
- There were substantial net surpluses of other migrants in the period 1945-67, with annual net gains of 20,000 per annum being not uncommon. An upsurge in the early 1970s was followed by large numbers of overseas-born migrants leaving the country in the late 1970s. Since then, PLT arrivals of overseas-born have remained around or above 20,000 per annum, with re-emigration also higher than in the 1950s and 1960s.
- The magnitude of returning New Zealander migration depends upon the development of a pool of New Zealanders living overseas. This certainly exists in Australia, where 288,900 New Zealanders were estimated to be living in 1990, although not all would be potential return migrants.
- Since the late 1970s, returning New Zealanders have generally exceeded the number of immigrants from other countries. The importance of this flow has been accentuated by the static or declining numbers of other-citizen PLT arrivals, although since 1986 such arrivals have risen sharply because of immigration policy changes.
- If the migration of Australians and citizens of some Pacific Islands is added to the movement of New Zealanders, less than one-quarter of all PLT international movements are under the direct control of immigration procedures.
- The emigration of New Zealanders is likely to remain the most variable determinant of immigration trends—a determinant that is of major importance if meaningful migration targets are to be set as part of a strategy to increase both the skilled workforce and the overall size of the New Zealand population.
- In the early 1970s the United Kingdom and Australia accounted for almost three-quarters of the origins and destinations of New Zealand PLT migrants. Since then, while retaining their significance as destinations, they have declined in importance as sources of migrants—by the late 1980s half of all PLT migrants came from other countries.

- The age profile of departing New Zealanders peaks in the 20-24 year age group whereas arrivals (including those returning) are slightly older with female migrants, on average, tending to be a little younger than males in the same flows.
- The trans-Tasman PLT flow of New Zealanders to Australia recorded higher proportions of occupations in professional and technical categories, and the drain of young New Zealanders with specialist skills was substantially more than 8 percent in a number of categories. Relative losses to occupational groups were less at older ages, where the population stock is larger and the migration flow smaller, although these losses have not been offset by immigrants with similar skills.
- The outstanding feature of recent population movements has been marked swings over relatively short periods. PLT departures of New Zealanders peaked sharply in 1989 but have fallen by 63 percent since then, while PLT arrivals of New Zealand citizens have increased. Nevertheless, New Zealand lost around 65,000 citizens during the five years ended March 1991.

Chapter Three: Immigration to New Zealand

- During the period 1981-86, under a more relaxed implementation of the immigration regulations than in preceding years, New Zealand gained net, almost 50,000 citizens from other countries. Of these, nearly one-third were from Europe, slightly less from countries of the Pacific, and one-fifth from Asia.
- In the second half of the 1980s, the traditional source-area bias towards Europe was removed with greater emphasis instead on business migration, family reunification and the waiver of visas for several Pacific and Asian countries. Between 1986 and 1991 there was a net migration gain to New Zealand of 63,400 non-citizens, which was almost one-third larger than between 1981 and 1986. There has been considerable reduction in net gains from the Pacific during 1989/90 and 1990/91 however, and gains from most Asian countries decreased during 1990/91—the only major increase during 1990/91 being Chinese citizens.
- Immigration of non-citizens is not necessarily a permanent gain to New Zealand, as permanent residence granted to business migrants, for example, may merely provide a stepping stone to Australia.
- The Treaty of Waitangi has important implications for immigration policy, which may indirectly determine the size and composition of the new settler component of the population, and alter the balance between the tangata whenua and tauwiwi (later settlers). There is a Maori concern for greater consultation in the design of strategies which may modify the nature of New Zealand's population.
- Government policy exerts limited control over the the total migration process: it cannot stop people leaving; it cannot, generally, compel residents to leave; and it has limited powers of persuasion in recruiting desired immigrants. The main

regulatory power available is the setting of criteria for prospective immigrants wishing to settle; when economic conditions are unattractive even relaxation of these criteria may be ineffective in attracting desired settlers.

Chapter Four: International Migration in Wider Perspective

- New Zealand lacks a coherent population policy which may result in immigration policy pre-empting the objectives of a broader population policy, despite the possibility of factors such as ageing and other compositional changes being ultimately more important than immigration. There is a risk that immigration policy is equated with a population policy or that population policy is determined by migration policy.
- Migration issues need to be viewed in the context of the broader goals and future prospects of New Zealand society and not just in economic terms.
- There are three main economic arguments put forward by proponents of increased immigration: because of their age and labour-force characteristics, new immigrants would not necessarily displace existing labour or increase unemployment; in a period of recession increased demand for goods and services as a consequence of immigration may create employment opportunities; in the long term such increased output may lead to an expansion in labour and other productivity factors, promoting an increase in per capita output, gross domestic product and consumption.
- Rejuvenation of the ageing population through the steady flow of substantial numbers of young adult immigrants is largely illusory since, although total numbers would increase, the modifications to the age structure would be relatively modest. The effect might well be to swell the large cohorts aged 25-39 and so accentuate the impact of large numbers of elderly from the second decade of next century.
- A substantially enlarged population in the medium term (the figure of 5 million has often been cited) implies an *improbable* average rate of growth of the order of 2.8 percent per annum. This would require substantially increased fertility levels and/or unprecedented rates of immigration, conceivably reaching net immigration levels as high as 100,000 per annum depending on any increase in fertility. Such changes would have major repercussions for education and health services, the labour force, and ethnic and cultural mix. A previous net influx of only 33,000 in 1974 produced an outcry at the time over the resulting socio-economic problems.
- Population issues as such are being integrated into sectoral and central planning in a haphazard fashion. Close examination of the Australian experience over the last 20 years of high immigration levels could provide useful guidance for this country in dealing with high levels of net immigration.

- Effective government intervention in the migration process is limited, and so priority should be given to quality rather than quantity of migration, to the impact of migrants on the composition of the population as well as on the economy, and on knowing accurately and comprehensively the nature and level of migration flows.

Introduction

The 1990s could become the decade of immigration to New Zealand if policy statements by the last four Ministers for Immigration produce the desired action by overseas residents. Mr Rodger (Labour), Sir Roger Douglas (Labour), Mrs King (Labour) and Mr Birch (National) have all argued in favour of radical changes to immigration policy in order to encourage the entry of migrants with skills and capital. Sir Roger Douglas introduced the notion of an annual target of 10,000 for net immigration; Mr Birch has recently doubled this to 20,000.

There have not been net gains to New Zealand's population of the magnitude of 20,000 a year through immigration since the early 1970s. In fact, there have been only four years this century when the contribution of net immigration to New Zealand exceeded 20,000 people (1953, 1973, 1974 and 1975). If Mr Birch's aspirations become government policy—and it proves possible through the 1990s to attract somewhere between 30,000 and 70,000 new settlers a year in order to produce the target of around a 20,000 net gain each year—then the National Government will indeed have effected “the most dramatic change in New Zealand's immigration policy this century” (Birch, 1991a, p. 8).

For over 200 years New Zealand has been a country of immigration. There is nothing new about policies which favour high levels of immigration to achieve national development goals. What is different about the latest pro-immigration phase is that it is being fostered at a time when unemployment is at its highest recorded levels since the Great Depression, when the economy is undergoing the most profound structural transformation since the early 19th century, and when descendants of the indigenous Maori population are seeking to regain some measure of sovereignty in a multi-cultural society where they are invariably cast in the role of an underprivileged minority. There is a wide divergence of views on the topic of immigration and any major policy initiatives in this area are likely to attract considerable comment from politicians, business people and members of the general public.

Putting Recent International Migration Trends in Context

In the interests of fostering well-informed debate on immigration issues, the Population Monitoring Group has prepared a monitoring overview of recent trends in international migration. An assessment of major developments in migration to and from New Zealand during the 1980s is required if the recent *Report of the Working Party on Immigration to Hon W F Birch, Minister of Immigration* (1991) is to be placed in context. The working party's report has suggested a number of changes to the existing immigration system, seemingly without fully reviewing the existing data

on recent immigration trends.

In recent years immigrants have been able to enter New Zealand as permanent residents by applying for residency under one of three categories:

- economic/occupational
- family reunification
- humanitarian/refugee admission
- special eligibility.

The economic/occupational category is made up of two sub categories, occupational migrants and migrants who enter under the Business Immigration Programme (BIP).

Occupational migrants are intended to fill gaps in New Zealand's labour market, importing people who have particular skills that are unavailable or scarce here. In many cases certain occupations are identified as having permanent or long-term shortages and these are then placed on the Occupational Priority List (OPL). Migrants who have the skills listed in the OPL can enter New Zealand and become residents, without their employer demonstrating that there was no suitably skilled person available locally. In all cases of occupational migration, however, the immigrants have to have a specific job offer and have to meet certain requirements regarding English language ability, health, character, etc.

Migrants under the Business Immigration Programme—which was intended to attract self-employed entrepreneurs from overseas—do not have to meet skill levels, but they must display proven entrepreneurial skills and also provide investment capital.

The family reunification category allows for the reuniting of families in New Zealand, including long term de-facto relationships. New Zealand also provides for 800 refugees a year (in accordance with the United Nations mandate). Additional refugees may be allowed entry under the United Nations Convention on the status of refugees. The special eligibility category covers citizens of Australia and a number of Pacific Island countries who have automatic or special rights of entry.

In summary, the working party's proposed changes were:

- That the family reunion, refugee status and humanitarian grounds for permanent residence should be retained almost unaltered.
- That the OPL should be replaced by a points system which would allow the government to control the number and mix of migrants who qualified. It was noted that different weightings could be given to some points so as to allow the government to control directly the mix and quantity of migrants. The system would be re-evaluated and publicised every six months.
- That the BIP should be replaced by a programme which would require applicants to display before a panel, including experienced New Zealand business people, that their entry to New Zealand would promote the economic development of New Zealand.

- That the Immigration Service should establish a marketing system which would try and attract "quality migrants" to New Zealand.

The report of the Working Party has been largely endorsed by the Government and is likely to be implemented by the end of 1991. Its major implications for New Zealand's immigration policy are that it will allow greater control over numbers and quality of migrants, and it will also ensure that funds brought to New Zealand under the BIP scheme will stay in the country and be used for stated purposes. As the Minister of Immigration, the Hon. Bill Birch, has recently stated "... what [business] migrants will have to bring on arrival is a job for New Zealanders already here." (*The Dominion*, May 27, 1991).

One of the key criticisms of the proposed new policy is not so much to do with the mechanisms by which it will be applied—it is generally agreed that the present system is inflexible and at times gives too much discretion to officials—but rather that the immigration targets may be overly optimistic. The Working Party itself acknowledges the difficulty of attracting "quality migrants" in the numbers desired (Wilson et al, 1991: p. 2). Added to this is also the fact that New Zealand, as with other democracies, has no way of controlling the migration of its own citizens; and, as this PMG report later shows, this factor is perhaps the most dynamic component in New Zealand's international migration.

Because the working party's recommendations seem likely to become Government policy, the PMG has included in this report comment on those trends in recent international migration that will have some effect on the proposed immigration policies.

Structure of the Report

This review of recent migration trends and patterns is presented in four parts. Chapter One establishes briefly a demographic context for assessing trends during the 1980s in the migration of New Zealand citizens and other immigrants and emigrants.

The second chapter examines more closely the migration behaviour of New Zealanders, especially the tendency for there to be rapid changes in net migration losses to overseas destinations. The flows of New Zealand migrants have as much significance for the proposed immigration targets, and the ability to control numbers and the mix of migrants, as the new migrant intakes.

In the third chapter, the changing composition of migrant flows to New Zealand during the 1980s is examined briefly. It is clear that the migration patterns of the recent past do not offer a great deal of hope for significant immigration of highly qualified people from Europe. This is only one of a number of difficulties which face policy makers in the early 1990s as they seek to develop more "appropriate" policies. Major changes in immigration policy during the 1980s are then summarised, before aspects of the *Report of the Working Party on Immigration* are highlighted in a review of some of the dilemmas that policy makers will have to try and resolve.

In Chapter Four, attention is drawn to a more general debate about the direction of population change in New Zealand. A viewpoint which appears to be widespread at present is that New Zealand needs a much larger population in order to

compete effectively in the global market economy. This is not a new perspective; the 1970s began with a similar debate couched in terms of an "optimum" population for New Zealand. The demographic context of the 1990s is, however, very different from that which existed at the beginning of the 1970s. In the last decade of the 20th century much more reliance must be placed on *immigration* if larger population targets are to be achieved than was the case 20 years ago.

CHAPTER ONE

A Context for International Migration

It is important to put international migration into some sort of context when assessing the impact this process has on the population of New Zealand. There are two critical dimensions which need to be kept in mind. The first, refers to the net effect which international migration has on population growth—the balance of arrivals over departures each year.

The second, refers to the absolute numbers of people arriving in and departing from New Zealand—numbers which have grown dramatically in recent years thus increasing the impact of international population flows on both New Zealand society and the economy.

These two dimensions to international migration are summarised below with reference to three groups of migrants: New Zealand citizens, citizens of other countries, and those migrants who are classed as “permanent and long-term” on the basis of the duration of their stay (or intended stay) in New Zealand or overseas.

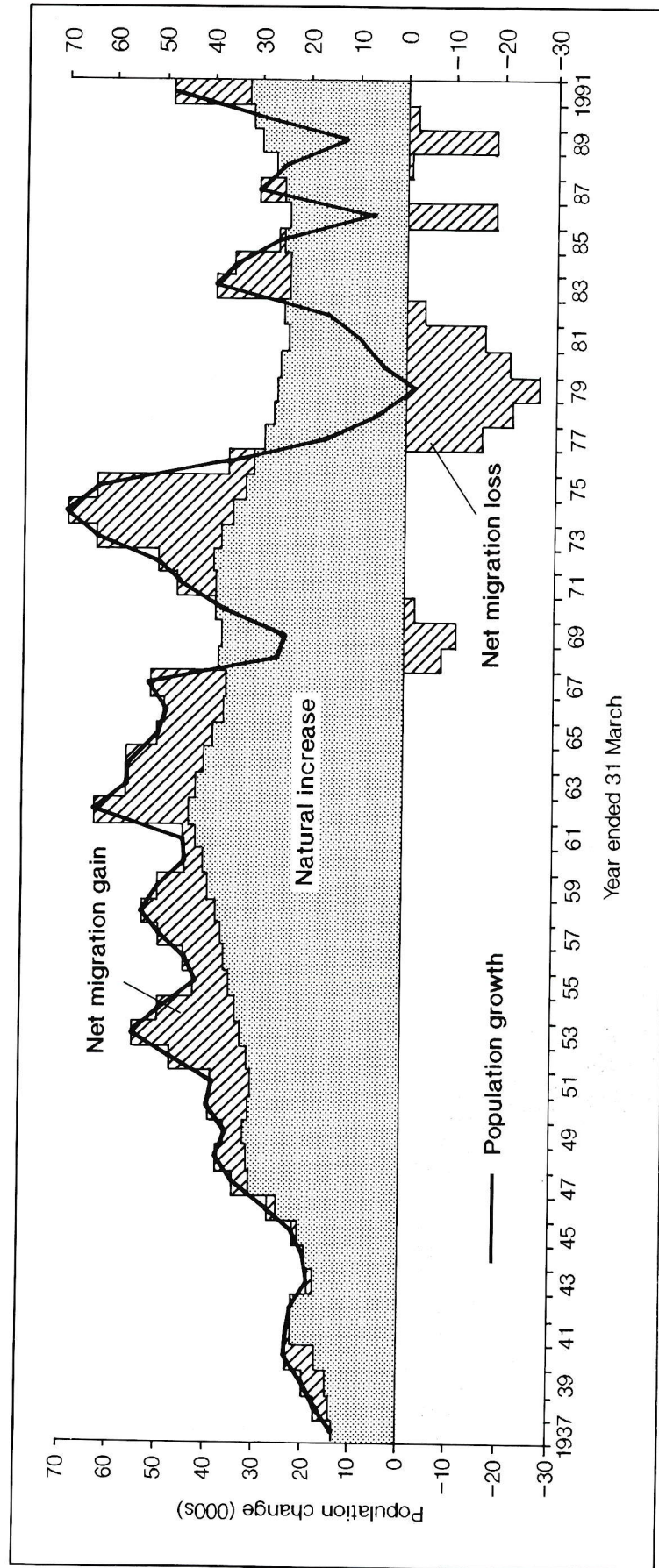
Net Migration and Population Growth

The 1980s marked a watershed in New Zealand's history of international migration. It was the first decade since European settlement began that more people left the country than arrived in it. The heavy net migration gains in the early 1970s more than balanced the losses later in the decade, while in the 1960s there were over 60,000 more arrivals in the country than departures for overseas destinations (Table 1).

The significance of net migration as a *component* of population growth during the last three decades has fallen progressively. Natural increase (the balance of births over deaths) contributed 94 percent of the total population growth between April 1960 and March 1990. The overall net migration gain was nearly 63,000 people, or 6 percent of a total population increase of over 1 million people during the 30-year period (Figure 1 and Table 1).

Since 1970 the component of population growth which is due to net migration has been only 3 percent in New Zealand compared with 36 percent in Australia (Poot, 1991). It is worth noting, however, that the impact of net migration on population growth can vary immensely from year to year, as evidenced by the 1991 figures (Figure 1). And so its potential to change the role of population growth is greater than this low share of long-term growth might suggest.

FIGURE 1: COMPONENTS OF POPULATION GROWTH 1936 – 1991



Source: Department of Statistics

That aside, the driving force behind population growth in New Zealand remains natural increase. Numbers here have been falling too, as can be seen from Table 1, and the balance of births over deaths in the 1980s was equivalent to only 67 percent of the natural increase during the 1960s. A well-documented decline in fertility levels, coupled with rising numbers of deaths in an ageing population, are responsible for this trend.

Despite the overall fall in the magnitude of natural increase since 1960, this component of population growth has been larger than the net migration gains or losses in all subsequent years—including those of the migration boom and bust in the early and late 1970s (Figure 1).

TABLE 1: Components of Population Change, 1960–1990

Period March years	Natural increase		Net migration		Total population
	No.	%	No.	%	No.
1961-70	396,368	85.5	67,024	14.5	463,392
1971-80	324,635	92.7	25,387	7.3	350,022
1981-90	266,058	112.6	-29,789	-12.6	236,269
1961-90 period	987,061	94.0	62,622	6.0	1,049,683

Source: Table 1.5, *Demographic Trends, 1989* (Department of Statistics, 1990a) and unpublished data for 1990 supplied by the Demographic Analysis Section, Department of Statistics, Christchurch.

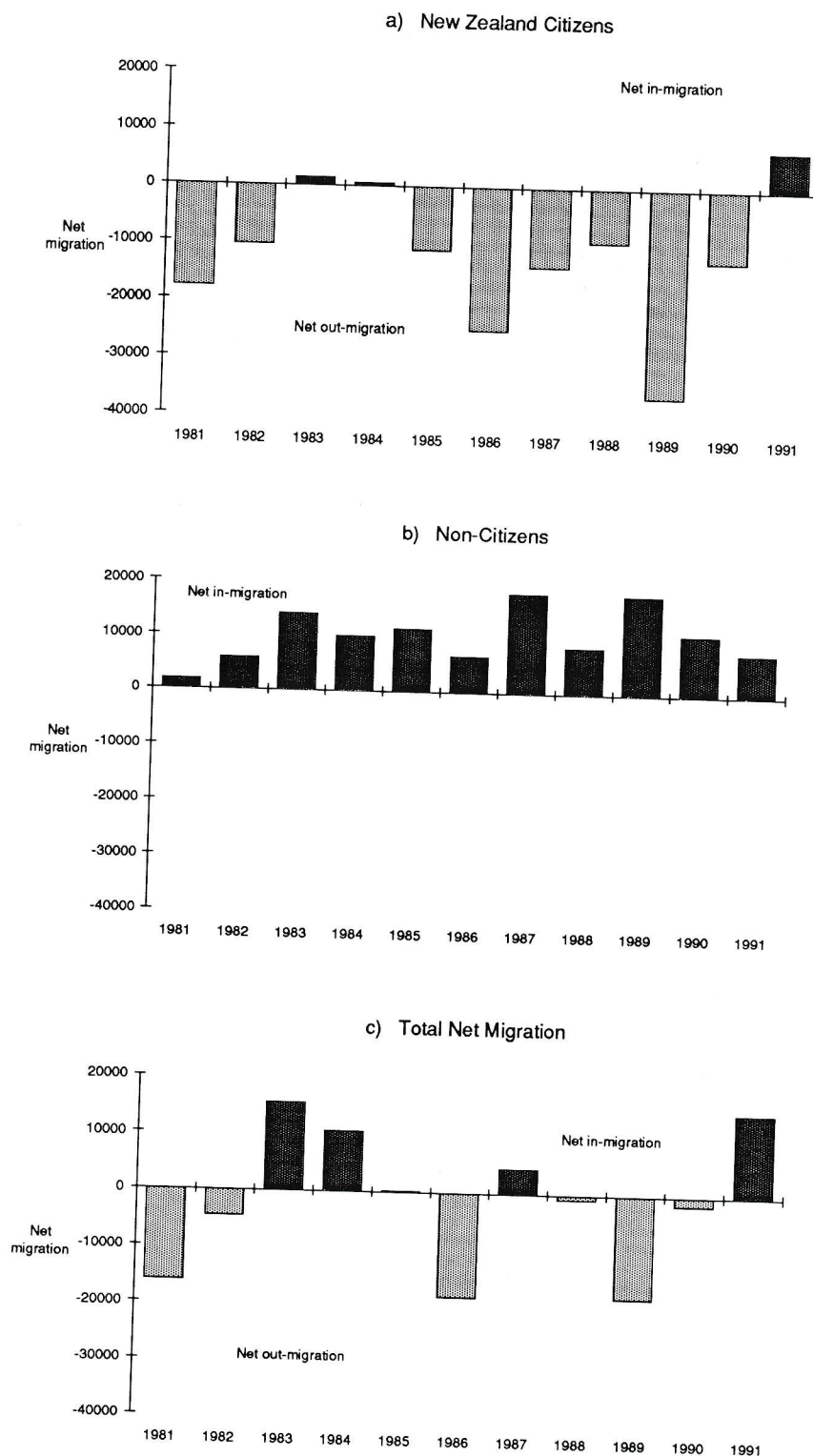
It is also apparent from Figure 1 that international migration has played an increasingly important role in *regulating* population growth in New Zealand over the past 30 years. For example, the massive net losses in the late 1970s more than compensated for natural increase in certain years. The highly irregular pattern of net migration gains and losses in the 1980s has had a profound impact on trends in annual population growth.

As has already been mentioned, annual fluctuations in net migration gains and losses can assume a significance which is out of proportion to their overall numerical impact on total population growth in the longer term. During the 1980s these fluctuations have been more marked than at any other time in this century.

The contribution of net losses of New Zealand citizens to these fluctuations is particularly evident, as can be seen from Figure 2a. There is nothing unusual about net losses of citizens to overseas destinations. What has been unusual in the New Zealand case is for these losses to exceed in most years the net migration gains of non-citizens.

During the 1980s there were also quite marked fluctuations in the balance of arrivals over departures of people of other nationalities (Figure 2b). Only in three years of that decade and in 1991 did the net gains of non-citizens more than compensate for the net losses of New Zealanders (Figure 2c).

FIGURE 2: Net Migration Gains and Losses, New Zealand Citizens and Others, 1981-1991



Source: Department of Statistics

Since the mid 1970s, then, international movements of New Zealanders have come to dominate patterns of net migration. The year ending March 1991 saw a net migration gain of New Zealand citizens large enough to lift the 1991 total almost to that of 1983, and this is despite the net gain of non-citizens being lower than for several preceding years. This has been the biggest net gain of New Zealanders since the end of the Second World War, when returning troops set a high record, although in the case of the 1991 year the gain is rather more from a reduction in the number of New Zealand citizens departing than from an increase in New Zealanders arriving.

It is unlikely that this decline in permanent and long-term departures of New Zealand citizens will continue. The balance of forces causing international migration is the result of a complex mixture of economic, social and demographic factors which reflect conditions not only in New Zealand but also in the major overseas destinations, especially Australia.

The domination of the movements of New Zealanders on net migration patterns is likely to continue through the 1990s unless there are very substantial increases in the volume of immigration of citizens from other countries. The proposed changes in immigration policy will certainly see an increase in immigration from overseas. However, it is also probable that changes in New Zealand as a result of initiatives to make the economy more competitive, and to cut social expenditure, will mean the continuation of a highly volatile international migration regime.

Aggregate Flows

At the beginning of the 1990s the combined total of arrivals in and departures from New Zealand each year exceeded the size of the country's population for the first time (Table 2), whereas just 30 years ago the total number of arrivals and departures was equivalent to 7 percent of the resident population. The growth in volume of international migration has been enormous, especially during the 1960s and 1970s, and is a reflection of the revolution in travel accompanying developments in air transport and the tourist industry.

Within these flows of people entering and leaving the country are three groups which are often singled out for special attention in the analysis of migration trends: permanent and long-term (PLT) migrants; short-term visitors; and non-citizen migrants. Permanent and long-term migrants consist of people who have spent (or intend spending) 12 months or more in New Zealand or overseas. The PLT migrants comprise a declining percentage of all arrivals and departures.

In the early 1960s around 18 percent of international travellers entering and leaving New Zealand were PLT migrants. By 1970 this percentage had fallen to 10, and by 1990 only 3 percent were classed as PLT migrants (Table 2b). Although New Zealand has long had a reputation of being a country of "immigration", the great majority of travellers arriving and departing each year are short-term visitors—people staying for less than three months in most cases.

Since the early 1960s, New Zealand citizens have consistently comprised between 40 and 50 percent of this travelling population (Table 2b). By 1991, 46 percent of the country's total population had either left or come into New Zealand during the year. This is a very high incidence of international population movement in a country so distant from many of the major tourist destinations.

Admittedly a small number of New Zealanders move frequently in and out of the country, especially those with strong business or family connections in Australia and the Pacific Islands, and these people account for a disproportionately large number of the movements recorded on arrival and departure cards. However, the great magnitude of total movements (just over 1.6 million by New Zealand citizens during the year ended 31 March 1991) also reflects considerable numbers of New Zealanders moving to and from overseas destinations.

TABLE 2: Some Summary Characteristics of International Population Movements, 1960-1991

a) Movements in relation to population size

(Year ended 31 March)

Population	1960	1970	1980	1990	1991
Total international movements ^a	175,541	588,870	1,873,192	3,403,745	3,503,472
Estimated total population ^b	2,370,200	2,816,000	3,161,300	3,389,000	3,427,800 ^c
Movements as a % of population	7.4	20.9	54.3	100.4	102.2

Notes: ^a Sum of all arrivals in and departures from New Zealand in the specified year ended 31 March

^b The estimated population at 31 March

^c Provisional census figures

b) Groups within the population of international travellers

(Year ended 31 March)

Population	1962 ^a	1970	1980	1990	1991
Total movements	246,480	588,870	1,873,192	3,403,745	3,530,472
Permanent and long-term migrants	45,460	56,647	117,631	108,020	102,560
% of total	18.4	10.1	6.3	3.2	2.9
N.Z. citizens	106,446	250,213	905,985	1,581,907	1,622,324
% of total	43.2	42.4	48.4	46.5	46.0
Citizens of other countries	140,034	338,657	967,207	1,821,838	1,908,148
% of total	56.8	57.6	51.6	53.5	54.0

Note: ^a Comparable data for the year ended 31 March 1960 are not readily available and information for the 1961/62 year has been used to indicate the situation in the early 1960s.

Source: Department of Statistics

The group that frequently attracts the attention of politicians and the media is the citizens of other countries who, in most years, comprise the majority of arrivals in, and departures from, New Zealand. In the five selected years shown in Table 2b, citizens of overseas countries entering and leaving accounted for between 52 and 58 percent of all international travellers. The annual fluctuations reflect changes in immigration policy in New Zealand, as well as changes in socio-economic conditions both in this country and in the main source areas for overseas migrants.

The impact of the non-citizen migrant group on population change in New Zealand is always to add people to the total number of residents. Over the decade 1 April 1980 to 31 March 1990, the balance of arrivals over departures of non-citizens has added around 105,300 people to New Zealand's population (Table 3).

This is in stark contrast to the excess of departures over arrivals of New Zealand citizens which removed just over 135,100 from the population during that 10-year period (Table 3). Of course, the figures for the year ended 31 March 1991 reverse this trend, with an excess of New Zealanders arriving over those departing. However, this one-off increase would need to continue into subsequent years before it could be said to represent a change in pattern.

If only the PLT migration figures are considered instead of total population flows, the net gain from overseas sources is smaller and the net loss of New Zealand citizens is much larger (Table 3). Because of the possibility (and, indeed, the reality) that many migrants change their minds about either staying overseas or staying in New Zealand, it is advisable to examine net migration trends in terms of the total travelling population and not just those migrants who spend, or say they will spend, 12 months or more at their destination.

A Methodological Problem

The problem with using the PLT migration figures to estimate net population losses to New Zealand can be illustrated by statements obtained from a brief comment in the *New Zealand Herald* (27 March, 1991) on the official launching of the Porter Project's report. It was noted that "the report, *Upgrading New Zealand's Competitive Advantage* says that a net 151,000 more people have left the country on a permanent and long-term basis than have settled here since 1979." The project's New Zealand team leader, Mr Crocombe, went on to observe at the launching that "it is a serious indicator that something's amiss when your population is leaving".

The figure of a net loss of 151,000 through PLT migration since April 1979,¹ should be put alongside the figure of 50,000 for the *total* net population loss for the same period. The difference of almost 100,000 is made up of two groups: New Zealanders who changed their minds and returned home sooner than expected, and a sizeable number of "visitors" from other countries who came to New Zealand on short-term visas or entry permits and ended up staying much longer, either with the approval of the Immigration Service or illegally.

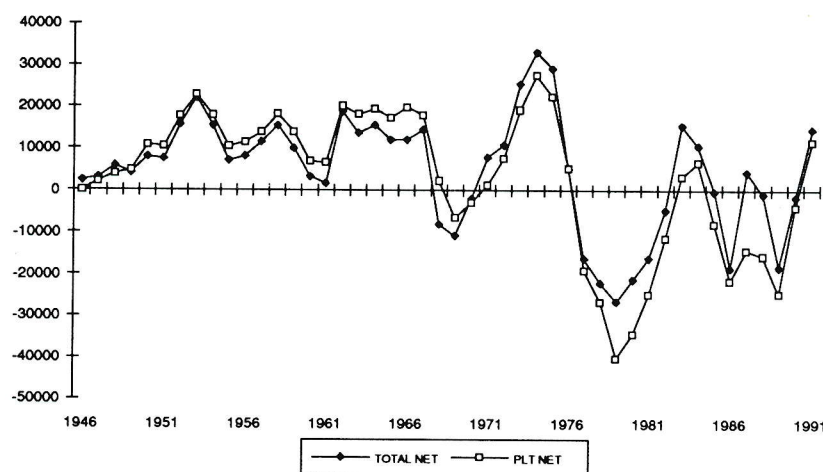
¹ The figures differ from those in Table 3 because they relate to the decade ended 1989, rather than the decade ended 1990 as in Table 3.

TABLE 3: Net Migration Gains and Losses by Class of Migrant and Citizenship, 1980-1990

Class of migrant	Movements 1980-1990		
	Arrivals	Departures	Net gain/loss
<i>All travellers</i>			
N Z citizens	5,432,803	5,567,923	-135,120
Citizens of other countries	6,698,794	6,593,495	105,335
<i>Total</i>	12,131,597	12,161,382	- 29,785
<i>Permanent and long-term migrants</i>			
N Z citizens	230,517	442,013	-211,496
Citizens of other countries	208,962	112,350	96,612
<i>Total</i>	439,479	554,363	-114,884

Source: Unpublished tables (60409 and 60410) showing all arrivals and departures by class of migrant, sex and citizenship. Immigration Statistics Section, Department of Statistics, Dunedin.

It has been evident for quite some time that the PLT migration figures, which are useful for examining numbers of arrivals and departures of *migrants* as distinct from tourists or visitors, have not provided a satisfactory statistical base from which to consider the net effect of international migration on overall population growth in New Zealand. This has been especially so since the beginning of the 1960s (Figure 3). Up until that time the total net population gains and losses each year were very close to the net gains and losses from PLT migration. The gap between the two estimates of net migration has continued to widen, with gains being larger in the total flows and losses being greater in the PLT flows (Figure 3).

FIGURE 3: Total and PLT Net Migration Gains and Losses, 1946-1991

Source: Department of Statistics

These differences have an important impact on the *perception* of international migration as a factor influencing population trends in New Zealand. The PLT figures for the 1970s and 1980s, in particular, have had a “depressing” impact in this regard by consistently understating net gains and overstating net losses. This is because these figures are so heavily influenced by the departures and arrivals of New Zealanders.

Because the overseas movements of New Zealanders are now so large in relation to the total population, it is unwise to ignore this component in analyses of international migration. As noted above, the wide fluctuations in net gains and losses to the country’s population through international migration during the 1980s have more to do with trends in arrivals and departures of New Zealand citizens than with the immigration and emigration of citizens of other countries.

Summary Points

- The driving force behind population growth in New Zealand remains natural increase, since net migration was only 6 percent of total growth in the period 1960-1990.
- Over the last two decades, 1970-90, net migration contributed only 3 percent of total population growth compared with Australia where net migration contributed 36 percent to total growth during that period. The downward trend in New Zealand’s net migration saw the 1980s become the first decade since European settlement in which more people left than arrived.
- Because the volatility of international migration either sharply accentuates or subverts the impact of growth by natural increase, the role of migration in *regulating* population growth assumes a significance in the short term out of proportion to its overall contribution.
- The ebb and flow of migration resulted in fluctuations which were more marked in the 1980s than at any previous time this century. In most of those years, the numbers of New Zealand citizens leaving (135,100 over the decade) exceeded the numbers of non-citizens arriving (105,300). Since the mid 1970s New Zealanders have dominated migration flows, and can be expected to continue to do so unless there is a substantial increase in the arrivals of citizens from other countries. This dominance means that the travel patterns of New Zealanders must be included in any analysis of migration flows.
- In 1990, for the first time, combined arrivals and departures exceeded the country’s population—a huge change from 1960 when the combined flows amounted to just 7 percent of residential population. This change reflects the worldwide “revolution” in travel, air transport and tourism.
- Permanent and long-term (PLT) migrants are a reducing proportion of total arrivals and departures. PLT migration figures commonly give a false impression

of international migration movements because they indicate intended rather than actual migration behaviour.

- Losses of New Zealanders have made a major contribution to the total net migration losses of the 1980s, offsetting net migration gains of non-citizens in most years.

CHAPTER TWO

The Migrant New Zealanders

The international migration of New Zealanders has attracted media attention in recent years, mainly in relation to the large numbers of people departing with the intention of staying overseas for 12 months or more. Return migration of New Zealanders has not generated the same amount of interest, although in the past 12 months there has been quite a bit of media comment in particular about the migration "home" of New Zealanders disillusioned with prospects in Australia. The migration patterns of New Zealanders since the mid 1970s are quite different from those of earlier decades, and it is important to appreciate these differences when assessing likely future developments in international migration trends.

The first part of this chapter contains a brief methodological note on the definition of "New Zealanders". This is followed by an overview of post-war migration trends of New Zealanders and non-New Zealanders. Recent trends in the permanent and long-term migration of New Zealand citizens (also referred to as New Zealand nationals) are then examined, initially with reference to places of origin and destination and then with reference to the age, sex and occupational characteristics of emigrant and immigrant populations. The relevant migrant groupings in this chapter are New Zealanders (and non-New Zealanders) departing with the intention of staying overseas indefinitely or for at least 12 months, and New Zealanders returning after an absence of 12 months or more.

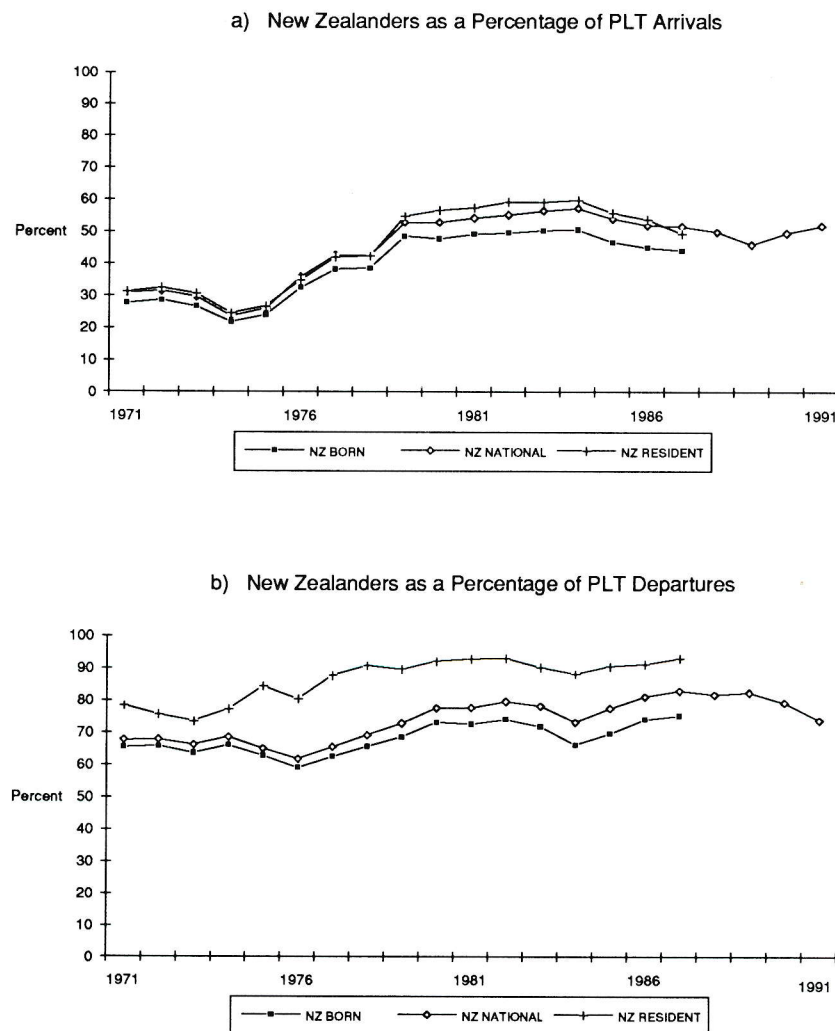
A Methodological Note

As will be seen in the text and graphs in this chapter, there are several ways of defining "New Zealanders" using the arrival and departure records. The available data series are based variously on definitions of migrants by birthplace, nationality and residence status. All have their conceptual strengths and weaknesses, and these have been reviewed elsewhere (see, for example, Farmer, 1985 and Bedford, 1987a).

In most sections of this report nationality or citizenship is used to differentiate between New Zealanders and others in the immigrant population. In many respects, however, this is the least satisfactory of the three common bases for establishing different migrant populations since it is possible to be a permanent resident in this country without being a citizen and it is also possible for New Zealanders to have dual citizenship.

The effect of this can be seen in Figure 4, in which a perspective on migration defined on the basis of residence status, birthplace and nationality is given by showing New Zealanders as a percentage of all PLT arrivals and departures. It is evident from the graphs that New Zealand "residents" consistently account for higher proportions of arrivals and departures in each year since 1970 than either New Zealand citizens or people born in New Zealand. Hence, the New Zealand resident population base would be the most satisfactory one to use in this monitoring review. Unfortunately, the relevant statistics have not been available since 1987.

FIGURE 4: Categories of New Zealanders in the PLT Migration Flows, 1971-1991



Source: Department of Statistics

To coincide with the introduction of a new Immigration Act in November of that year, a revised version of the arrival and departure cards was required (Bedford, 1987a). The long-established and internationally recommended question on birthplace was removed, and changes were made to other questions which make it impossible to determine "New Zealand residents" as a category of PLT migrants, thus ruling out alternative bases for differentiating between New Zealanders and others. The problems created by these changes have not been rectified, despite requests to Government Ministers and senior officials in relevant departments by the Planning Council and others with an interest in monitoring migration trends.

This has important implications for the analysis of international migration, a point stressed in the interdepartmental committee's report *The Human Face: A Context for Population Policy into the Twenty-first Century* (Department of Statistics, 1990d). This matter is dealt with further in the final part of this report in the context of the Minister of Immigration's recent announcements about immigration policy.

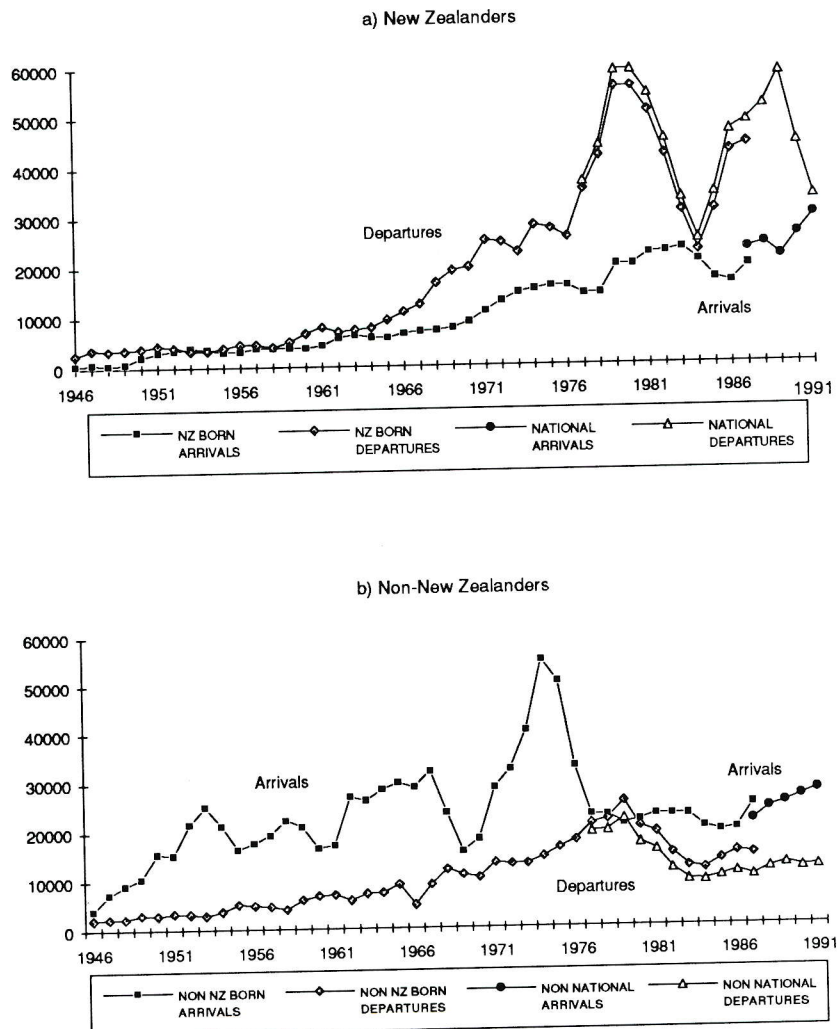
Post-war Patterns: An Overview

The history of international migration since 1945 of people born in New Zealand and those born overseas is summarised in Figure 5. Despite the limitations of the PLT net migration estimates, the figures for departures and arrivals do, however, illustrate the marked change in patterns of migration during the post-war period. The statistics indicate that there are some quite distinctive periods in the flows into and out of New Zealand of both groups—periods which indicate that there have been major changes in the nature of international migration in this part of the world.

In the initial period, between 1945 and 1965, flows of New Zealand migrants out of and back into the country virtually cancelled each other out (Figure 5a). There was an overall net loss of New Zealanders to overseas destinations, but this was very small in comparison with losses that were to occur during the following 25 years.

The next period identified runs between 1965 and 1975 and shows significant increases in numbers of departures each year, while the numbers of returning New Zealanders who had been overseas for 12 months or more grew much more slowly. During this 10-year period there was a net loss of around 100,000 New Zealanders through PLT migration—a figure which should be interpreted with caution in the light of comments made in the previous section about the nature of PLT statistics.

The third period which can be identified in Figure 5a dates from 1976 and is characterised by sharp swings, especially in the departures of New Zealanders, with numbers exceeding 50,000 per year in the late 1970s and the late 1980s. This compares with a high of 28,000 departures in the previous period, and for the first period, a maximum of 8,000 recorded in 1961. Numbers of New Zealanders returning after a lengthy absence also fluctuated, but much less dramatically and at much lower levels. The aggregate net loss through PLT migration between 1976 and 1990 was in the region of 340,000, which, because of the limitations in the PLT figures, exaggerates the *real* net loss of New Zealanders to the country.

FIGURE 5: PLT Migration of New Zealanders and Others, 1946-1991

Source: Department of Statistics

There have also been marked changes in patterns of immigration and emigration by migrants born in other parts of the world, or who are citizens of other countries (Figure 5b). The period from 1945 to 1967 was marked by substantial surpluses of arrivals over departures, which is not surprising given the immigration policies of the time (including assisted passage schemes), and the economic conditions in New Zealand and the major European migrant source areas in the early post-war years.

Fluctuations in absolute numbers of non-citizen arrivals were common in the 1950s, but throughout the decade there were over 15,000 immigrants arriving each year (Figure 5b). In the early 1960s this rose to almost 30,000 before there was a sharp decline in immigration accompanying the short recession of 1967 and 1968. During this period, the number of overseas-born leaving New Zealand permanently or for 12 months or more increased slowly to reach around 10,000 by 1965.

Annual net gains of 20,000 non-New Zealanders a year were frequent in the early 1950s and during the 1960s (Figure 5b). However, these were eclipsed by the massive but short-lived surge in immigration during the early 1970s—a surge which also produced a substantial increase in overseas-born emigrants from New Zealand through the 1970s. Indeed, there were more emigrants than immigrants in the late 1970s as a combination of much tighter immigration regulations and deteriorating economic conditions in New Zealand quickly returned levels of permanent and long-term migration to their 1950s levels.

It is interesting to note from Figure 5b that immigration of overseas-born since the late 1970s has remained at or above 20,000 per year. Re-emigration levels have also declined, although they continue to remain much higher than they were through the 1950s and 1960s. This no doubt reflects the very different economic circumstances prevailing in the 1980s to those that existed in New Zealand 30 years ago.

Patterns of Arrivals

When the migration patterns for New Zealanders are compared with those for non-citizens some unexpected trends emerge (Figure 6). With regard to arrivals, it can be noted that since the late 1970s numbers of New Zealanders returning each year have exceeded the number of immigrants from other countries in every year except 1989. The percentage of New Zealanders in the migrant flows increased sharply in the mid 1970s, and has been close to or above 50 percent of all PLT arrivals since 1978.

The great majority of these people are undoubtedly New Zealanders returning home after a period of "overseas experience". In this sense there is something of a semantic problem in the use of the term "migration" to refer to New Zealanders departing for absences overseas of 12 months or more, given that a large part of the "emigration" from New Zealand each year comprises people leaving for some "OE" rather than with the intention of remaining overseas permanently. Again, changes made to the arrival and departure cards have confounded analysis of emigration of New Zealanders by removing the distinction between "permanent" migrants and "long-term" departures (and arrivals) from the statistics (Bedford, 1987a).

The build-up in migration of returning New Zealanders also depends upon the development of a pool of people from this country living overseas. This population was not large 30 years ago, but it has increased significantly since the 1960s. For example, the number of New Zealand-born persons living in Australia in 1961 was 47,000—not many more than were there in 1933 and at the intervening Australian censuses (Brosnan and Poot, 1987).

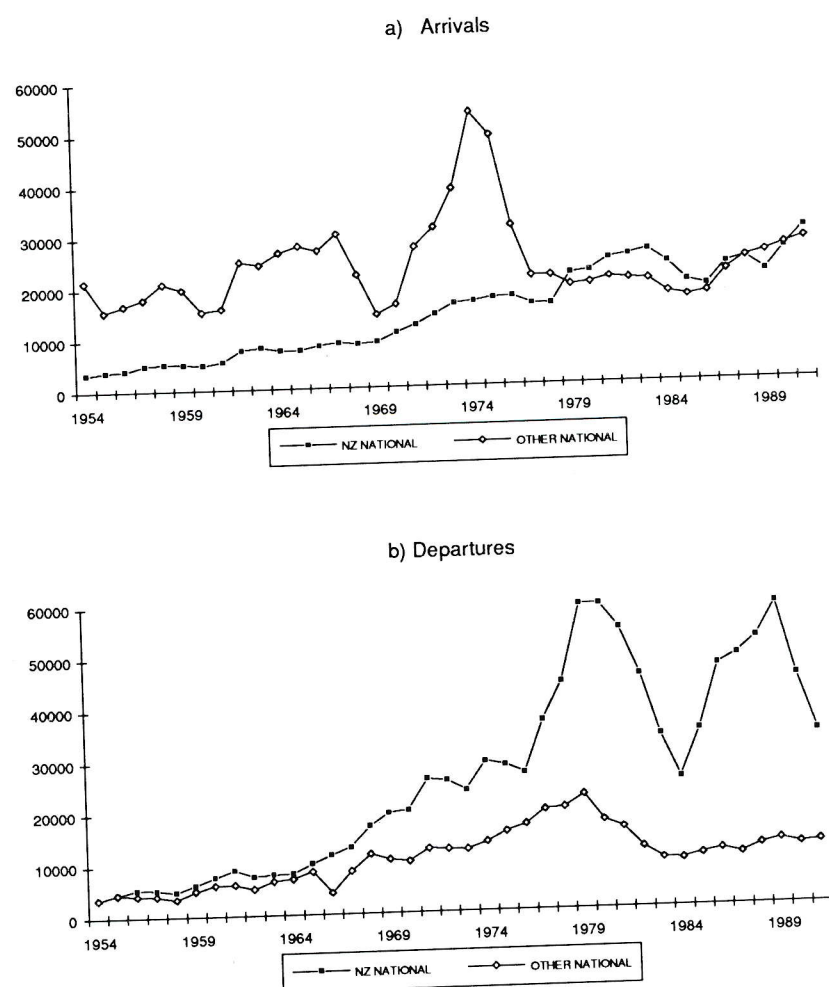
Since 1961 the number of New Zealand-born living in Australia has increased rapidly, reaching 90,000 in 1976 and was estimated by the Australian Bureau of Statistics to have reached 288,900 by 1990. There have been related, if less dramatic, increases in the population of New Zealanders resident in the United Kingdom, the other main source of return migrants to New Zealand.

The extent of return migration of New Zealanders should not, however, be overstated. It is quite apparent from the figures cited above for growth in numbers of New Zealanders resident in Australia since 1961, that a large proportion of those who left have not returned. The significance of New Zealanders in the arrival flows, especially

between 1976 and 1986, is also because of static or declining numbers of PLT arrivals of citizens of other countries (Figure 6). Since 1986 numbers of non-citizen arrivals have risen quite steeply, largely as a result of changes in immigration policy. These developments are further discussed in Chapter Three.

One implication of the fact that New Zealanders are a major component in the PLT arrivals is that remarkably little of New Zealand's international migration (as distinct from short-term population movement) is directly controlled by visas and residence permits. Currently, less than one-quarter of New Zealand's PLT international movements are under the direct control of immigration procedures. This is because PLT departures have exceeded arrivals in all but three years since the mid 1970s, and because New Zealanders constitute more than 80 percent of the departures in most years and around half or more of the arrivals. In fact, the exact proportion could be well under one-quarter given that Australians and the citizens of some Pacific Island countries also have automatic rights of entry to New Zealand.

FIGURE 6: PLT Arrivals and Departures of New Zealand Citizens and Others, 1954-1991



Patterns of Departures

In the 1940s and 1950s there was not much difference between the numbers of New Zealanders and the numbers of citizens of other countries leaving New Zealand permanently or for 12 months or more. However, since the mid 1960s there has been a marked divergence in pattern with New Zealanders being much more prominent in the departure flows (Figure 6b). This is not surprising given that there is a much larger pool of potential emigrants among the citizen population than in the smaller non-citizen population. The sharp fluctuations in New Zealand citizen departures reflects a combination of economic and demographic circumstances which have been discussed in previous PMG reports (1985, 1986, 1989) and in studies by Poot and others (Poot, 1991; Poot et al, 1988).

For the non-citizens, the steady rise in numbers of departures from 1974 until 1979 is a product of re-emigration of some of the thousands of immigrants who entered the country in the early 1970s (Figure 6a). It is interesting to note that the re-emigration of large numbers of overseas nationals was relatively short-lived; from a peak of 21,000 in 1979, the number departing fell sharply until 1984 when it plateaued off at around 10-11,000 per annum (Figure 6b). The figure has since risen to 12,000 in 1991.

Within the broad patterns of PLT migration of both New Zealand citizens and non-citizens there are discernable relationships between levels of immigration and emigration. In the case of the New Zealanders, surges in emigration produce smaller but still quite apparent surges in immigration a few years later.

This relationship, which is found in many international migration flows, is reversed in the case of inward and outward flows of non-New Zealanders, where major surges in immigration are followed by increased levels of emigration two or three years later. As a result of these connections between inward and outward migration, correlations between trends in permanent and long-term immigration and emigration have been identified with time-lags in the range of three to five years.

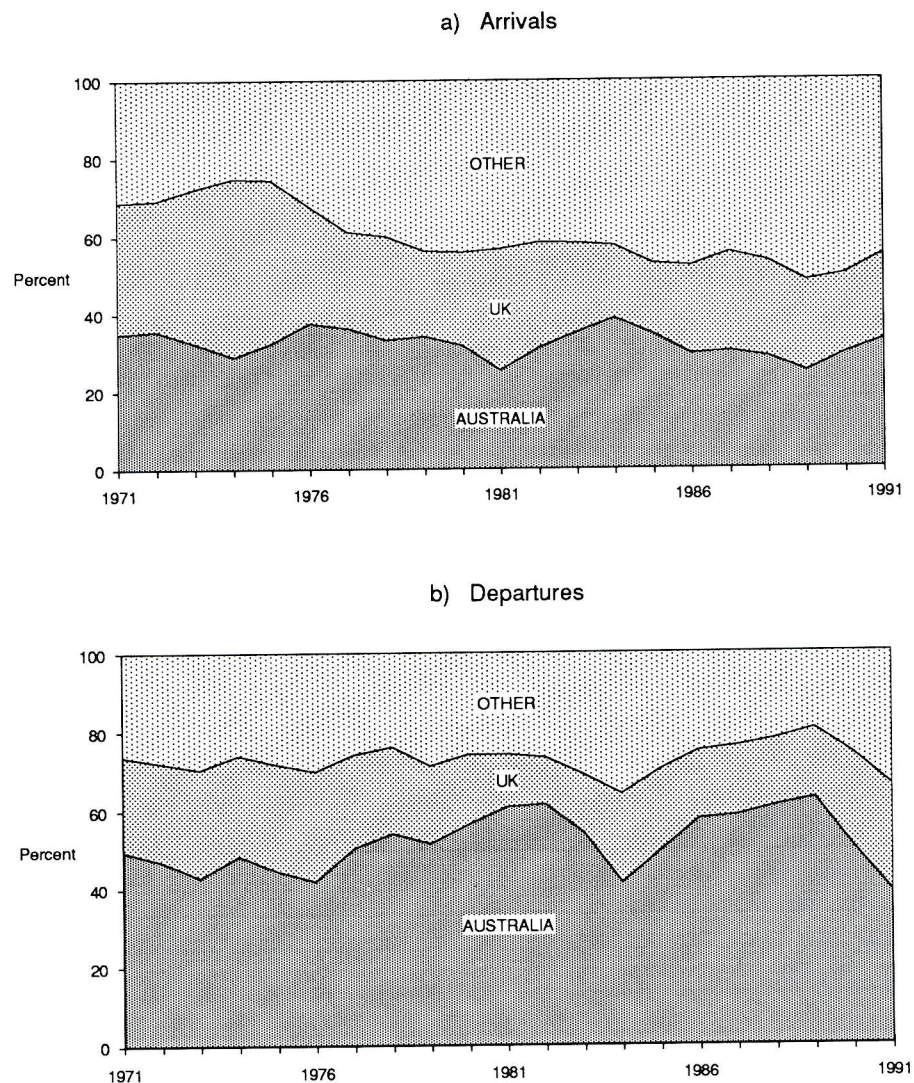
The overall pattern of migration to and from New Zealand over the past 25 years or so has been to "export" New Zealanders and replace them with "imports" of non-New Zealanders, notwithstanding the important effect of return migration. Since the mid 1970s, however, the most variable factor in determining net migration gains and losses has been emigration of New Zealanders. Given the magnitude of fluctuations in PLT departures of New Zealanders since 1976, it is unlikely that the postulated increases in immigration of non-New Zealanders will mean that they regain their dominant influence over net migration trends as was the case through the 1950s, 1960s and early 1970s.

Since emigration of New Zealanders looks likely to remain the most variable determinant of the total migration picture, it must be taken into careful consideration if immigration targets are to be set as part of a strategy to increase both the skilled workforce and the overall size of the New Zealand population.

Sources and Destinations

A series of simple graphs (Figures 7-10) showing patterns of PLT migration between 1971 and 1991 are used to illustrate changes in the relative significance of Australia, the United Kingdom and other overseas countries as sources and destinations of migrants. It will be apparent from several of the graphs that the definition of "New Zealanders" is not consistent, being defined in two different ways (residents and citizen/nationals) because of the changes in content of arrival and departure cards referred to earlier.

FIGURE 7: Origins and Destinations of PLT Migrants, 1971-1991



Source: Department of Statistics

Since the early 1970s, some major changes have occurred in the composition of migrant flows from Australia, the United Kingdom and other countries. The United Kingdom and Australia have long been the two principal origins and destinations of New Zealand PLT migrants. In the early 1970s these two countries accounted for almost three-quarters of PLT arrivals in and departures from New Zealand (Figure 7). Over the past 20 years, when migrant numbers have fluctuated markedly, Australia and the United Kingdom have retained their significance as destinations for people leaving New Zealand, but have *decreased* in importance as sources of migrants. By the late 1980s half of the total PLT arrivals were coming from other countries (Figure 7a).

Figure 8a shows how New Zealanders returning from Australia have increased to become well over half of the PLT arrivals from that country in the late 1970s and through the 1980s. Similarly, Figure 8b shows that returning New Zealanders have constituted slightly more than half of the PLT migrants from the United Kingdom over the same period.

It is evident from Figure 8c that numbers of New Zealanders returning from other countries also increased at the end of the 1970s, and comprised around half of the immigrants from these sources. In more recent years numbers of non-New Zealanders arriving from other countries have grown sharply, reflecting changes in immigration policy since 1986, especially the business migration scheme and policies relating to the migration of Pacific Islanders.

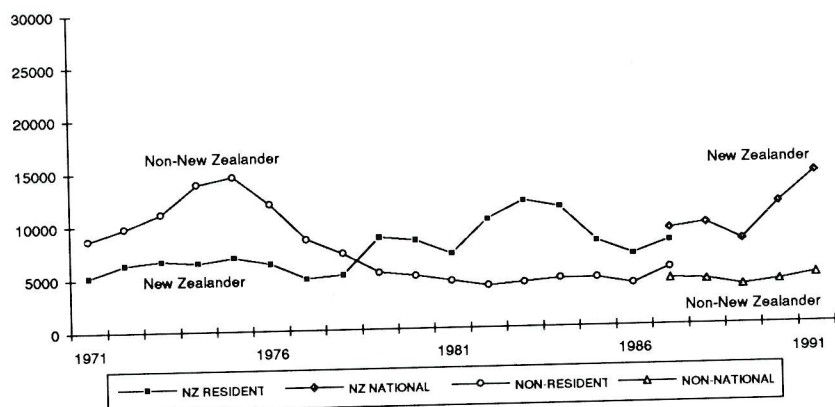
With regard to departures to Australia and the United Kingdom, New Zealanders have consistently dominated the flows with non-New Zealand emigrants rarely exceeding more than a few thousand in any year (Figure 9). The outflows to both countries peaked in the late 1970s, and then again in the late 1980s in the case of Australia (Figures 9a and 9b). In the early 1980s, the numbers of New Zealanders departing for both countries fell significantly; and in the last two years departures to Australia have again fallen sharply, although departures to the United Kingdom have not fallen to the same degree.

The migration of New Zealanders to countries other than Australia and the United Kingdom rose sharply in the mid 1970s, peaking in 1979 before falling back to levels which are similar to those found for the United Kingdom in the late 1980s (Figure 9c).

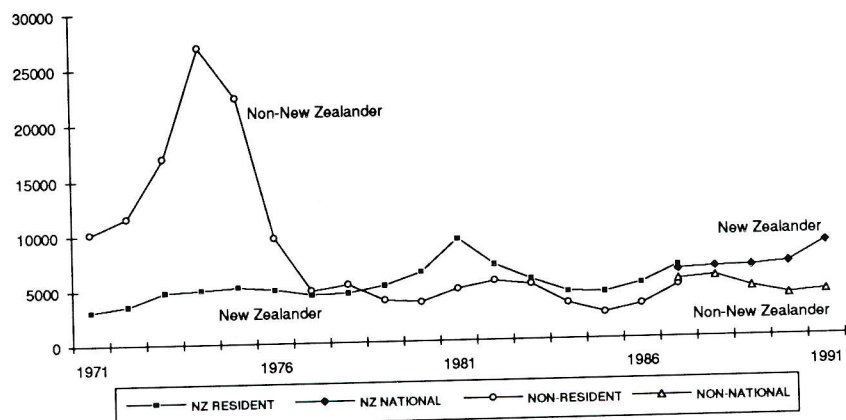
It is evident from Figure 10 that over time, the emigration of New Zealanders has tended to be much more variable than is the case with immigration or return migration, especially in the trans-Tasman flow. The lagged relationship mentioned earlier between high levels of emigration followed by smaller peaks in immigration of New Zealanders some two to three years later is also evident in these graphs, especially the one for the United Kingdom. This reflects the long-established tradition of New Zealanders having a period of "overseas experience" in the United Kingdom and Europe before returning home.

FIGURE 8: PLT Arrivals of New Zealanders and Others from Selected Countries, 1971-1991

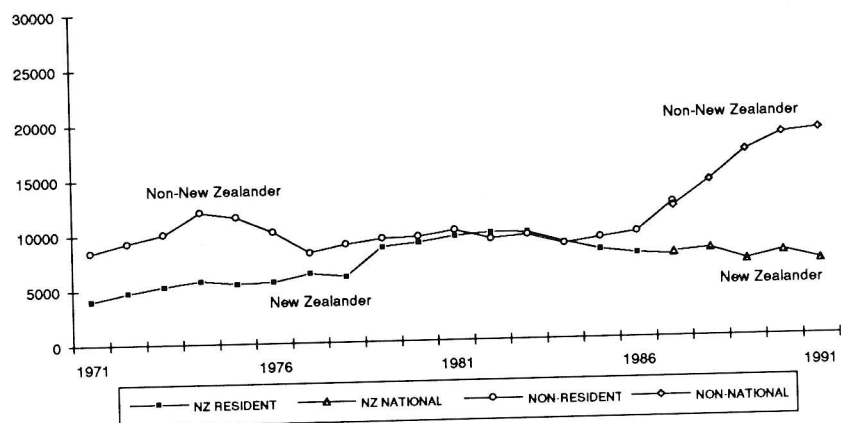
a) Australia



b) United Kingdom



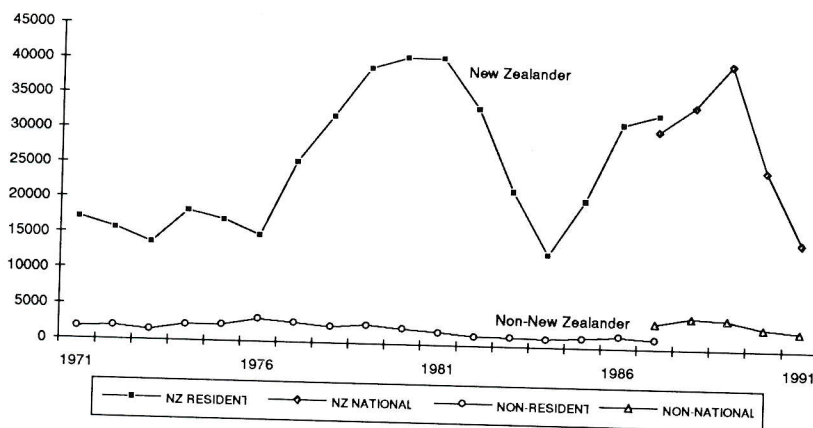
c) Other Countries



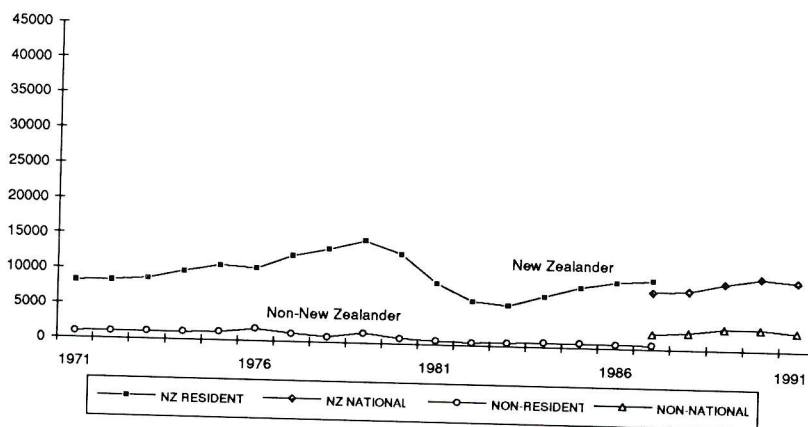
Source: Department of Statistics

FIGURE 9: PLT Departures of New Zealanders and Others to Selected Countries, 1971-1991

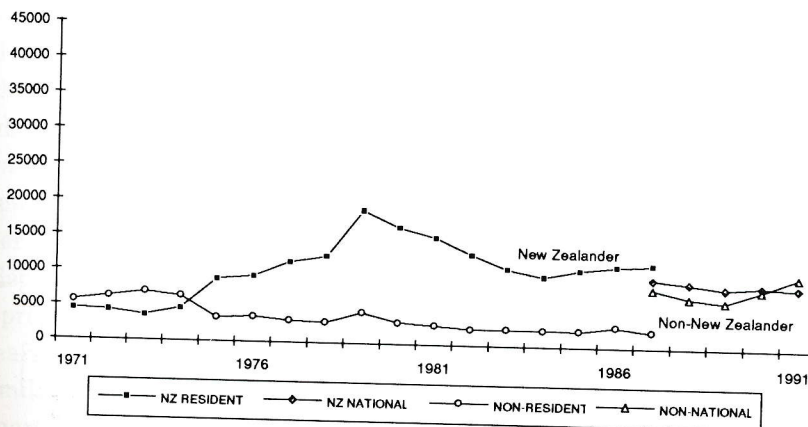
a) Australia



b) United Kingdom

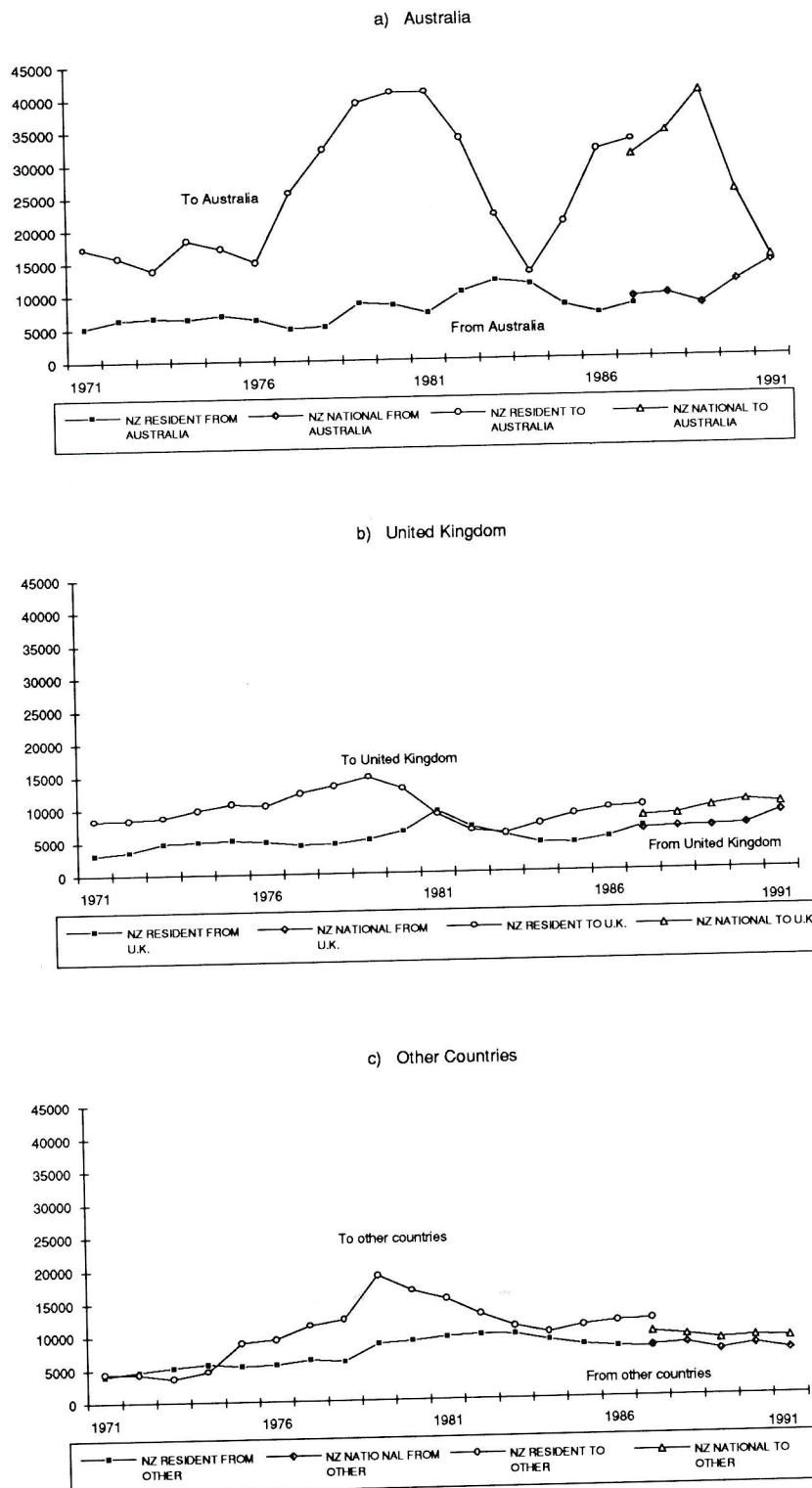


c) Other Countries



Source: Department of Statistics

FIGURE 10: PLT Migration of New Zealanders to and from Selected Countries, 1971-1991



Source: Department of Statistics

Age and Gender Selectivity

It is widely recognised that international migration flows are dominated by younger people, especially those aged between 20 and 30 years. The age profile for New Zealanders in the PLT migration flows between 1 April 1986 and 31 March 1990 shows very clearly the relationship between a group dominated by people aged 20-24 years departing, and a slightly older group returning (Figure 11a). Almost 30 percent of New Zealanders departing for absences of 12 or more months during the four years were in their early 20s, while just over 25 percent of those returning after a period of more than a year overseas were aged 25-29 years.

Given the significance of New Zealanders in the migration flows, it is not surprising that the age profiles for *all* PLT migrants to and from Australia and the United Kingdom bear strong similarities in shape to those for the New Zealand citizen population. (Figure 11b and 11c). The peaks are particularly prominent in the United Kingdom migration flows, with over 40 percent of departures from New Zealand in the 20-24 year age group, and 30 percent of the arrivals in New Zealand in the 25-29 year age group (Figure 11c). In the case of PLT migrant flows to and from Australia higher proportions of children and teenagers are present, indicating the significance of family migration across the Tasman (Figure 11b).

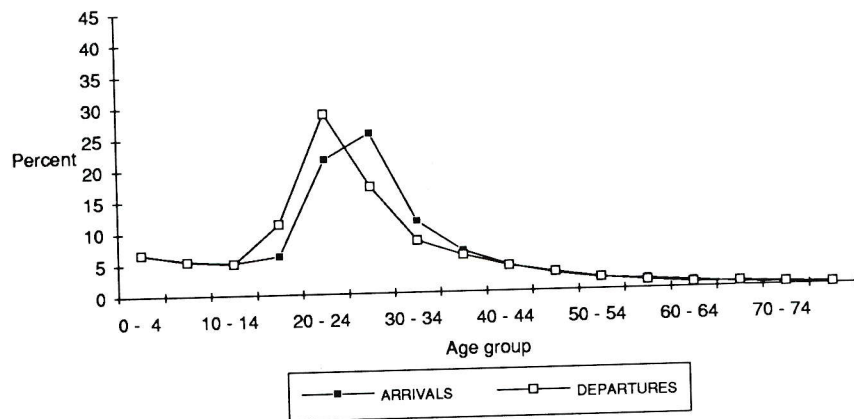
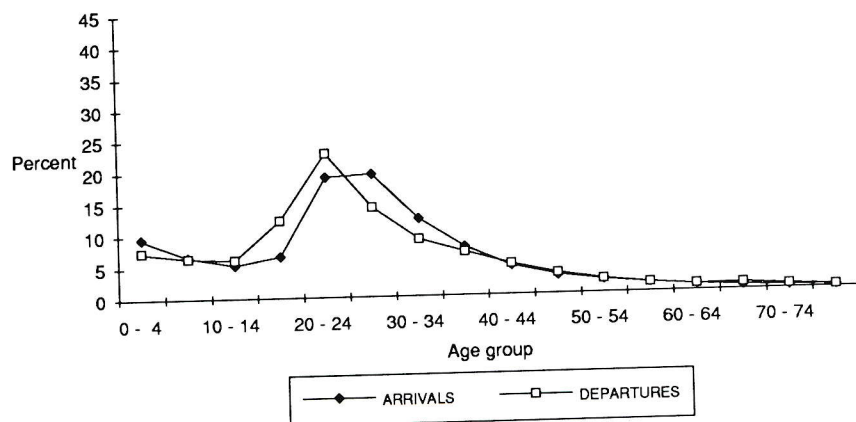
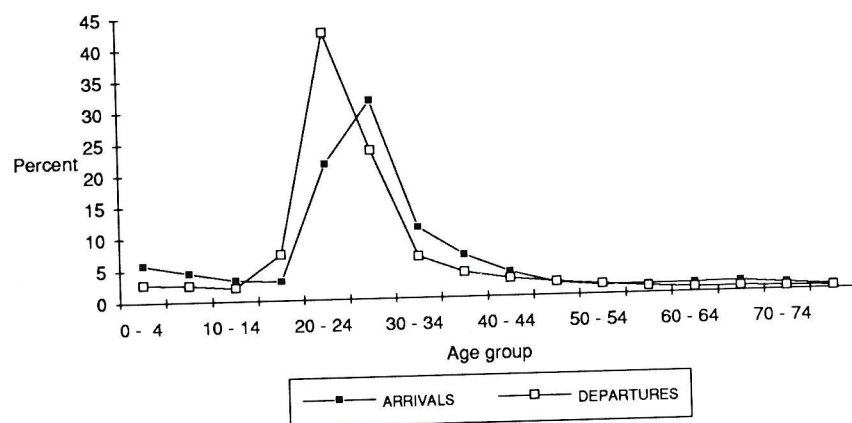
When age profiles for New Zealand citizens departing for different overseas destinations are compared, it is evident that there are some major variations in the significance of the 20-24 year age group in the migrant population (Figure 12a). This group, for example, is much more prominent in PLT flows of New Zealanders to the United Kingdom and the Pacific Islands than in the flows to Australia and Asian countries.

New Zealanders aged between 15 and 19 are more common in the trans-Tasman flow than in the migrant streams to other parts of the world, a reflection of both the proximity of Australia (and hence cheap travel) and the presence of relatives in the large New Zealand population already resident in Australia. In the case of flows to Asia the age profile indicates an older migrant population, with higher proportions of people aged 30 years and over than are found in the other flows of departing New Zealanders (Figure 12a).

The age profiles for New Zealanders returning from different regions also show different patterns (Figure 12b). Once again figures for the United Kingdom and the Pacific Islands show the most pronounced peaks, this time in the age group 25-29 years. In the case of New Zealanders returning from the Pacific Islands, it can be noted that many of these are likely to be people of Polynesian descent born in New Zealand, who are returning to this country after a period of residence back in their ancestral homes.

New Zealanders returning from Australia between 1986 and 1990 show a flatter and older profile at 20-24 years and 25-29 years, compared to the younger age profile of the departure flows. In a similar way the return migration flows from Asia had higher proportions of older New Zealanders, reflecting the ages of the emigrants some years before (Figure 12b).

Similar age-selective patterns emerge for both men and women in the arrival and departure data for the period 1 April 1986 to 31 March 1990. In Figure 13 migration rates per 1000 people living in New Zealand are shown separately for arrivals, departures, women, men, and the total PLT flows. The graphs for departures and arrivals indicate that while both women and men have broadly similar

FIGURE 11: Age Profiles for PLT Migrants, 1986-1990**a) New Zealand Citizens****b) PLT to and from Australia****c) PLT to and from United Kingdom**

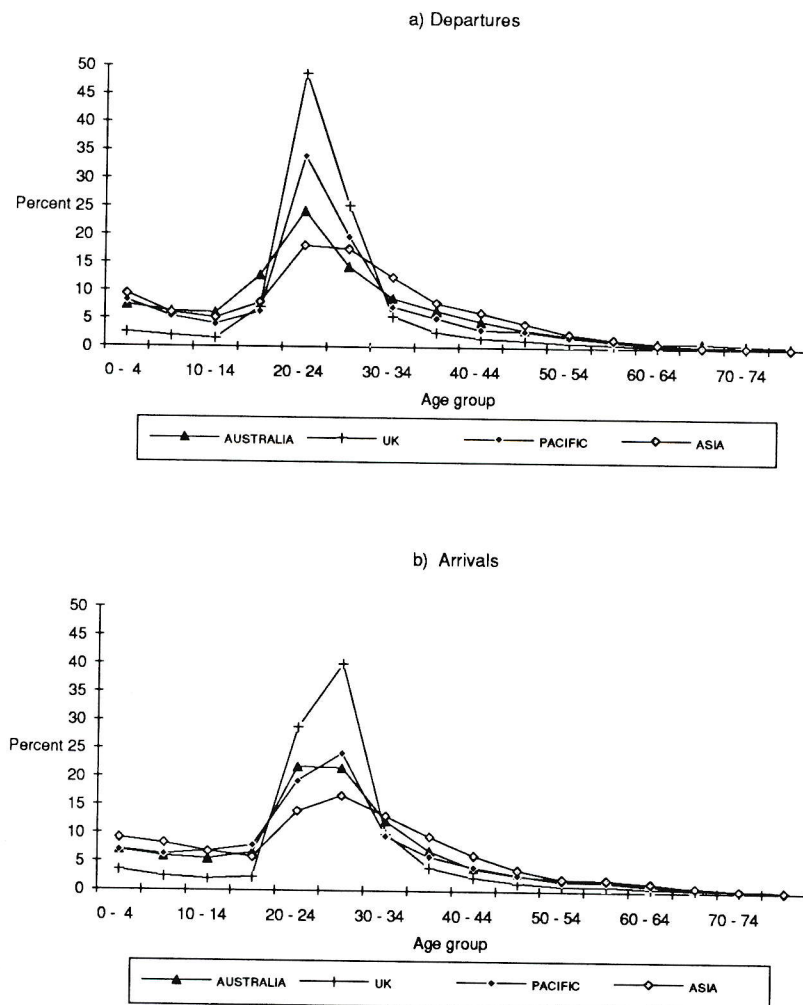
Source: Department of Statistics

peaks in the incidence of migration by age, there is a tendency for women emigrants and immigrants to have higher migration rates than men in the 15-19 age group but lower rates above age 30. (Figures 13a and 13b).

When the migration rates by age group in the arrival and departure flows are plotted separately for men and women, it is evident that both sexes have experienced significant losses of people aged between 15 and 29 years as well as noticeable net losses in the 40-59 age groups (Figures 13c and 13d).

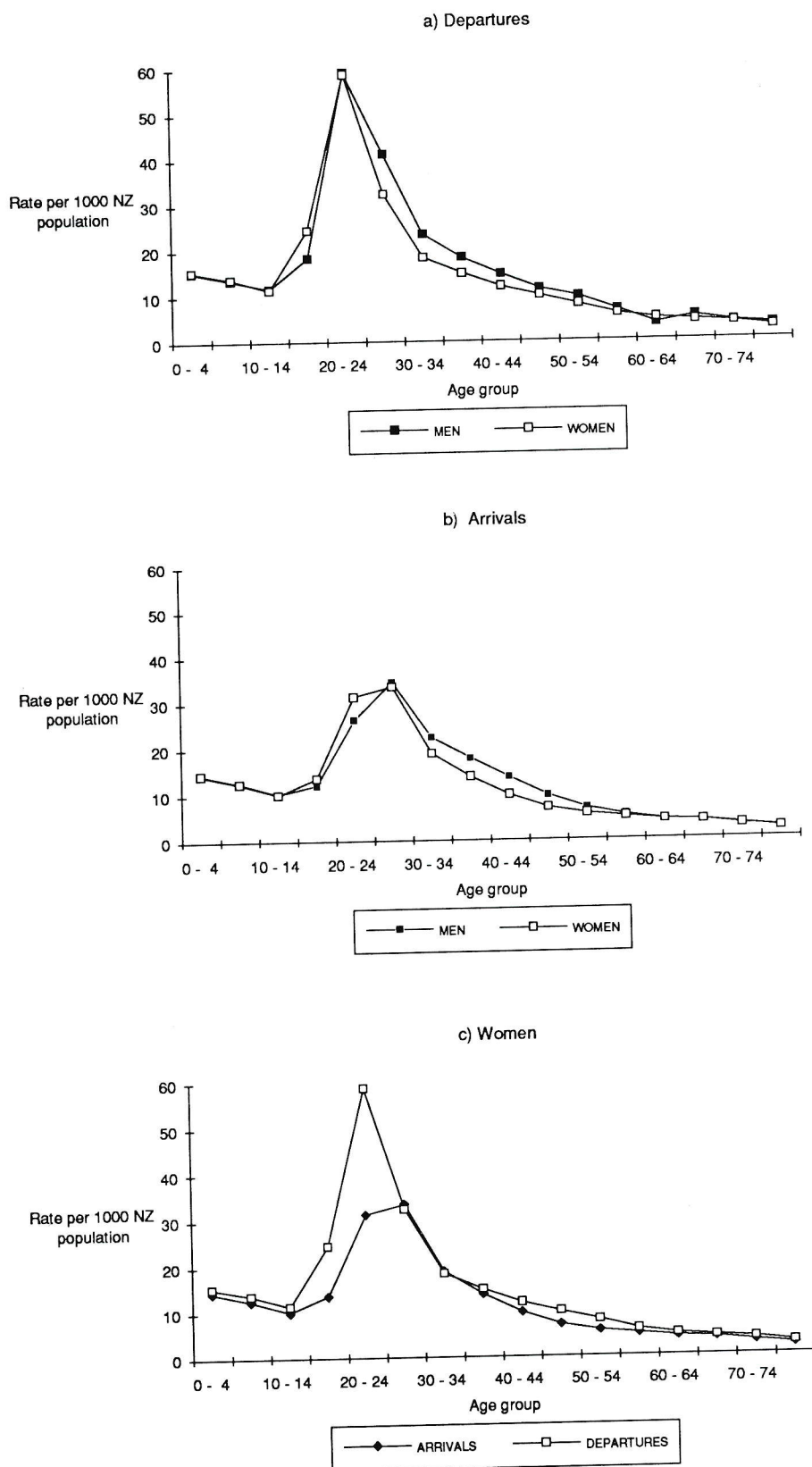
The graph in Figure 13e of migration rates for all PLT arrivals and departures summarises both the lagged relationship in terms of ages of people leaving and entering New Zealand, and the substantial net losses through PLT migration to the teenage and young adult New Zealand population. It is this latter pattern which is cited most extensively in the context of a "brain drain" and a significant loss of skills to the New Zealand labour force through the process of international migration.

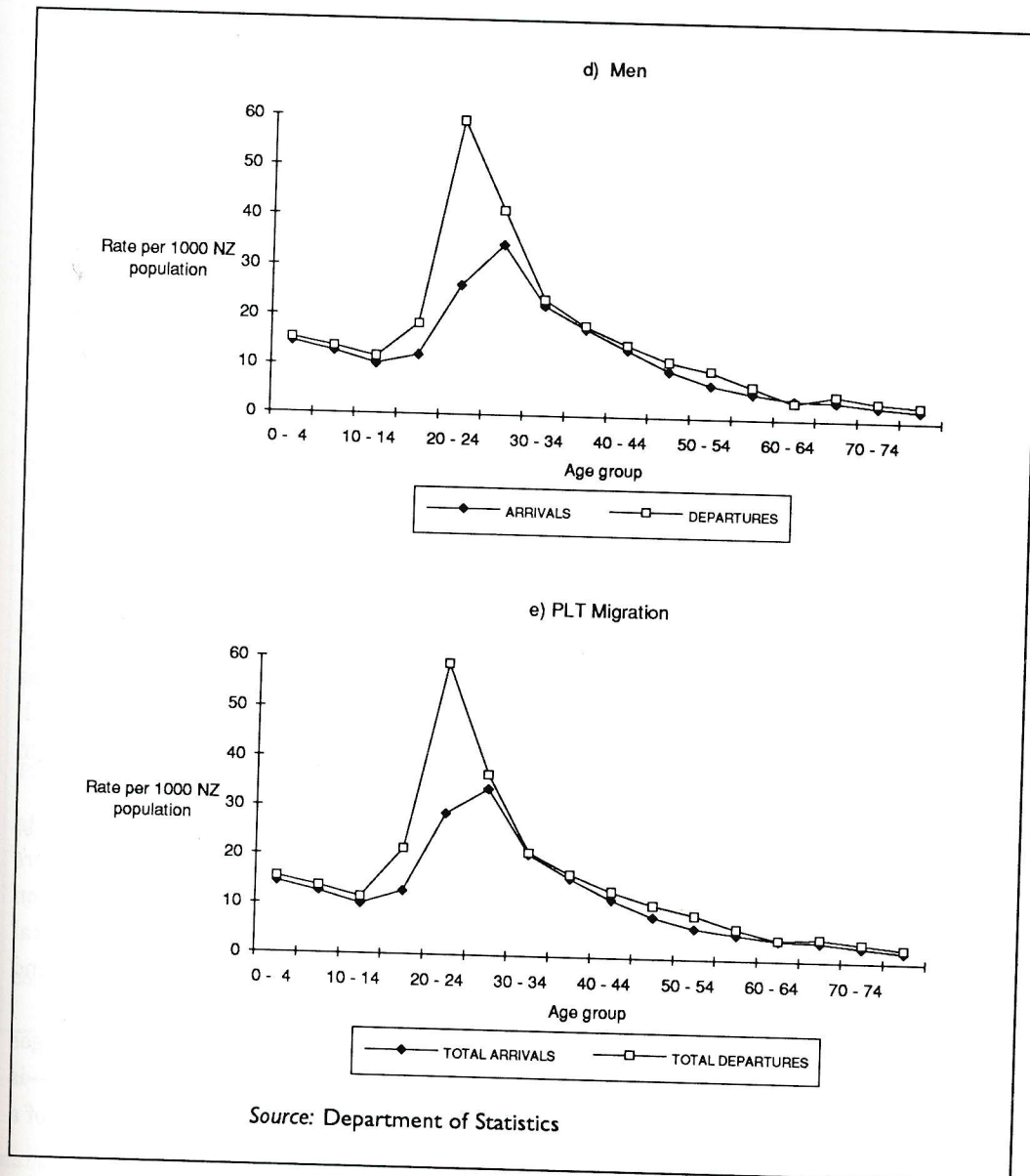
FIGURE 12: Age Profiles of Migrant New Zealand Citizens by Country/Region of Origin and Destination, 1986-1990



Source: Department of Statistics

FIGURE 13: Migration Rates by Age Group and Sex, all PLT Arrivals and Departures, 1986-1990





Occupational Characteristics of Migrants

Analysis of the occupational composition of migrant flows into and out of New Zealand is fraught with difficulty. The statistical base is much less reliable than that available for basic demographic characteristics such as age and gender. It is not appropriate to review the methodological problems here at length, but it must be stressed that estimates of net gains and losses to New Zealand in particular occupational categories should be treated with considerable caution.

In recent years, information on the occupations of people entering and leaving New Zealand has been coded only for permanent and long-term migrants. Consequently, the problem of exaggeration of net losses of New Zealanders because of migration category jumping cannot be remedied by using figures for all categories of migrants. This makes it extremely difficult to assess the impact of international migration on the "stock" of New Zealand residents in particular occupation groups.

The significance of this can be illustrated by using an example drawn from the Planning Council's comprehensive data base on the occupational composition of arrival and departure flows between 1 April 1981 and 31 March 1986 (Bedford and Brown, 1986; Bedford, 1987b). During the first half of the 1980s New Zealand "lost" through international migration just under 1 percent of the men and 5 percent of the women aged between 15 and 59 years who were classified as having an occupation at the time of the 1981 census (Table 4).

When the same sort of calculation is done for PLT migrants alone, the extent of the loss to the male population reporting occupations almost trebles from 0.9 percent to 2.5 percent of the relevant population stock in 1981 (Table 4a). In the case of females, there is a slightly smaller loss as a result of PLT migration compared with the figures when short-term movements are also taken into account (Table 4b).

Differences between estimates of the effect of total and PLT migration on the census stock of people with jobs are amplified greatly if only those with professional, technical, managerial and administrative occupations are considered ("major" occupation categories 1 and 2).

In the case of males, the data for total migration flows suggest that between 1981 and 1986 there was actually a net *increase* of almost 5 percent to the stock of people in these occupational categories rather than a net loss of over 1 percent as estimated from the PLT figures (Table 4a). For females, there was a net loss in both migration streams, but the PLT loss was almost twice as high as that recorded when short-term migration is also taken into account (Table 4b).

It is unwise to try to read too much into these figures. It is impossible to establish whether the occupations cited refer to jobs which the migrants had *before* they moved, or to jobs they *hope* to have at their destination. There is also a suspicion from the available research that some people—especially those working in technical and clerical occupations—upgrade their occupations when filling out arrival and departure cards (Bedford, 1987b).

As well, it has been found that the extent to which migrants of different ages seem to be employed in the workforce—according to arrival or departure cards—is much greater than is the case for these age groups in the workforce at the time of a census (Farmer, 1979).

Despite these data difficulties and anomalies, it can be illustrated that the trans-Tasman migration of New Zealanders aged between 15 and 29 years during the early 1980s did have a marked and highly differentiated effect on the 1981 census population stock in the various "minor" occupation groups (Figure 14). Figure 14 also shows that, in the different professional and technical occupation groups, losses in excess of 8 percent of the relevant stock of young men and women in the workforce were quite common.

Losses to occupation groups such as statisticians and systems analysts, together with composers and performing artists, were much higher than losses to most other occupation groups. There is clear evidence of a "drain" of young New Zealanders with specialist skills and training to Australia—a movement which attracted considerable political and media comment during the early 1980s.

TABLE 4: The Effect of International Migration Between 1981 and 1986 on the Census Population Aged 15-59 Years Reporting an Occupation

Population group	Occupation	
	All categories (1-9) ^a	Categories (1 and 2 only) ^b
a) Males 15-59 years		
Census stock 1981	803,523	137,880
Total net migration	- 6,889	6,499
PLT net migration	-19,812	- 1,551
Total net migration as % of census stock	-0.9%	4.7%
PLT net migration as % of census stock	-2.5%	-1.1%
b) Females 15-59 years		
Census stock 1981	426,480	82,888
Total net migration	-20,724	- 1,993
PLT net migration	-19,829	- 3,695
Total net migration as % of census stock	-4.9%	2.4%
PLT net migration as % of census stock	-4.6%	-4.5%
<p>Notes: ^a The nine major occupation groups ranging from professional and technical workers (category 1) to production and related workers (categories 7, 8 and 9).</p> <p>^b Those people whose occupations are classed in the professional, technical, managerial and administrative worker categories (1 and 2).</p>		
Source: Bedford and Brown (1986)		

When considering percentage losses, however, it must be kept in mind, that the *numbers* of workers classified with occupations in some of the "minor" groups are quite small. For example, one of the highest percentage losses to young women in a particular occupation group (22 percent) is recorded for "stationary engine operators" (Appendix 1A). There were nine women aged between 15 and 59 years classified in this occupation group in 1981 and two of them apparently went to Australia between 1981 and 1986.

Losses to the respective population stocks in different occupations in 1981 are much smaller when the trans-Tasman migration of New Zealanders aged between 30 and 59 years is considered (Appendix 1B). This is a reflection both of the lower incidence of PLT migration by New Zealanders in this age group, as well as of the larger population stocks in the older workforce. However, Appendix 1B does reveal again that populations in occupations in the professional, technical and related worker categories tended to be more affected by trans-Tasman migration than those in the other "minor" occupation groups.

The occupational characteristics of trans-Tasman migrant flows differ somewhat from those for flows to and from all countries (Figure 14). There is a larger proportion of migrants whose occupations are recorded in the professional and tech-

nical categories in the overall PLT figures than in the trans-Tasman PLT flows.

It is also apparent from Figure 14 that the proportions of professional, technical and related workers leaving the country increased quite sharply between 1982 and 1985. Although comparable data have not been compiled for the late 1980s, it is likely that this "skills" drain has continued. The effects of out migration of skilled New Zealanders have not been compensated for by immigrants in the related work categories, especially given the impact of substantial immigration from the Pacific Islands on the total net gains of new migrants during the 1980s. The source countries of immigrants are examined in Chapter Three.

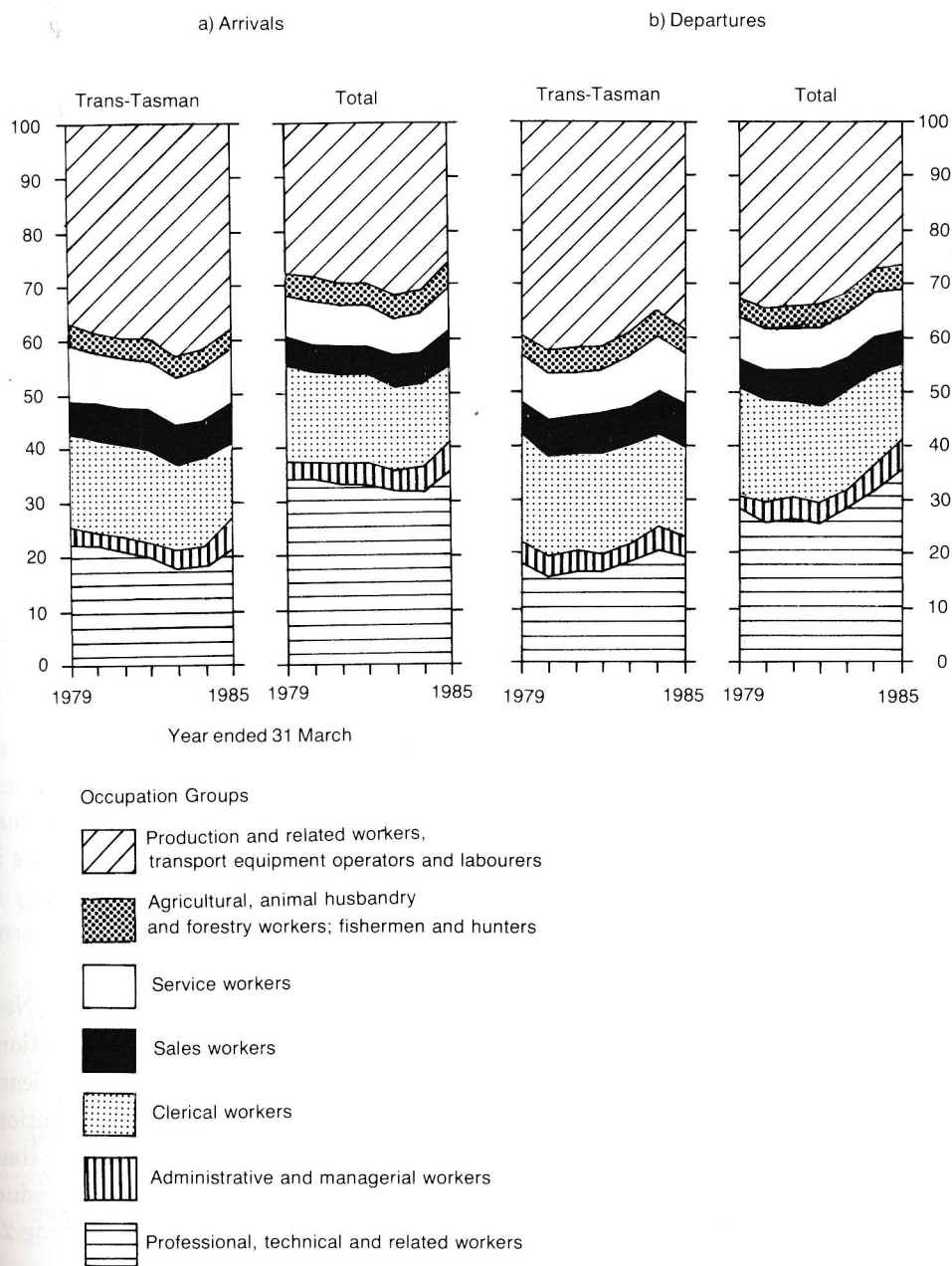
Through the 1980s New Zealand certainly lost a substantial number of people with specialised skills and occupations. Whether this loss merits the term "exodus" used by some politicians in the mid 1980s is a debatable point. The evidence relating to overall net gains and losses to the citizen population through international migration during the part decade suggests it is certainly not valid to claim that "the exodus of people 'escaping' New Zealand could be matched only by Vietnam, Cuba and East Germany ... [it] was the ultimate vote of no confidence in their own land" (*The Press*, June 19, 1986).

The essential characteristics of international migration during the 1980s are not captured by expressions such as "exodus" or "brain drain". Rather, the outstanding feature of contemporary population movement in and out of New Zealand is the increasing complexity of flows within the aggregate patterns of total and net migration. An example of this complexity is that the first two years of the 1990s have seen a significant reduction in the extent of emigration of New Zealanders.

Summary of Recent Trends

Between 1 April 1986 and 31 March 1991 New Zealand "lost" nearly 65,400 citizens through international migration. This was made up of a net loss through PLT migration of just under 113,500 and a net gain through short-term migration of citizens of around 48,000 (Table 5). The most dramatic developments during the period were the sharp increase in PLT departures in the 1989 March year, and the even more dramatic fall in these for the following two years. In addition, there was a less marked but still significant increase in numbers of New Zealanders returning in 1989/90 and 1990/91.

The main reason for the reduction in PLT net losses in 1990 and 1991 is a decrease in emigration to Australia and an increase in immigration from that country. The detailed figures can be seen in Table 5: there was a 63 percent decline between the years ended 31 March 1989 and 31 March 1991 in PLT emigration of New Zealanders to Australia (down from 40,412 to 15,025); and a 79 percent increase in return PLT migration from Australia (up from 7,914 to 14,199). The net losses to other countries did not change nearly so much over the three years. However, it should be noted that the total net losses to Australia in all five years were larger than the PLT losses—almost 35,000 New Zealanders apparently left for a stay in Australia of less than 12 months and never returned.

FIGURE 14: PLT Migrants by Occupation Group, 1979-1985

Source: Department of Statistics

TABLE 5: Migration of New Zealand Citizens for both PLT and Total Migration, 1987-1991

Migrant group	(Year ended 31 March)					
	1987	1988	1989	1990	1991	Total
a) PLT migration						
All arrivals	22,893	23,882	21,244	25,746	29,575	123,340
All departures	48,615	51,860	58,429	44,388	33,514	236,806
Net loss (all countries)	-25,722	-27,978	-37,105	-18,642	- 3,939	-113,466
Arrivals from Australia	9,072	9,519	7,914	11,368	14,199	52,072
Departures to Australia	30,776	34,340	40,412	25,217	15,025	145,770
Net loss(Australia)	-21,704	-24,821	-32,498	-13,849	- 826	- 93,698
Net loss to other countries	- 4,018	- 3,157	- 4,687	- 4,793	- 3,113	- 19,768
b) Total migration						
Net loss to Australia	-25,435	-29,113	-44,540	-22,679	- 6,392	-128,162
Net gain from other countries	11,579	19,730	8,181	10,020	13,286	62,799
Net loss/gain (all countries)	-13,856	- 9,383	-36,359	-12,659	6,894	- 65,363

Source: Unpublished tables, Migration Statistics Section, Department of Statistics, Dunedin.

Interpreting short-term migrant losses to Australia is not easy, especially given that the migrant classification in this case includes only those whose country of next permanent residence was cited as Australia! Obviously, some of those people may eventually settle somewhere else. This is one example of the kinds of problems in analysing short-term net migration data for New Zealand citizens by country of origin and destination, and the total net losses to Australia (PLT plus short-term) could be exaggerated in Table 5.

The important point to note from Table 5 is that overall net losses of New Zealand citizens have varied markedly over the past five March years. Fluctuations in numbers of New Zealanders leaving the country have been much more significant in explaining these variations than changes in the magnitude of return migration. Since 1989, however, the PLT net losses of New Zealanders have fallen by more than 33,000. The drop in departures contributed around 75 percent (24,900) to this reduction, while the increase in return migrants (8,300) accounted for the remaining 25 percent of the decline in PLT net migration over the period.

In the early 1990s, economic conditions in New Zealand and Australia will continue to play the dominant role in determining the magnitude of net migration losses of New Zealanders overseas. With both countries currently experiencing a recession, migration flows of New Zealanders will remain highly volatile. In these circumstances it will not be easy to estimate the migrant flows of New Zealanders, and this will make it difficult to work out realistic immigration targets over the next decade.

Summary Points

- The statistical data now collected on arrival and departure cards make for unsatisfactory and inadequate monitoring of migrants for several reasons, including because it is no longer possible to separate out New Zealand residents as a migration category.
- Migration patterns of New Zealanders since the mid 1970s have been quite different from earlier period. The period 1945-65 was one of slight net loss but near balance; 1965-75 saw a much larger loss, perhaps as high as 100,000. Since 1976 major net loss of New Zealanders has occurred although this has taken the form of cycles of loss, rather than a continuous or increasing loss. The 1991 year, in fact, has seen a record net gain of New Zealanders.
- New Zealanders have, for a long time, formed a high proportion of the PLT departures but since the late 1970s have comprised half or more of the PLT arrivals, making New Zealanders the major component of both arrivals and departures.
- There were substantial net surpluses of other migrants in the period 1945-67, with annual net gains of 20,000 per annum being not uncommon. An upsurge in the early 1970s was followed by large numbers of overseas-born migrants leaving the country in the late 1970s. Since then, immigration of overseas-born has remained at or above 20,000 per annum, with re-emigration also higher than in the 1950s and 1960s.
- The magnitude of returning New Zealander migration depends upon the development of a pool of New Zealanders living overseas. This certainly exists in Australia, where 288,900 New Zealanders were estimated to be living in 1990, although not all would be potential return migrants.
- In almost every year since the late 1970s, returning New Zealanders have exceeded the number of immigrants from other countries. The importance of this flow has been accentuated by the static or declining numbers of other-citizen PLT arrivals, although since 1986 such arrivals have risen sharply because of immigration policy changes.
- If the migration of Australians and citizens of some Pacific Islands is added to the movement of New Zealanders, less than one-quarter of all PLT international movements are under the direct control of immigration procedures.
- The emigration of New Zealanders is likely to remain the most variable determinant of immigration trends—a determinant that is of major importance if meaningful migration targets are to be set as part of a strategy to increase both the skilled workforce and the overall size of the New Zealand population.
- In the early 1970s the United Kingdom and Australia accounted for almost three-quarters of the origins and destinations of New Zealand PLT migrants.

Since then, while retaining their significance as destinations, they have declined in importance as sources of migrants—by the late 1980s half of all PLT migrants came from other countries.

- The age profile of departing New Zealanders peaks in the 20-24 year age group whereas arrivals (including those returning) are slightly older with female migrants, on average, tending to be a little younger than males in the same flows.
- The trans-Tasman PLT flow of New Zealanders to Australia recorded higher proportions of occupations in professional and technical categories, and the drain of young New Zealanders with specialist skills was substantially more than 8 percent in a number of categories. Relative losses to occupational groups were less at older ages, where the population stock is larger and the migration flow smaller, although these losses have not been offset by immigrants with similar skills.
- The outstanding feature of recent population movements has been marked swings over relatively short periods. PLT departures of New Zealanders peaked sharply in 1989 but have fallen by 63 percent since then, while PLT arrivals of New Zealand citizens have increased. Nevertheless, New Zealand lost around 65,000 citizens during the five years ended March 1991.

CHAPTER THREE

Immigration to New Zealand

The late 1980s have seen a resurgence of interest in much higher levels of immigration to New Zealand. The argument that immigration policy should be liberalised to allow migrants with skills to settle in New Zealand without the use of "select quotas or shoddy occupation lists ... [or] set targets or numbers of immigrants" (Birch, 1989, p. 13) has been promoted strongly by business interests, especially the New Zealand Business Roundtable. A report commissioned by the Business Roundtable in 1990, which carried the evocative title *Populate or Languish?*, suggested that the New Zealand Government should consider selling and balloting settlement rights in a bid to boost the population by up to 40,000 immigrants a year.

Slow population growth through the 1980s, coupled with economic recession since the fall in share values late in 1987, has encouraged a widespread belief that a much larger population would promote prosperity. As one economist who supports this view put it at a business-sponsored seminar on immigration in 1989: "At present New Zealand needs growth and it needs a dynamic economy. A few years of extra refugee migration could even help" (Frater, 1989, p. 16).

There is a counter-view, expressed publicly in its most extreme form by the New Zealand Defence Movement—which was formed in mid 1989 as a reaction against the Labour Government's asset sales, defence and population policies. The New Zealand Defence Movement argues that the country already has a large enough population; the problem is that the "people resource" is not used properly. Between the New Zealand Defence Movement and the Business Roundtable there is a spectrum of views, ranging from concern over Asian imperialism to those who predict the de-skilling of the New Zealand population through the emigration of qualified citizens and short-sighted education policies.

In an article on why New Zealanders call this country "home", Sir Keith Sinclair summed up the imperialism fear succinctly when he observed: "I would not like us to be colonised by the Asians the way the Maori were by us" (*Sunday Star*, 4 February, 1990). Professor Roger Keey of the University of Canterbury's School of Engineering, captured the essence of the concern over de-skilling when he stressed that "unless we adopt national affirmative policies for the long-run development of New Zealand, we will see the slow de-skilling of our country, with New Zealanders eventually being the hewers of wood and the chambermaids for richer folk dwelling around the Pacific rim" (*The Press*, 1989).

The recent debate about immigration is just the latest phase in a protracted reassessment of immigration policy and law in New Zealand that began in the 1980s. The debate was initially stimulated by a long-overdue attempt to rewrite the legisla-

tion which sets out the legal basis on which a person may be in New Zealand, the forms and procedures to be followed in making applications and deciding upon them, and the powers of the Minister and officials in administering and enforcing immigration rules (Burke, 1986, p. 36).

The legislation in existence at the beginning of the 1980s was totally inadequate for dealing with the much more restrictive international migration regime that had been initiated by the Labour Government in 1973-74. The existing Immigration Act (1964) had been amended so often that contradictions between clauses were commonplace, and it was virtually impossible for the Immigration Division of the Department of Labour to prosecute those in breach of regulations.

The debate over a new immigration bill drafted by the National Government in 1982-83 was extensive and an acceptable legal framework could not be finalised before the 1984 elections. The Labour Government eventually produced its immigration policy guidelines in August 1986 (Burke, 1986), and just over a year later a new Immigration Act became law.

The significant increases in the non-citizen population in New Zealand during the past 10 years has been an important response to changes in immigration policy and also to some associated prominent legal cases (especially the Western Samoa citizenship case which went to the Privy Council in the early 1980s).

This development is analysed in two main ways in this chapter. Firstly, by looking at trends in the migration of non-citizens to New Zealand during the 1980s, with particular emphasis on the net migration gains (and losses) of people from Europe, Asia and the Pacific Islands. Secondly, by discussing some of the dilemmas which have faced policy makers and those responsible for administering immigration policy since the Labour Government completed the "most comprehensive review of immigration matters since that carried out by the Third Labour Government in 1973-74" (Burke, 1986, p. 4).

Immigration During the Early 1980s

In order to examine the impact of changes in immigration policy on the composition of migrant flows to New Zealand during the 1980s it is useful to divide the decade into two periods: the first, spans the five years between the 1981 and 1986 censuses; the second, covers the period since the immigration policy review in August 1986.

During the first period, the National and Labour Governments gradually relaxed the tight control over immigration which had been introduced in 1974 to try and reduce the economic and social stresses which were perceived to have been caused by record net migration gains. Evidence of this relaxation can be found in the fact that between 1 April 1981 and 31 March 1986 there was a net gain to New Zealand's population on a total-migration basis¹ of almost 50,000 citizens from other countries.

¹ The discussion in this chapter uses total migration figures rather than those for PLT, although Tables 6 and 7 provide both sets of population figures.

TABLE 6: Net Migration Gains to New Zealand of Citizens from European, Asian and Pacific Countries, 1 April 1981–31 March 1986

Nationality	Net migration gains			
	Numbers		Percentages	
	PLT	Total net migration	PLT	Total net migration
<i>European countries</i>				
Northern Europe	263	779	0.6	1.6
West-Central Europe ^a	4,718	4,725	11.6	9.9
Southern Europe	76	-18	0.2	0.0
Eastern Europe	589	437	1.4	0.9
United Kingdom & Ireland	11,166	9,060	27.4	18.9
<i>Total European countries</i>	16,812	14,983	41.3	31.3
<i>Pacific countries</i>				
Polynesia	5,296	12,351	13.0	25.8
Melanesia	1,542	1,473	3.8	3.1
Micronesia	55	55	0.1	0.1
<i>Total Pacific countries</i>	6,893	13,879	16.9	29.0
<i>Asian countries</i>				
North Asia	1,298	3,294	3.2	6.9
South East Asia	5,167	5,328	12.7	11.1
South Asia	413	1,378	1.0	2.9
<i>Total Asian countries</i>	6,878	10,000	16.9	20.9
<i>Total other countries^b</i>	10,137	9,036	24.9	18.9
<i>Total all non-NZ citizens</i>	40,720	47,898	100.0	100.0

Note: ^a This grouping includes Austria, Belgium, France, the German Federal Republic, Luxembourg, the Netherlands and Switzerland.

^b Including North America, South America, Africa, the Middle East and Australia.

Source: Unpublished tables (60409 and 60910), Migration Statistics Section, Department of Statistics, Dunedin.

The equivalent of just under one-third of this net immigration came from European countries (15,000 people), with the main "traditional" source area—the United Kingdom—providing around 60 percent of this net gain (Table 6). Two other important European contributors were the Netherlands (3,400)—another traditional source—and the Federal Republic of Germany (1,700) which became an increasingly important source of European tourists during the 1980s (Bedford, 1990).

The contribution of citizens from Pacific Island countries to the total net gain was slightly smaller than the European contribution (Table 6). There was a surplus of

just under 14,000 arrivals over departures of people of Pacific Island nationalities—the equivalent of just under 30 percent of the total net gain between 1981 and 1986. Again, the great majority were from “traditional” source areas in Polynesia, especially Western Samoa and Tonga (Bedford, 1990). The only significant contributor from Melanesia was Fiji, and in the early 1980s nearly 10 percent of the total migration net gain from the Pacific to New Zealand was of Fiji citizens.

The third major source area for immigrants, Asia, contributed 10,000 people—the equivalent of around 21 percent of the total net gain of non-citizen immigrants between 1981 and 1986 (Table 6). Over half of the 10,000 came from countries in South East Asia with Kampuchea (2,200) and the Philippines (1,100) making the largest contributions. Kampuchean immigration was a combination of refugee intakes (averaging around 400 per annum) and a much smaller family reunification migration following on from the refugee settlement. There were only very small net gains from Hong Kong (330) and Taiwan (840), countries which were to become much more significant as sources of immigrants in later years. The major contributor of immigrants from northern Asia at this stage was Japan—there was a net gain of around 1,850 Japanese citizens between April 1981 and March 1986 (Bedford, 1990).

Immigration since March 1986

The dominance of European immigration in the estimates of net migration gains was to be transformed in the second half of the decade. The significance of the Labour Government's immigration policy review was that it removed the “traditional” source area bias in immigrant selection, emphasised the importance of “business” migration, changed the basis of family reunification policy, liberalised the rules governing classification of adopted children, and recommended the extension of visa-free entry privileges to several Pacific and Asian nations.

The result was that between April 1986 and March 1991 there was a net migration gain to New Zealand of more than 63,000 non-citizens—almost a third more than in the preceding five years. Despite this overall net gain, there was a substantial net loss of citizens of European countries. The main groups lost were from the United Kingdom and West-Central Europe², mostly the Netherlands and France, (Table 7). These net losses from traditional European sources were, however, partly offset by gains from elsewhere in Europe, and from Eastern Europe in particular.

The large net loss to France is, on the surface, rather puzzling given that there is not a large French population in New Zealand. The explanation lies with an unexpected “gain” over the same period from New Caledonia (Bedford, 1990). It seems that quite large numbers of French nationals have been recorded as arriving in New Zealand as citizens of New Caledonia and leaving the country as citizens of France. This results in a net gain to New Zealand from the former country and a net loss to the latter; a statistical problem which can arise when using nationality data in the analysis of international migration.

In the case of migration from the Pacific, the net gain during the period April

² West-Central Europe is a grouping that includes Austria, Belgium, France, the German Federal Republic, Luxembourg, the Netherlands and Switzerland.

1986 to March 1991 was more than double that of the early 1980s (Table 7). The equivalent of almost half the total net migration gain to New Zealand of foreign citizens came from Pacific countries, especially Western Samoa (11,400), Fiji (11,400), and Tonga (5,600). The visa-waiver experiment between December 1986 and February 1987, the Fiji coups in 1987, and the "regularisation" programme which the Immigration Service introduced after the new Immigration Act came into force in November 1987, all played a significant role in this record immigrant contribution from the Pacific.

TABLE 7: Net Migration Gains to New Zealand of Citizens from European, Asian and Pacific Countries, 1 April 1986–31 March 1991

Nationality	Net migration gains			
	Numbers		Percentages	
	PLT	Total net migration	PLT	Total net migration
<i>European countries</i>				
Northern Europe	870	839	1.3	1.3
West-Central Europe ^a	2,710	-2,854	4.1	-4.5
Southern Europe	227	123	0.3	0.2
Eastern Europe	1,736	3,138	2.6	4.9
United Kingdom & Ireland	10,523	-6,877	15.8	-10.8
<i>Total European countries</i>	16,066	-5,631	24.2	-8.9
<i>Pacific countries</i>				
Polynesia	2,957	16,855	4.4	26.6
Melanesia	7,418	13,430	11.2	21.2
Micronesia	112	75	0.2	0.1
<i>Total Pacific countries</i>	10,487	30,360	15.8	47.9
<i>Asian countries</i>				
North Asia	16,577	19,330	24.9	30.5
South East Asia	10,515	17,528	15.8	27.6
South Asia	1,444	5,581	2.2	8.8
<i>Total Asian countries</i>	28,536	42,439	42.9	66.9
<i>Other countries^b</i>	11,375	-3,760	17.1	-5.9
<i>Total all non-N Z citizens</i>	66,464	63,408	100.0	100.0

Note: ^a This grouping includes Austria, Belgium, France, the German Federal Republic, Luxembourg, the Netherlands and Switzerland.

^b Including North America, South America, Africa, the Middle East and Australia.

Source: Unpublished tables (60409 and 60910), Migration Statistics Section, Department of Statistics, Dunedin.

It is interesting to note that in the year from April 1989 to March 1990 the pattern of immigration from the Pacific changed radically. For the first time since the independence of Western Samoa in 1962 there was a net loss of Western Samoan citizens in the migration flows, and there was also a net loss of Tongans—the first since the mid 1970s (Table 8).

In April 1989 the then Prime Minister (David Lange) commented critically on the volume of immigration from Western Samoa, and there was talk of suspending the annual quota of permanent residents admitted from that country. The quota was not suspended officially, but the reality of much stricter control over immigration and settlement in New Zealand of citizens of some Pacific countries interrupted a long-established migration trend (Figure 15). This interruption continued during the year ended March 1991, which saw an increase in the net loss of Tongans and only a very small gain in Western Samoans, while the immigration of citizens from Fiji showed a further reduction (Table 8).

TABLE 8: Net Migration Gains and Losses, Selected Asian and Pacific Countries, 1986–1991

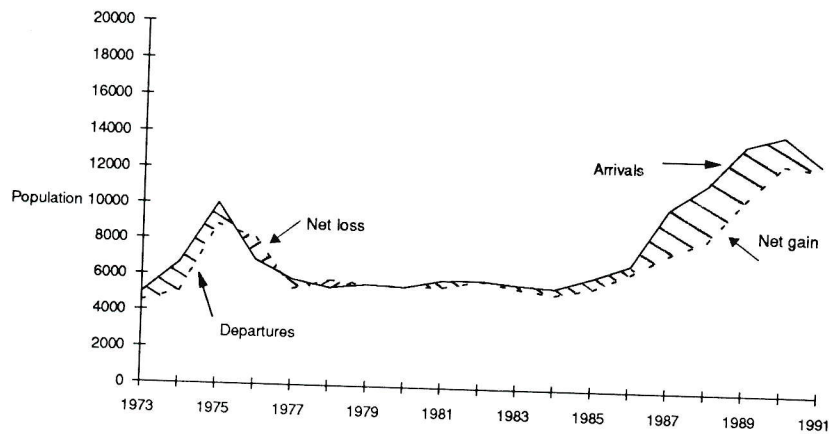
Nationality	(Year ended 31 March)					
	1986	1987	1988	1989	1990	1991
<i>Pacific</i>						
Fiji	479	2557	3114	3018	1596	1,090
Tonga	714	4637	1330	1107	-505	-944
Western Samoa	2541	3633	3183	4355	-64	298
<i>Asia</i>						
China	190	140	-246	1242	1572	2,336
Hong Kong	82	398	1838	402	1098	1,016
India	188	129	529	1,420	1,662	-46
Japan	401	1571	1069	789	264	-333
Kampuchea	421	311	322	410	838	316
Korea (Sth)	-85	186	174	-80	1298	-38
Laos	139	170	165	133	85	82
Malaysia	314	602	3795	2127	390	-370
Philippines	467	623	783	1079	1346	502
Singapore	235	323	388	268	-613	-183
Taiwan	-296	-25	811	1370	1855	1,009
Thailand	52	-134	373	86	149	333
Vietnam	160	158	228	213	418	407
<i>Total non-NZ citizens</i>	6592	18213	8426	18061	11026	7,682

Source: Department of Statistics

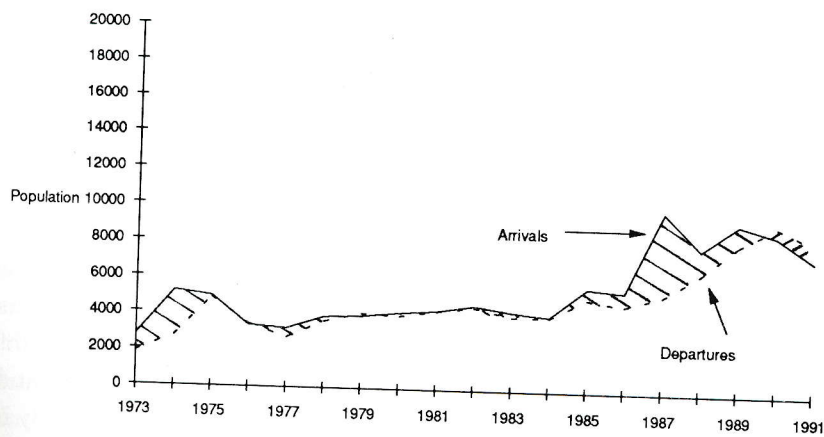
In the case of migration from Asia in the late 1980s, the statistics also show a radical change in patterns. The total net migration gain between 1986 and 1991 (42,400) was four times that of the previous five years, with the largest contributions coming from China, Malaysia, Japan, Hong Kong, Philippines, Taiwan and India (Tables 7 and 8). The "business" migration industry has taken off and, as many

FIGURE 15: Migration to and from New Zealand of Citizens of Fiji, Tonga and Western Samoa, 1973-1991

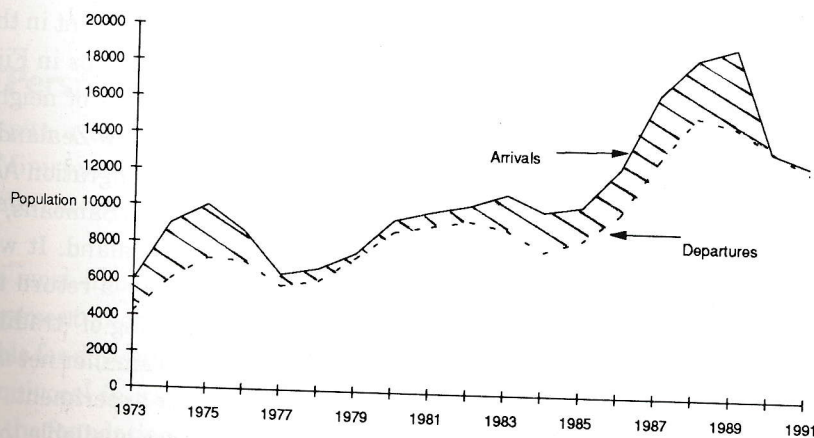
a) Fiji



b) Tonga



c) Western Samoa



Source: Department of Statistics

Aucklanders in particular have seen, the ethnic composition of some of the city's more fashionable suburban neighbourhoods is changing fast.

The 1980s have seen, numerically, the largest-ever Asian immigration to New Zealand. Unlike during the 19th century, when discriminatory immigration legislation was enacted, the recent flows of Asian immigrants are being officially encouraged. Nevertheless, a major challenge for planners and members of the public in New Zealand's largest city during the 1990s will be adjusting to what promises to be a significant *Asian* dimension to economic and social change.

The Great Debate

There has probably been more public debate about immigration policy during the 1980s than in any other decade since the Second World War. Much of the public comment has concerned "legal" issues: the entitlement of certain people to New Zealand citizenship; the extent to which some groups of migrants tend to overstay their temporary residence permits; the conditions under which selected categories of migrants may gain preferential access to New Zealand; and the extent to which visa requirements for short-term visits can be waived.

This focus on "rights" and "conditions" is not surprising given that early in the decade there was a major court case over the definition of New Zealand citizenship which went as far as the Privy Council, as well as an attempt by the third Muldoon National Government to rewrite the legislation which establishes the legal basis on which a person may be in New Zealand.

The legislative issues were kept alive through the mid 1980s because the National Government was not able to pass a new immigration act before its defeat in the 1984 elections. The Labour Government was committed to completing the overhaul of the legislation as well as reviewing immigration policy. These initiatives became more urgent as a result of an investigation by the Race Relations Office into allegations of discrimination in the application of immigration laws in New Zealand (Hirsch, 1986). The Government's immigration policy review was released publicly in August 1986 with the new Immigration Bill passing into law a year later.

The short-lived experiment with visa-free entry from Fiji, Tonga and Western Samoa was one of the results of that investigation and it ensured that legal issues associated with the overstaying of visitors' permits remained prominent in the media as well as in the work of the Immigration Service. The military coups in Fiji during 1987 stimulated debate about criteria governing entry by citizens of neighbouring Pacific states which had long had a "special relationship" with New Zealand.

"Transition" arrangements after enactment of the new Immigration Act in November 1987 saw substantial increases in the numbers of Western Samoans, Tongans and Fijians, in particular, gaining residence rights in New Zealand. It was these increases which prompted the Prime Minister's call in 1989 for a return to "traditional" levels of immigration from Pacific countries. The meaning of "traditional" in this context is not easy to establish, but it clearly meant much smaller net migration gains than those since the 1986 policy review and visa-waiver experiment.

Contributing to the debate over the rights and privileges available to those in New Zealand was the attempt to market New Zealand as an attractive destination for

Asian entrepreneurs and their investment capital. The "business immigration scheme", and the new industry in immigration consultancy it spawned, generated considerable public and political comment. This was especially so when it was found that many of the new migrants were investing money in residential property rather than productive enterprises, and merely establishing a base for residence at some stage in the future.

Dissatisfaction with several aspects of immigration policy—including an apparent failure of a system based on an occupation priority list to attract desired skilled immigrants to meet shortages in the domestic labour market—prompted successive Ministers of Immigration in the Fourth Labour Government to talk of further changes to immigration procedures.

Clearly favoured was the introduction of a points system similar to that used in Australia. Changes to the 1987 Immigration Act were also mooted in order to rationalise the process whereby temporary residents in New Zealand sought to change their status and become permanent residents. Between late 1986 and late 1990 there was a trebling in the number of appeals to the Minister of Immigration against decisions by the Immigration Service and in 1990 there were over 4,000 appeals.

Once again though an election and change of government intervened before major changes to both legislation and immigration policy could be finalised by the Labour Government—although the National Government's Minister of Immigration has kept the issues alive. He has emphasised repeatedly the desirability of significant increases in immigrant numbers to encourage economic growth; and in December 1990 he appointed a Working Party to make recommendations regarding procedures for promoting skilled and business immigration.

By the beginning of the 1990s the scene was set for some quite fundamental amendments to the Immigration Act of 1987—amendments designed to reduce the overstaying problem, to permit more effective regulation of the business immigration programme, and to create a new mechanism for dealing with appeals against decisions by the Immigration Service. In addition, the public was being encouraged to believe that immigration on a scale which has been relatively rare this century in New Zealand was desirable, both in the context of economic recovery and as a way of overcoming skills shortages in a population which is frequently given one of the lowest rankings amongst OECD countries for levels of tertiary training.

Maori Perspectives

Despite a remarkable consistency in recent years in the perspectives which various Ministers of Immigration have brought to the debate about policies designed to regulate entry and residence of non-New Zealanders, some fundamental issues remain.

The most important of these is the extent to which Maori concerns over acknowledgement of obligations under the Treaty of Waitangi are being met by those responsible for designing immigration policy. The Royal Commission on Social Policy was unequivocal in its advice in this regard. In their view the Treaty of Waitangi provided the foundation for all aspects of policy concerning relationships between the tangata whenua and the tauwiwi (later settlers). As immigration policy has a great deal to do with determining the mix of tauwiwi, it is hardly surprising that there is

concern among Maori for greater consultation in the design of any strategies to change the nature of New Zealand's population.

The issue, however, is a contentious one. For some prominent Maori leaders, such as Sir Graham Latimer, there is no inconsistency between large-scale immigration and the achievement of Maori social, economic and political aspirations. He has stated publicly several times that "New Zealand should free its immigration policies and open doors to more foreign residents" (*New Zealand Herald*, 1 December 1989). He acknowledges that this will not be a common view amongst Maori "because Maori people see immigration as a threat to their existence" (*New Zealand Herald*, 5 July 1989).

The Anglican Maori Church's call in June 1990 for a halt to new immigration policies until Maori are involved directly in the decision-making process on immigration issues captures the essence of a more widely held view within Maoridom.

The Working Party on Immigration makes no reference to this issue in the substantive sections of its recent report. Only in a tail-piece to its formal recommendations is there any reference to consultation with Maori. The statement merits full quotation. Its brevity reflects the lack of significance frequently given to Maori concerns in the immigration debate, and it contains a common but misguided assumption about the nature of Maori concerns over immigration. The Working Party observes:

Amongst the groups with whom we met were representatives of the Maori people. They expressed to us what we accept is a legitimate concern that increased immigration may have the effect of removing employment opportunities for the unskilled among their people. In the short-term, we think that our recommendations will go a considerable way to ensuring that immigrants are generally skilled and therefore do not compete in this way, and to the creation of employment opportunities through business migration. In the longer term, improved levels of educational achievement among Maori would be a preferable solution (Wilson et al, 1991, p. 33-34).

Without doubt the creation of employment opportunities is of critical importance to Maori, but this is only one of the issues of an increased immigration policy which concern Maori. A deeper issue is the extent to which "multi-culturalism" is now seen to be a much more appropriate basis for planning and immigration policy prescription in New Zealand than "bi-culturalism". Maori have good cause for unease in this regard. The present Minister of Immigration stated in his address to the Top Tier Immigration Seminar in 1989 that:

At a time of considerable racial disharmony in New Zealand's race relations the influx of other ethnic groups must be considered. As New Zealand moves towards a bi-cultural society, I am constantly reminded by my Pacific Island constituents that New Zealand should not stop there but embrace multiculturalism—ethnic pluralism if you like—as a positive boon to our society. ... The reality is that it must be faced. As we enter the 21st century New Zealand will be a multi-cultural society. ... So the problem is not ethnicity. It is the skills, the calibre of our immigrants,

that should drive immigration policy (Birch, 1989, p. 13).

The reality for many Maori is that immigration policy initiatives in recent years have been based on the assumption that multi-culturalism rather than bi-culturalism is the desirable strategy to pursue in New Zealand in the late 20th century. This is certainly the conclusion that can be drawn from the final sentence in the Labour Government's Immigration Policy Review of 1986 where it is stated that "vitality and stimulation and infusion of new elements to New Zealand life has been of immense value in the development of this country to date and will, as a result of this Government's review of immigration policy, become even more important in the future" (Burke, 1986, p. 48).

The calls by the Maori Anglican Church and other groups of Maori for "a halt to new immigration policies until Maori are joint decision-makers on immigration issues" (*Evening Post*, 7 June, 1990) suggest that this positive perspective on immigration is not shared by many tangata whenua. The dilemma for those responsible for immigration policy is how to bring Maori into effective power-sharing consultation on the one demographic process which Government reserves the right to control—the decision over who should enter New Zealand (Burke, 1986, p. 11; Birch, 1989, p. 14). Yet clearly the Treaty of Waitangi has important implications for immigration policy—policy which has a direct impact on the size and composition of the tauwiwi component and the balance between tangata whenua and tauwiwi within New Zealand.

Exceptions to General Rules

Another dilemma which confronts politicians and policy makers is how to avoid charges of discrimination in a policy environment which has to allow for exceptions to general rules. By definition, immigration policy must be selective—otherwise there would be no reason for regulating the flow of non-citizens into a country. In the case of New Zealand's immigration policy, long-standing bilateral preferential arrangements with Australia, the Netherlands and certain Pacific Island countries have been maintained outside a stated general policy of selecting immigrants "on criteria of personal merit without discrimination on grounds of race, national or ethnic origin, colour, sex or marital status, religion or ethical belief" (Burke, 1986, p. 11).

The 1990 Working Party on Immigration was requested to make recommendations concerning, among other things, "how to implement an appraisal process which ensures that skilled occupational migrants are efficiently and fairly assessed" (Wilson et al, 1991, p. 1).

The appraisal process they opted for was a points system—a system which would enable "predetermined qualities of prospective migrants to be consistently and transparently measured, while at the same time providing the Government with an ability to control the number and mix of those migrants to reflect changing economic and social conditions" (Wilson et al, 1991, p. 7). The system is based on the one used by the Australia Immigration Service and is seen to be a much more objective way of assessing the suitability of prospective immigrants on occupational grounds than previous systems such as the Occupational Priority List.

But as the Working Party (1991, p. 9) acknowledges, "the possibility must be accepted that under a points system a disproportionate number of those who qualify

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But as the Working Party (1991, p. 9) acknowledges, "the possibility must be accepted that under a points system a disproportionate number of those who qualify

for permanent entry may come from one particular part of the world", especially as there will be difficulties in verifying and assessing the value of formal qualifications, trade skills, and business or work experience gained by people from different countries.

The Working Party proposes a system of weightings (rather than quotas) in order to correct imbalances in the spread of immigrants by source area. However, the emphasis on skills which are marketable in an advanced capitalist economy would ensure that "well-qualified migrants in substantial numbers" could only be attracted from selected parts of the world.

The Working Party was unequivocal that a points system cannot be used as the only criterion to assess all applicants for residence. In its view, "all should be eligible to apply under the points system, but alternative grounds for permanent entry should also be available in four areas" (Wilson et al, 1991, p. 6). The four areas are:

- entry on humanitarian grounds, for example, family reunion, marriage, refugee status
- entry from the Cook Islands, Niue, Tokelaus, Western Samoa and other Pacific countries with which New Zealand has "special relationships"
- entry under the terms of the long-standing Netherlands quota "because of the advantage to New Zealand of receiving migrants of a high quality who are selected by the Dutch"
- entry of business migrants because of the need to provide special incentives for them to bring investment capital to promote the economic development of New Zealand.

Some of these exceptions from a general policy based on a points system will generate claims of "discrimination" and favouritism. In addition, it is likely that provisions to allow for the continued immigration of Pacific Island Polynesians seeking unskilled or semi-skilled work will be seen to contradict the Working Party's assurance to representatives of the tangata whenua that its recommendations will not have the effect of removing employment opportunities for unskilled Maori.

A dilemma for policy makers in this regard is how to retain important long-standing arrangements with neighbouring countries—which include privileged access for immigrants—without compromising a policy which is clearly designed to attract immigrants with skills and capital into a severely depressed economy with high levels of unemployment, especially amongst low-skilled workers.

The Trans-Tasman Connection

There is also the dilemma of retaining the skilled immigrants, especially those with investment capital, in New Zealand once they have gained citizenship and thereby qualify for unrestricted access to Australia.

The Trans-Tasman Travel Arrangement, which provides the legal framework within which New Zealanders qualify for residence in Australia and vice-versa, is not

mentioned explicitly in the Working Party's Report. Reference is made to the Government's desire "to implement a business immigration programme which incorporates close supervision of investments, careful post-arrival monitoring and conditional permanent residence" (Wilson et al, 1991, p. 18). The Working Party suggests several strategies (including some amendments to the Immigration Act) to ensure compliance with terms governing the granting of residence status. It also questions whether permanent residence granted to business migrants should be conditional only—conditional residence is likely to create significant disincentives to proceeding as a business applicant as against seeking entry via the points system.

The prospect of a trans-Tasman move by immigrants to New Zealand cannot be regulated without challenging the basic philosophy of the Trans-Tasman Travel Arrangement. As the latter is an integral part of another major policy achievement of the 1980s—Closer Economic Relations with Australia—it is unlikely that the New Zealand Government will seek to restrict access of New Zealanders to Australia. One of the consequences of a more pro-active market-oriented immigration policy will be that some of the new settlers will inevitably use their New Zealand residence status as a stepping stone to Australia.

The Limited Domain of Government Policy

In spite of the significance of immigration policy for determining the mix of non-citizens who can enter and settle in New Zealand, it is important to restate the *limited* control which the Government has over levels of net migration. Recently, Gould (1991, p. 8) summed up the relevant issues well when he pointed out:

There are only four ways in which the Government can theoretically influence the level of net migration. Its powers in respect of three of these four are in practice extremely limited. It cannot stop people leaving if they wish to go; it cannot, in general, compel residents to go if they wish to remain; and it has limited power, even with the help of assisted immigration, to persuade people to come who really do not want to.

Government wields considerable influence only through the fourth mechanism, that is making it easier or harder for people who wish to settle here to do so by altering the criteria for granting residence status.

Even here the room for manoeuvre is not as large as it seems. At any one time there are hundreds of thousands of New Zealand citizens and others with residence rights living or travelling overseas, and they can come back whenever they please, however unwelcoming the immigration criteria may be.

On the other hand when economic conditions look bleak, even very relaxed immigration criteria may not attract many long-term settlers. Trying to attract immigrants to a country in depression by relaxing immigration criteria is like pushing a piece of string.

It is precisely the latter strategy that the Top Tier Group, the Business Roundtable, and the Working Party on Immigration, among others, favour pursuing. A common view seems to be that, despite the recession, New Zealand can attract tens of thou-

sands of skilled migrants "if the appropriate policies and procedures are adopted and New Zealand is actively promoted as a destination" (Wilson et al, 1991, p. 2).

According to Poot (1991) there is a near consensus in the recent literature by economists that the economic impact of immigration is, on balance, positive for the receiving countries irrespective of prevailing domestic conditions. It will be interesting to see whether the immigration consultancy business, together with a proposed marketing division of the Immigration Service, can generate the flows of migrants which some commentators feel are essential if New Zealand is to prosper in the late twentieth and early twenty-first centuries.

Summary Points

- During the period 1981-86, under a more relaxed implementation of the immigration regulations than in preceding years, New Zealand gained almost 50,000 citizens from other countries. Of these, nearly one-third were from Europe, slightly less from countries of the Pacific, and one-fifth from Asia.
- In the second half of the 1980s, the traditional source area bias towards Europe was removed with greater emphasis instead on business migration, family reunification and the waiver of visas for several Pacific and Asian countries. Between 1986 and 1991 there was a net migration gain to New Zealand of 63,400, which was almost one-third larger than between 1981 and 1986. There has been considerable reduction in net gains from the Pacific during 1989/90 and 1990/91 however, and gains from most Asian countries decreased during 1990/91—the only major increase during 1990/91 being Chinese citizens.
- Immigration of non-citizens is not necessarily a permanent gain to New Zealand, as permanent residence granted to business migrants may merely provide a stepping stone to Australia.
- The Treaty of Waitangi has important implications for immigration policy which may indirectly determine the size and composition of the new settler component of the population, thus altering the balance between the tangata whenua and tauwiwi (later settlers). There is a Maori concern for greater consultation in the design of strategies which may modify the nature of New Zealand's population.
- Government policy exerts limited control over the the total migration process: it cannot stop people leaving; it cannot, generally, compel residents to leave; and it has limited powers of persuasion in recruiting desired immigrants. The main regulatory power available is the setting of criteria for prospective immigrants wishing to settle; when economic conditions are unattractive even relaxation of these criteria may be ineffective in attracting desired settlers.

CHAPTER FOUR

International Migration in Wider Perspective

Arguments in favour of much higher levels of immigration have won considerable support from the business community. At the Top Tier Group's seminar in March 1989, the President of the New Zealand Employers Federation, Ron Arbuckle, welcomed delegates on behalf of the New Zealand Manufacturers Federation, Federated Farmers of New Zealand, the Retail and Wholesale Merchants Association, the New Zealand Tourist Industry Federation and the New Zealand Chambers of Commerce.

The implication conveyed by citing these groups in his introductory remarks was that they all supported a positive and pro-active programme to attract thousands of skilled immigrants to New Zealand from overseas. Concern was expressed at the loss of skilled New Zealanders through emigration, especially since 1976, and there was also "more than a hint in some of the public statements from the Top Tier partners that immigration ... is a panacea for the ills of the economy and the skills imbalance in the labour market" (Birch, 1989, p. 13).

Senior representatives of both political parties at the Top Tier seminar rejected such an over-simplistic and narrow approach—recognising that the context within which the immigration debate must be placed is much broader than the increased demand and supply effects of a larger population base. As the then Minister of Immigration said in 1989: "I think we need to answer some of the hard questions about the kind of society we want in New Zealand for ourselves and for our children" (Rodger, 1989, p. 11).

An Economic Perspective

Attempts during the late 1980s and early 1990s to put the immigration debate into this wider perspective of the nature of New Zealand society and its future direction have had highly variable effects. The "Poot report" on the long-term economic implications of sustained net immigration at levels between 5,000 and 15,000 per year is the most widely cited study, especially by those favouring a large population base for a more dynamic and wealthy economy and society (Poot, Nana and Philpott, 1988).

There are three main points to this argument. The first relates to differences in demographic characteristics and labour force participation between the migrant groups and the resident population, particularly the unemployed. Migrants tend to have a younger age structure than the resident population, to have higher labour force participation rates, and to be strongly motivated towards paid work. In some cases,

they have skills which are scarce and in high demand, and in others are prepared to step into low-status job vacancies which might be otherwise hard to fill. They may also bring with them considerable resources of capital to put into new businesses which create jobs.

While there are other social implications that need to be taken into account, the above differences in demographic characteristics and labour-force participation between migrants and residents, would increase overall labour-force participation as a result of increased immigration, and could increase employment overall (for reasons discussed just below), although some commentators believe that during periods of high unemployment, these effects may not outweigh the job-displacement effects on the resident population of net inward migration.

The second point relates to questions of demand and supply—namely, the effect on the demand for goods and services created by migrants to New Zealand as well as its impact on the supply of labour. Increased demand, and the associated output to meet it, will create more jobs and increase the need for other inputs. This could result, at a time of labour shortage, in an overheated economy and possibly high inflation, with areas such as housing being put under pressure. By contrast, in a period of recession, greater demand as a result of immigration may assist in creating more employment than it displaces.

The third part of this argument considers the dynamic long-term effects of population increase as a result of immigration. Growth in output has been shown in many circumstances to be associated with increases in productivity. If the increased output to meet greater demand, results in increased productivity for all factors of production, this should mean an increase in per capita output, gross domestic product and consumption. This is particularly likely to occur in conjunction with skilled migration, which encourages the adoption of technological advances and new investment, and hence leads to diversification.

It is considerations such as these which have led Poot (1991) and his colleagues (Poot et al, 1988) to argue that the economic impact of immigration is, on balance, positive in the receiving countries even in times of recession. Poot (1991) shows that Gross Domestic Product per capita has grown faster in periods of high immigration into New Zealand, and that these are also periods of higher total factor productivity growth.

His more technical "model-building analyses" of migration give further evidence that, overall, the economic impact of immigration is positive. The results of a model simulation, using an average net increase of 15,000 people per year from immigration in the period 1985 to 2001, gave a total increase in GDP per capita of 3 percent over the zero net migration scenario. Consumption per head was unaffected (Poot et al, 1988, p. 121). Unemployment was also projected to fall, although by only 1 percent. It should be noted, however, that the authors acknowledged that other impacts, especially social and demographic ones, were not considered in detail.

A Demographic Perspective

Another argument for greater immigration centres on the demographic fact that New Zealand's population profile is an ageing one. This argument reasons that because migrants tend to have a younger age structure than the general population,

large influxes of new citizens will have the effect of rejuvenating the population.

This rejuvenating effect, however, tends to be greatly exaggerated. It has been shown—using alternative population forecasts based on assumptions of zero, 5,000 and 10,000 annual net immigration (and medium levels of fertility and mortality)—that constant inputs of immigrants at these target levels make little difference to the proportion of the population aged 60 years and over (Department of Statistics, 1990d).

The absolute *size* of the population obviously changes with these hypothetical immigration targets, but the *age structure* is not affected in any major way. For example, the proportion over the age of 60 years rises to 26.6 per cent in 2031 if there is zero net immigration per year, reducing to only 25.8 and 25.1 percent when net immigration is set at 5,000 per year and 10,000 per year respectively.

Furthermore, the reality of immigration patterns means that even the small benefits shown in the above models would be unlikely in practice. Net migration gains (or losses) are never constant from one year to the next, and are certainly unlikely to be any less volatile over the next two decades than they have been in the 1980s.

The reality is, as Pool and Sceats (1990, p. 50) point out, that whatever the advantages of immigration as a way of revitalising the economy, the arrivals would swell the large cohorts currently aged between 25 and 39 years, and hence, from around 2010, would increase the ranks of those aged 65 years and over. They go on to add:

If workforce migration were continuous, this effect would be minimised as younger workers would decrease dependency burdens. But such a scenario is totally unrealistic, as it ignores problems of recruitment and the fact that we have a history of radical ad hoc policy changes in this area (Pool and Sceats, 1990, p. 50).

The other demographic dimension relates to the question of the likelihood that New Zealand's population can be increased significantly in the medium term to reach around 5 million—a target which has been mentioned repeatedly in the debate about population change in New Zealand for over 20 years.

In an earlier report, which was also written at a time when major increases in the New Zealand population were being debated, the Population Monitoring Group (1985) highlighted some of the social and demographic policy impacts. It is appropriate to restate some of the points made in that report as they remain as valid now as they were in the mid 1980s.

Its conclusion was that to achieve a population of around 5 million by early next century, two growth factors—or a combination of these—would have to change. Either fertility would need to increase, or net immigration take place at levels well in excess of those recorded at any time this century. As has been already noted in the previous chapter, government intervention to influence migration trends in a democratic society can have only limited success. Intervention in the domain of reproduction, through special incentives either to increase or decrease fertility have also been generally unsuccessful in such societies.

The implications for social and economic policy would be immense if fertility increased sufficiently to make a significant impact on population growth. In the first place, New Zealand would be forced to consider returning to the education workforce

and class-size policies of the late 1960s and early 1970s. For example, around 1,000 more teachers would need to be recruited each year merely to cater for the primary school entrant class if teacher/pupil ratios were to remain at 1:20. This process would require a lead time of at least three to five years for recruitment and training. Other sectors such as health and the construction industry would be under severe pressure as they were during the post-war baby boom.

These changes in infra-structure would be occurring at a time when social and economic planners are going to have to give greater recognition to problems associated with ageing and other changes in the composition of age cohorts.

Increased net immigration as a strategy also has costs as well as benefits. The benefits may come from the importation of skilled labour and "rejuvenation" of the workforce, but against this must be set the costs associated with accommodating and settling spouses, children and elderly dependants. There would also be difficulties associated with assimilating migrants if significant communities of their own nationals do not already exist in New Zealand.

Further alteration in the ethnic balance between Maori and non-Maori would be another consequence of expanded net immigration. Since the Maori population can recruit only by natural increase or the return of Maori who have migrated overseas, a massive boost to the non-Maori population through immigration would inevitably reduce the proportion of the total population that is Maori.

Finally—and perhaps most tellingly—the achievement of the 5 million population goal implies an annual population growth rate of 2.8 percent. This rate is far in excess of that currently for more developed countries (0.6 percent), the world (1.7 percent), and the less developed countries (2.0 percent). The only region at present with that sort of annual growth rate is Africa at 3.0.

To achieve this hypothetical target, net immigration might have to be as high as 100,000 per year. Even with very much higher fertility rates in New Zealand, the level of net immigration would have to be well over 60,000 per annum. The most recent peak of arrivals in New Zealand of people intending permanent and long-term residence was in 1974 when just over 70,000 arrived. This influx produced a total net migration gain (all arrivals minus all departures) of 33,167 people—a little over half the smallest net gain needed to achieve the 5 million goal. The outcry over that year's problems, provides graphic evidence of the likely impact of migration on the host population if the 5 million goal were to be seriously considered.

Immigration and Population Policy

Immigration is obviously an important element in the consideration of population policy, but it is merely one major demographic element among a number. There is a risk that the role it plays may be misinterpreted so that it is seen as the key determinant of population composition and dynamics. This risk is enhanced by several other factors.

In the first place, as has already been noted, in a democracy immigration of non-citizens is really the only population process which can be altered rapidly and directly by government intervention. Obviously, health policies affect mortality but the relationships are generally less direct and any changes less rapid. Immigration is also the only demographic dynamic monitored specifically by a department with the experi-

ence and infra-structure to formulate and implement policy.

In the second place, there has been a long tradition in New Zealand (as for example in Australia and Canada) of immigration policy formulation. Generally, this has been to achieve essentially non-demographic goals such as providing particular skills in the workforce or "fine-tuning" the economy. The recognition in any refined way that the structure and characteristics of migrant flows are as important as the net volume has been slow in coming in New Zealand (Farmer, 1985).

Thirdly, there is no executive central planning unit in New Zealand with the capacity or the power to integrate population issues into sectoral and central planning. Sectoral planning for energy, housing and hospital funding increasingly recognises the role of population issues, but this is still being done in a piecemeal rather than an integrative way.

Given these factors, there is a serious risk that population policy will not be developed in any comprehensive way in New Zealand. Instead, it is entirely possible that in the existing government structure the formulation of immigration policy will tend to pre-empt the objectives of a broader population policy. In the longer term, however, other demographic issues—such as ageing and other compositional changes—could be more important than migration.

In the absence of a general population policy there is a risk that either immigration policy is taken for population policy itself, or that population policy is determined by migration policy. The logical sequence is that immigration policy should be a tool of economic, social, cultural and population policy—that is, migration should be seen as merely a strategy for achieving certain population targets, which have been determined by the objectives of social and economic planning.

The report of an interdepartmental inquiry into population policy issues, which was published in 1990, demonstrated clearly the need for much greater integration of demographic considerations into policy formulation and planning (Department of Statistics, 1990d).

This report, *The Human Face: A Context for Population Policy into the Twenty-first Century* has had much less impact on the public debate about immigration than it deserves, probably because its primary objective was to establish significant policy issues that might arise as a result of demographic change rather than to prescribe policy. It remains, however, the only recent report which provides an indication of the range of possible implications of demographic change in New Zealand over the next 60 years using an approach which integrates population trends and patterns with social, cultural, economic and environmental factors.

The New Zealand Futures Trust (1990, 1991)—a privately funded successor to the Commission for the Future—has also entered the debate with some alternative scenarios for society, economy and environment in New Zealand next century. The scenarios bear a close resemblance to those outlined in its predecessor's thought-provoking reports of the 1970s. In the current policy regime, which is emphasising market-led growth and a significant reduction in the size and role of the Government in development, it is unlikely that the alternatives to the "market-led" scenario will attract much support or comment, either from business interests or senior government officials.

Conclusion

There is little doubt that the debate about immigration and future population prospects needs to be placed in a much broader perspective than the narrow economic focus which currently predominates. The wide-ranging debate in Australia about the legacies of almost 20 years of high levels of immigration needs to be examined closely. Opinion on the social and economic consequences of sustained immigration from a variety of source areas is much more divided in Australia than in New Zealand.

Mr Birch is obviously sensitive to the issues which have polarised Australians in their assessment of international migration trends over the past 20 years. In his concluding remarks to the Top Tier seminar he observed:

I think the New Zealand public are wary—and rightly so—of contributing any further racial or cultural instability to an already stretched social fabric. Despite that our natural conservatism should not impede the advantages—both economic and cultural—that can flow from increased immigration. There is only one unshakeable criteria we must impose on all of New Zealand's newest citizens. And that is a shared commitment to the prosperity and social fabric of this country (Birch, 1989, p. 14).

The social fabric of New Zealand has been exposed to greater levels of stress in the early 1990s than at any time for nearly half a century. New Zealand also has currently a highly volatile international migration regime. In this context, it is quite undesirable to develop a policy environment in which the immigration debate is driven by "mechanical" considerations relating to annual targets or quotas, or regulated numbers and mixes of migrants determined by some arbitrary figure for net migration intake. This turning a tap on and off mentality towards the application of immigration policy can only continue to perpetuate the widespread public misconception that government policies do play a key role in regulating net migration gains and losses each year. As this report has consistently shown, any New Zealand government has a limited capacity to directly influence migration trends.

John Gould (1991, p. 8) in his recent article in the *New Zealand Herald*, sums up some of the critical issues for policy makers and politicians well when he observes:

What does all this imply for those fashioning National's immigration policy?

First, it must concentrate on *quality* rather than *quantity*—both because numbers do not seem to matter as much as quality, and because while the Government can exert at least some influence on quality, it cannot control, even approximately, the size of the net inflow or outflow.

Secondly, it should recognise that the social and cultural impacts of immigration, including its effects on the ethnic balance of the population, are as real, and may be as important and of as much legitimate concern to the existing population, as its effects on the economy.

And thirdly (though it should really be first) it should at least get its facts about migration levels right ... before it does anything at all.

This report will have served a useful purpose if it assists policy makers, politicians and members of the public to get the "facts right" about international migration to and from New Zealand in the late 20th century.

Summary Points

- Migration issues need to be viewed in the context of the broader goals and future prospects of New Zealand society and not just in economic terms.
- There are three main economic arguments put forward by proponents of increased immigration: because of their age and labour-force characteristics, new immigrants would not necessarily displace existing labour or increase unemployment; in a period of recession increased demand for goods and services as a consequence of immigration may create employment opportunities; in the long term such increased output may lead to an expansion in labour and other productivity factors, promoting an increase in per capita output, gross domestic product and consumption.
- Rejuvenation of the ageing population through the steady flow of substantial numbers of young adult immigrants is largely illusory since, although total numbers would increase, the modifications to the age structure would be relatively modest. The effect might well be to swell the large cohorts aged 25-39 and so accentuate the impact of large numbers of elderly from the second decade of next century.
- A substantially enlarged population in the medium term (the figure of 5 million has often been cited) implies an *improbable* average rate of growth of the order of 2.8 percent per annum. This would require substantially increased fertility levels and/or unprecedented rates of immigration, conceivably reaching net immigration levels as high as 100,000 per annum depending on any increase in fertility. Such changes would have major repercussions for education and health services, the labour force, and ethnic and cultural mix. A previous net influx of only 33,000 in 1974 produced an outcry at the time over the resulting socio-economic problems.
- Population issues as such are being integrated into sectoral and central planning in a haphazard fashion. Close examination of the Australian experience over the last 20 years of high immigration levels could provide useful guidance for this country in dealing with high levels of net immigration.
- New Zealand lacks a coherent population policy which may result in immigration policy pre-empting the objectives of a broader population policy, despite the possibility of factors such as ageing and other compositional changes being ultimately more important than immigration. There is a risk that immigration policy is equated with a population policy or that population policy is determined by migration policy.

- Effective government intervention in the migration process is limited, and so priority should be given to quality rather than quantity of migration, to the impact of migrants on the composition of the population as well as on the economy, and on knowing accurately and comprehensively the nature and level of migration flows.

APPENDIX IA: Trans-Tasman migration 1982-1986 (redefined definition)

The effect of permanent, long-term and short-term movements of New Zealand residents on the 1981 census populations in the "minor" occupation groups: men and women aged 15-29 years.

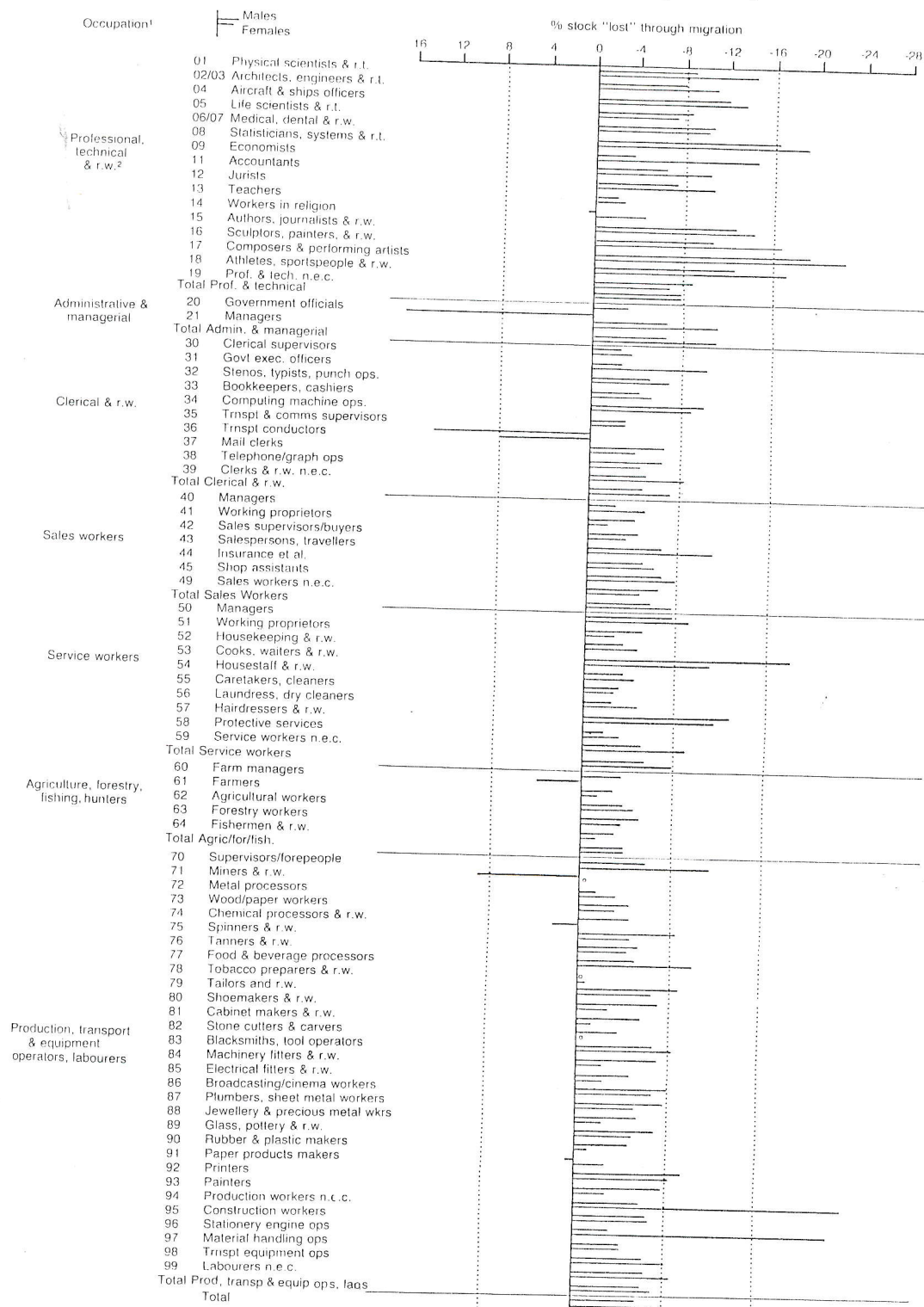


Fig 14: Trans-Tasman migration (refined definition) 1982-1986: the effect of permanent, long-term and short-term movement of New Zealand residents on the 1981 census populations in the "minor" occupation groups: males and females aged 15-29 years.

APPENDIX IB: Trans-Tasman migration 1982-1986

The effect of permanent, long-term and short-term movements of New Zealand residents on the 1981 census populations in the "minor" occupation groups: men and women aged 30-59 years.

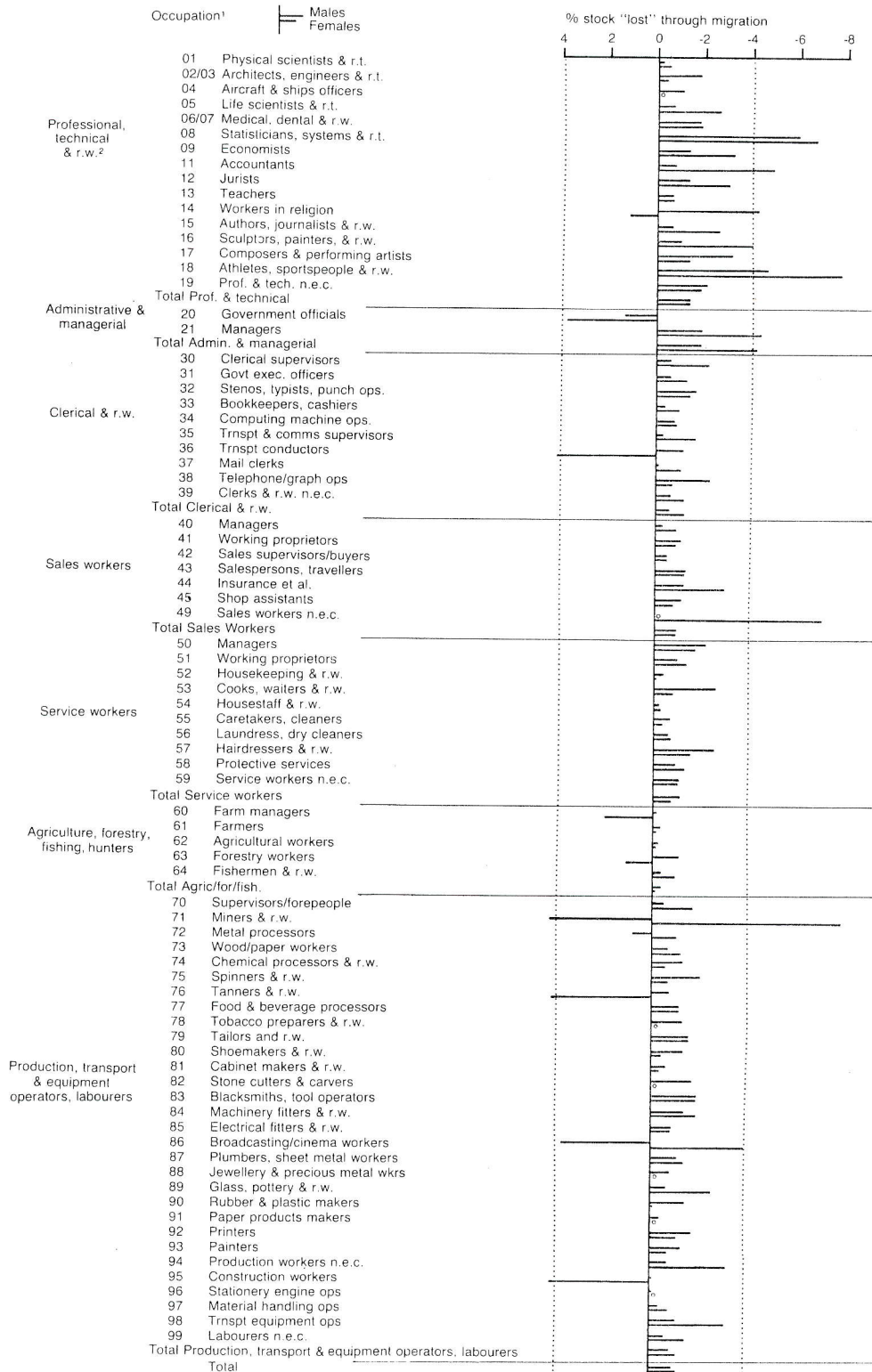


Fig 15: Trans-Tasman migration 1982-1986: the effect of permanent, long-term and short-term movements of New Zealand residents on the 1981 census populations in the "minor" occupation groups: males and females aged 30-59 years.

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