



INTERNATIONAL STUDENTS: Studying and staying on in New Zealand



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Paul Merwood
Research Analyst
Department of Labour

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Department of Labour
PO Box 3705
Wellington
New Zealand

www.dol.govt.nz

For Immigration Research visit
www.immigration.govt.nz/research

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EXECUTIVE SUMMARY

New Zealand benefits in many ways through export education. As New Zealand's fourth largest export industry, the annual financial gain alone is estimated at over two billion dollars in foreign exchange. International students also contribute to knowledge creation and transfer within educational institutions, and in a competitive environment the institutions themselves may strive to improve the quality of their services.

In a climate of high demand for skilled labour, international students also play an important role in the labour market through their labour participation post-study, particularly if they can obtain the skills and qualifications in demand by New Zealand employers. New Zealand, along with many other host countries, has developed immigration policies aimed to attract and retain international students. New Zealand has introduced a range of policies that make it easier for international students to work during and after completing their studies, as well as recognising the value of their New Zealand qualifications if they choose to apply for residence as a skilled migrant.

Research has shown that many international students intend to work or gain residence in New Zealand following their study. However, this research shows that there are disparities between expectations and realities, because the proportion of students wanting to stay on is often higher than the proportion who actually achieves this goal. Existing research shows that students' experiences in New Zealand play an important role in their ability to achieve their goal of transitioning to work or permanent residence.

For many students, the decision to study in New Zealand may be their own. For others, particularly dependents, their migration decisions are largely determined by their parents, who have themselves chosen New Zealand as a place to study, work, and live. This research highlights the diversity of New Zealand's international student population on the one hand, but it also shows that there are similarities between students of particularly ages, nationalities, or other attributes. These factors, and others such as English language proficiency, combine in ways that mean students with similar demographic characteristics often follow similar pathways from study to work and permanent residence.

Study pathways

The first analysis in this research is of 94,537 international students who began study in New Zealand between 1999/00 and 2001/02. The main source countries were China, South Korea, Japan, and the USA. The analysis showed that over a 45-month window, two-thirds studied in one educational sector, and one-third studied in multiple sectors. Chinese students generally followed multiple sector study pathways, while students from the other main source countries were predominantly single sector.

Fifty-two percent of students studied English language at some point in time, making English language the most common study sector overall. In general,

English language study formed part of a larger study pathway, encompassing combinations of other sectors. The majority of students who studied at a tertiary level also studied English language. Thirty-nine percent of English language students studied at a tertiary institution, and 28% studied at a university.

The most common educational sector for single sector students was school, followed by English language studies, and university. Young adult students from non-English speaking countries (China, South Korea, and Japan) had a propensity to study English, either on its own or as a pre-requisite to entry into higher education. Most multiple sector students undertook a course in English language, usually prior to tertiary study.

Over half of the students in this analysis began their study in Auckland, but there were variations between students in different educational sectors, and between different source countries. Chinese and South Korean students were more likely to study in Auckland compared to students from Japan and the USA. This trend is also related to students' study pathways, with school and English language students heavily concentrated in Auckland, and tertiary students more spread throughout New Zealand.

There was also strong evidence of regional shift, particularly for students whose study pathway included multiple sectors. Most single sector students studied in one region only, whereas almost one-quarter of multiple sector students, predominantly Chinese, changed regions over the analysis period. Much of the regional movement was between Auckland and New Zealand's other main centres.

Transition to work and residence

The links between study, work, and residence, were examined for 47,418 students who began their study in 1999/00 and 2000/01, over a period of 57-months. Within that period, 27% (12,596 students) transitioned to work or residence. Students who studied at school had the highest rate of transition to residence (24%). However, students whose study pathway included both English language and tertiary studies had the highest transition rate overall – 30% made the transition to work or residence. Twenty-seven percent of students who studied at a tertiary institution, or a combination of tertiary and other sectors, made the transition.

Younger students had a higher transition rate than older students, and many transitioned to residence directly from school. This trend reflects the growing tendency for migrants to work in New Zealand prior to gaining residence. The dependent children of these workers gain entry as students, and their route to permanent residence is largely determined by their parents.

The most common pathway to residence was from the school sector. Of the 9,842 students who transitioned to residence, 46% had begun their study in the school sector. One third of students who gained residence had begun their studies in the English language studies sector. The majority of students who gained residence

were approved through the Skilled/Business Stream, regardless of their age and study pathway.

Chinese and South Korean students had relatively high rates of transition, and the majority gained residence through the Skilled/Business Stream. Students from Japan and the USA had a lesser tendency to gain residence, and a relatively high proportion of those who did were approved through the Family Sponsored Stream.

Older students generally took longer to gain residence than young, dependent students. Their pathways to residence often encompassed multiple education sectors, followed by a transition to work. The most common transition pathway for Chinese students included English language studies, followed by tertiary studies, work, and then residence through the Skilled/Business Stream. Students from South Korea, Japan, and the USA, were more likely to gain residence directly from school, often as dependents.

Twelve percent of students gained a work permit post study. The most common route to work was via a labour market tested work permit, broadly regarded as having employment in an area of skill or labour shortage. Of those who transitioned to work, 41% gained a labour market tested work permit. Approximately one-third gained a work permit through their relationship with a New Zealand citizen or resident or another work permit holder. Other students, particularly Japanese, transitioned to work via a working holiday scheme.

Staying on in New Zealand

Most students who transitioned to work or residence stayed on in New Zealand, while a relatively small proportion subsequently left New Zealand long term. Those who gained residence were more likely to stay on in the country, compared to those who transitioned to work (but not residence). Most work permit holders who left long term did so relatively quickly, the majority within two years of making the transition to work. For those who left long term after gaining residence, only one-third did so within two years.

In general, younger students (under 20) who gained residence were more likely to stay on in New Zealand compared to older students, and this trend was reflected in differences that were evident between the main source countries. That is, South Korean students (many of whom were under 20), had lower rates of absence compared to students from China, Japan, and the USA.

Study tenure

Seventy-three percent of students in this study did not transition to work or residence. Most of these students had left New Zealand within five years of obtaining their first student permit. Many single sector students had a relatively short stay in New Zealand – over half were in New Zealand for less than twelve months. A high proportion of students aged 20-24, typically from the USA or South Korea, followed this trend.

Chinese students typically studied for longer than students from the other main source countries. Of the Chinese students who did not transition to work or residence, over two-thirds held a student permit for four years or more. Conversely, less than one-quarter of students from South Korea, Japan, and the USA held a student permit for four years or more. When age was considered, however, Chinese students aged 25 and older generally studied for less than four years. Students from Japan and the USA generally studied for less than four years, regardless of age.

Conclusions

This research shows that New Zealand is relatively successful in attracting and retaining international students. The majority of students who transition to permanent residence in New Zealand do so as skilled or business migrants. The research also shows that the pathways to work and residence can be complex, and encompass many points of transition. These transition points offer opportunities for educational institutions, government, and other service providers to ensure that in negotiating these transitions, international students achieve the best possible outcomes for themselves and for New Zealand.

1. INTRODUCTION AND BACKGROUND

1.1 Introduction

New Zealand's international student population has grown rapidly in recent years, with students coming from an increasingly diverse range of nationalities. Over the last five years, people from more than 180 different nationalities have been granted permits to study in New Zealand. The top 10 source countries account for over 80 percent of all international students.

New Zealand is one of many countries that has experienced rapid growth in international student numbers. For example, a comparative study of admission and retention policies towards foreign students showed that between 2000 and 2005, France and Germany saw a 60% increase in their international student population, while numbers in Australia increased by 120%.¹ The rate of growth that New Zealand experienced over this period (over 170% between 1999/00 and 2004/05) was even greater than that of Australia, although the volume of students coming to New Zealand was less.²

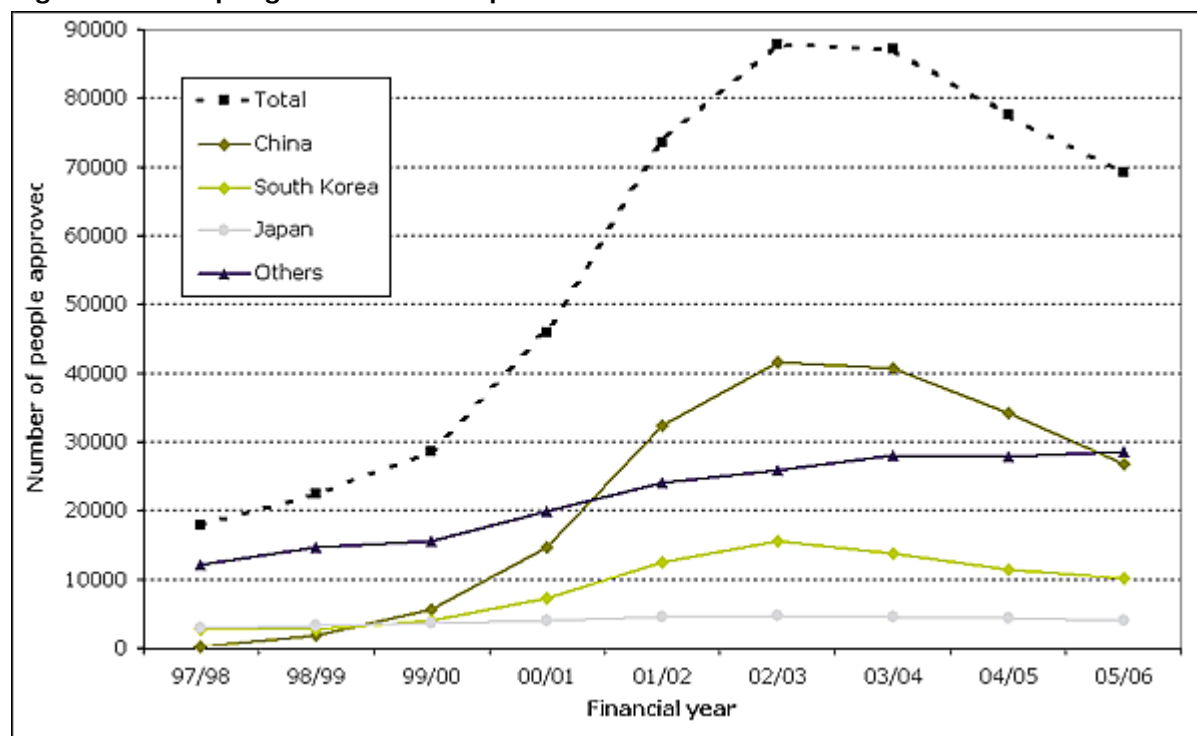
In 1997/98, almost 20,000 international students were issued a permit to study in New Zealand. This number increased steadily over the next five years, peaking in 2002/03 with over 85,000 students issued a permit. More recently, however, the number of students coming from New Zealand's main source country, China, has been in decline. Decreasing numbers of Chinese students has had a marked impact on the overall numbers of international students. In contrast to New Zealand, Australia has not experienced the same decrease in international students from China, nor in the total number of student permits issued.³ Figure 1.1 shows the trend in the number of people issued a permit to study in New Zealand between 1997/98 and 2005/06.

¹ Suter, B. & Jandl, M. (2006): Comparative study on policies towards foreign graduates – Study on Admission and Retention Policies towards Foreign Students in Industrialised Countries. International Centre of Migration Policy Development (ICMPD), Vienna.

² The number of people approved to study in New Zealand increased from 28,545 in 1999/00 to 77,563 in 2004/05.

³ Department of Immigration and Citizenship (DIAC), 2006: Student Visa Statistics. Accessed online, March 2007. <http://www.immi.gov.au/media/statistics/study/index.htm>.

Figure 1.1: People granted student permits between 1997/98 and 2005/06



Research published by the Ministry of Education (MOE) shows that the volume of young international students (aged 13 years and under) increased rapidly between 1999 (507 enrolments) and 2003 (over 4,300 enrolments). By 2002, 20% of all primary and intermediate schools had at least one international student enrolled.⁴ However, MOE has reported that the recent decline in international student numbers has had a significant impact on enrolments in schools and English language training providers.⁵

Enrolments by international students in universities and polytechnics or institutes of technology maintained steady growth between 1998 and 2004. MOE estimated that in 2005, 9% of students enrolled in formal tertiary education were international students, up from 5% in 2000. However, enrolments dropped by 7% between 2004 and 2005, with a corresponding 1.4% decrease in total international tuition fee revenue for tertiary education (approximately \$7m).⁶

In 2004, the government announced a significant commitment to supporting international education. This commitment was increased in April 2005, bringing

⁴ Ministry of Education, 2003: Report on Research into the Circumstances of Very Young International Students in New Zealand. International Policy and Development Unit. Ministry of Education.

⁵ Ministry of Education, 2005: The New Zealand International Education Sector. Trends from 1999 to 2004.

⁶ Ministry of Education, 2006: State of Education in New Zealand 2006. Strategy and System Performance. Ministry of Education.

the government's investment in international education to over \$70 million over the five years beginning June 2004.⁷

Export education is estimated to contribute over two billion dollars annually in foreign exchange to New Zealand⁸, and has become the country's fourth largest export industry.⁹ In addition to the financial gain from student migration, host countries stand to benefit from the improvement of political and economic relations with sending countries.¹⁰ Researchers also argue that the quality of education improves as international students contribute to knowledge creation and transfer, and educational institutions are forced to provide high quality, competitive services.¹¹ In New Zealand, international students can also play an important role in the labour market through their labour participation post-study, particularly if they are qualified, and gain employment in, areas of skills shortage.

People in New Zealand on temporary permits are often well placed to become permanent residents. It is increasingly accepted that linking temporary immigration policy with residence policy can have significant benefits for both migrants and New Zealand. People who come to New Zealand to study are usually young, and have the potential to offer employers recognised New Zealand qualifications at the completion of their studies.

Internationally, foreign students have become an increasingly important target of immigration policies that aim to attract and retain talented migrants.¹² For many students, the prospect of gaining residence in the host country plays a role in their decision to study abroad.¹³ Over the last few years, many countries have introduced measures that encourage students to work and settle in their host country. In July 2005, a number of student policy changes strengthened the link between study and work in New Zealand, and the purpose of New Zealand's student policy was amended to focus on attracting and developing students who have the skills and talent New Zealand needs.

⁷ One such initiative included funding to lower the cost of study for international PhD students (to domestic fee levels) and to allow the dependent children of PhD students to attend school without paying international school fees. These changes came into effect for PhD students (and their dependent children) in January 2006. Since May 2006, dependent children of New Zealand citizens or residents who are applying for citizenship or residence have had domestic student status.

⁸ Infometrics (2006): *The Economic impacts of Foreign Fee-Paying Students*.

⁹ Minister for Tertiary Education: Media statement, 17 August 2006.

¹⁰ Suter & Jandl, 2006: *Comparative study on policies towards foreign graduates – Study on Admission and Retention Policies towards Foreign Students in Industrialised Countries*. International Centre of Migration Policy Development (ICMPD), Vienna.

¹¹ *Ibid*, p.9.

¹² Suter & Jandl, 2006: *Comparative study on policies towards foreign graduates – Study on Admission and Retention Policies towards Foreign Students in Industrialised Countries*. International Centre of Migration Policy Development (ICMPD), Vienna. Birrell, Hawthorne, & Richardson, 2006: *Evaluation of the General Skilled Migration Categories*. Online: <http://www.immi.gov.au/media/publications/research/gsm-report/TitleandContents.pdf>

¹³ Ward & Masgoret, 2004: *The Experiences of International Students in New Zealand*. Report on the results of the national survey. Ministry of Education. Wellington.

New Zealand's student policy changes (detailed below) were intended to facilitate the transition from study to work and residence by creating more opportunities to work while studying, and allowing greater access to work permits post study. While there are no specific residence policies for international students, people applying for residence through the Skilled Migrant Category can gain bonus points if they have a recognised New Zealand qualification and at least two years study in New Zealand.

1.2 Student immigration policy

The objective of student immigration policy is to facilitate the entry of foreign students with a focus on attracting and developing students who have the skills and talent New Zealand needs. International students attending courses lasting over three months must apply for a student visa before travelling to New Zealand. Students from a visa waiver country may apply for a student permit in New Zealand. Non-NZ residents are not required to obtain a student permit to attend a course for three months or less.

In 2005/06 a number of policy changes came into effect. The aim of these changes was to make New Zealand a more competitive destination for international students by easing the work restrictions for students and their partners. Since July 2005:

- international students who have graduated from a course that would gain points under the Skilled Migrant Category (SMC) have been eligible for a six month open work permit (Graduate Job Search permit)
- the group of students who can apply for a two-year post-study work permit to obtain practical work experience relevant to their qualification has been expanded
- the pool of students eligible to work part time while studying has been expanded to include Year 12 and 13 school students and some English language students, provided certain conditions, including English language standards, are met
- eligible students have been able to apply to work for up to 20 hours a week during term (previously the limit was 15 hours)
- anyone undertaking a course of 12 months or more can apply to work full time over the summer holidays
- partners of students studying in areas of absolute skill shortage and partners of all postgraduate students can apply for an open work permit valid for the duration of the student's course of study.

In 2005/06, almost 4,500 students were issued the Graduate Job Search work permit. Applicants are not required to have a job offer for this permit, but must have completed a New Zealand qualification that would qualify for points under the SMC, and must apply within three months of the end date of their student permit for that qualification. Eighty-three percent of students issued this work permit were Chinese.

A further 1,135 people were issued a two-year work permit to obtain practical experience suitable to their course or qualification. Applicants for this work permit

type must have completed a minimum three-year course or completed a qualification that would qualify for points under the SMC, and must have a job offer relevant to their course of study.

Recent trends have indicated an increasing number of SMC principal applicants claiming points for having a New Zealand qualification.¹⁴ Many of these principal applicants are young, Chinese graduates from New Zealand's universities. In 2005/06, 17 percent of approved SMC principal applicants gained points for a recognised New Zealand qualification, up from 10 percent the previous year.

1.3 Research objectives

This research is an exploratory study to examine the pathways international students take through the New Zealand education system and their subsequent transition to work or permanent residence in New Zealand. The specific objectives of the research are to undertake an analysis of administrative data to:

- identify the most common education pathways of international students and the characteristics of students who take those pathways
- identify the most common pathways from study to work or permanent residence in New Zealand
- examine the characteristics of students who transition from study to work or permanent residence in New Zealand.

1.4 Related research

In June 2005, the Australian Education International (AEI) examined the educational sector pathways followed by people studying in Australia on a student visa.¹⁵ The study examined a cohort of international students who commenced study in Australia in 2002, and tracked their sector pathways between 2002 and 2004.

The study found that two-thirds of the entry cohort were enrolled in a single sector over the three year analysis period. A large proportion of the 2002 single sector cohort were in Higher Education. The ELICOS sector (English Language Intensive Courses for Overseas Students) accounted for 17% of students and the school sector comprised 7%.¹⁶ The most common nationality amongst single sector students in the 2002 cohort was the USA (13%), followed by Malaysia, China, and Japan (8% each).

Of the multiple sector students in the AEI study, 23% followed the ELICOS – Higher Education pathway. A further 17% followed the ELICOS – Vocational Education and Training (VET) pathway.¹⁷ Students from China made up 31% of all multiple sector students, followed by Hong Kong (11%), Thailand (9%), and Indonesia (8%). The most common sectoral pathways differed for each of the main nationalities.

¹⁴ Merwood, 2006: Migration Trends 2005/06. Department of Labour. Wellington.

¹⁵ Australian Education International (2005): Study pathways of international students in Australia.

¹⁶ Australia's ELICOS sector is equivalent to New Zealand's English language sector.

¹⁷ Vocational Education and Training (VET). VET is a national Australian system designed to skill workers to work in particular industries such as plumbing, or retail.

A recent study that interviewed 80 Chinese international students in New Zealand showed that the majority (74%) were multiple sector students.¹⁸ English language studies was the most common starting point for students when they first arrived in New Zealand. Seventy-eight percent of students in this research began their study in New Zealand in the English language sector. Forty-two percent of multiple sector students followed a pathway from English language studies to university.

1.4.1 New Zealand evidence of migrant transition patterns

Since 2000/01, the Department of Labour has monitored the links between temporary migration and permanent residence in New Zealand.¹⁹ Analysis of administrative data has shown that a growing number of people approved for permanent residence have had prior experience in New Zealand as a visitor, student, or temporary worker. In 2005/06, 87 percent of principal applicants approved for residence had previously been in New Zealand as a temporary worker, student, or visitor.

The Department of Labour's research also monitors the rate at which international students transition to permanent residence. Over 20 percent of student permit holders gain permanent residence in New Zealand. The transition rate is typically much higher for dependent students than it is for fee paying tertiary students. In general, the rate of transition to residence for students is lower than it is for work permit holders, and students tend to take longer to make the transition.

Much of the Department of Labour's monitoring work to date has focused on the demographic characteristics of international students, their permit category, and their take up of permanent residence. This research takes a more detailed approach, identifying the pathways that international students take through New Zealand's educational system, and the links between study, work, and permanent residence.

In 2004, the Ministry of Education commissioned a national survey of the experiences of international students in New Zealand.²⁰ Of the 2,736 students in the study, 53% planned to remain in New Zealand after their current course of studies. Some planned to continue their studies in New Zealand, others planned to look for work. Forty-two percent of students indicated that they planned to apply for permanent residence in New Zealand. Students who wanted to gain residence in New Zealand shared some common characteristics. They had often been in New Zealand longer than other students, and intended to further their study here. They were also older, often Chinese, had better language proficiency, and generally had favourable experiences in New Zealand.

¹⁸ Ho, Li, Cooper & Holmes, 2007: The Experiences of Chinese International Students in New Zealand. Education New Zealand.

¹⁹ Merwood, 2006: Migration Trends 2005/2006. Department of Labour. Wellington.

²⁰ Ward & Masgoret, 2004: The Experiences of International Students in New Zealand. Report on the results of the national survey. Ministry of Education. Wellington.

The study of Chinese students (discussed above) found that the intention to stay in New Zealand following study was high, and increased after they had arrived in New Zealand.²¹ Of the 80 students interviewed, 71% (56 students) planned to look for work in New Zealand after they completed their studies. Sixty-eight percent (54 students) planned to apply for permanent residence. In both cases, the proportion of students intending to stay on after their studies was greater at the time of interview in New Zealand than it was prior to their arrival in New Zealand.

1.4.2 International evidence of student retention

New Zealand is one of only a few countries that has produced statistics on how many international students remain in the country. While other host countries produce a range of statistics on foreign students and people granted permanent residence, it is difficult to make strong comparisons with New Zealand. There are two ways of comparing New Zealand data with other countries. The first is to calculate a retention rate, which is the proportion of international students who gain residence in the country, ideally by cohort. The second comparison is to calculate the proportion of residence approvals who were formerly students in the host country.

Table 1.1 shows comparative data between New Zealand and several other host countries. However, the retention rates should be treated with some caution. There are differences between the student populations reported by the various countries, which limits any direct comparisons being made. The figures showing the proportion of residence approvals who were formerly students is also indicative only. For example, the Australian data includes dependents (secondary applicants), whereas the New Zealand data only counts principal applicants.

Table 1-1: International student retention rates by host country

Country	Retention rate	Proportion of residence approvals
New Zealand*	At least 20% of international students gain permanent residence within 5 years of their first student permit	In 04/05, 10% of Skilled Migrant Category principal applicants claimed points for a New Zealand qualification. In 05/06 this figure was 17%
Australia	Approximately 24% of international students who completed their course in 2002 gained permanent residence**	In 05/06, approximately 19% of residence visas granted through the General Skilled Migration Programme were to former international students***
Canada****	Approximately 15–20% of international students settle and work in Canada	
UK****	An annual survey of European Union domiciled students has shown that 19–27% were employed in the UK six months after graduation	In 2005, an estimated 2–5% of Highly Skilled Migrant Programme approvals were international students at the time of application

²¹ Ho, Li, Cooper & Holmes, 2007: The Experiences of Chinese International Students in New Zealand. Education New Zealand.

Country	Retention rate	Proportion of residence approvals
USA****	Estimated that 58% of international students who received a doctorate from a US university in 1993 were still in the country 10 years later	

* Merwood, 2006: Migration Trends 2005/2006. Department of Labour. Wellington.

** Birrell, 2005: Immigration rules and the overseas student market in Australia. Report prepared for the IDP.

*** DIMA, (2007): Population Flows: Immigration Aspects. Department of Immigration and Multicultural Affairs (DIMA).

**** Suter & Jandl, 2006: Comparative study on policies towards foreign graduates – Study on Admission and Retention Policies towards Foreign Students in Industrialised Countries. International Centre of Migration Policy Development (ICMPD), Vienna.

1.5 Structure of the report

- Chapter 1 includes an introduction and a summary of existing research
- Chapter 2 describes the educational sector pathways for international students who first came to study in New Zealand between 1990/00 and 2001/02
- Chapter 3 describes the rate of transition to work or residence for international students who first came to study in New Zealand between 1990/00 and 2000/01 and the characteristics of the students who made those transitions.
- Chapter 4 provides conclusions
- The appendices provide a description of the analysis method and its limitations, as well as additional data tables.

2. EDUCATIONAL SECTOR PATHWAYS

2.1 Introduction

This chapter describes the educational sector pathways for 94,537 international students who began their study in New Zealand in the three years between 1999/00 and 2001/02. It describes the main study sectors, the changes in educational pathways over the three cohorts and the characteristics of students following the various pathways. It describes the main study pathways and compares study pathways by region and nationality.

2.2 Summary of main findings

- International student numbers grew rapidly over the analysis period, from 17,869 in 1999/00 to 47,119 in 2001/02. Sixty-four percent of students studied in one sector over the 45-month period, while the remaining 36% followed a multiple sector study pathway.
- The main source countries were China, South Korea, Japan, and the USA. The majority of Chinese students followed multiple sector study pathways, while the majority of the students from the other main source countries studied in a single sector. South Korea was the largest source country of single sector students (23%), followed by China (13%) and Japan (10%). China was the fastest growing source country over the three cohorts, and comprised the majority of multiple sector students (73%).
- Fifty-two percent of students studied English language at some point in time, making it the most common study sector overall. In general, English language study was a component of a larger study pathway – the majority of tertiary students also studied English language. Thirty-nine percent of English language students studied at a tertiary institution – 28% studied at university.
- Over half of the students in this analysis began their study in Auckland (53%). The proportion studying in Auckland increased over the three cohorts as the number of English language students grew. Forty-nine percent of single sector students began their study in Auckland, compared to 59% of multiple sector students.
- Study regions varied across educational sectors and between nationalities. Tertiary sector students had the greatest spread around the main population centres, while school and English language students were generally more concentrated in Auckland. Chinese and South Korean students were more concentrated in Auckland, compared to Japanese students and those from the USA.
- Most single sector students studied in one region only, whereas nearly one-quarter of multiple sector students changed regions over the course of their study. Much of the regional shift was to and from Auckland and the other main regions, particularly Wellington, Waikato, Canterbury, and the Manawatu.
- The most common sector for single sector students was school (42%), followed by English language studies (35%), and university (14%). School and English language studies were the main sectors for single sector

students from South Korea, China, and Japan, while students from the USA generally studied at university.

- The most common multiple sector pathways were English language–tertiary (37%), English language–Private Training Enterprise (13%), and school–tertiary (8%). However, 82% of multiple sector students' pathways included English language studies at some stage, while 70% included tertiary study. Thirty-two percent of multiple sector pathways included school, and 30% included study at a Private Training Establishment.

2.3 Main study sectors

Table 2.1 provides a breakdown of the proportion of students who studied within each of the main sectors at any time throughout their study pathway. The shaded cells indicate the proportion of single sector students within each sector. Of the 94,537 students, over half (52%) studied English language at some point in time, making it the most common study sector overall.

In general, English language study was a component of a larger study pathway – 58% of English language students also studied in another sector. Thirty-eight percent of students studied in the school sector, and for many (69%), school was their only study sector. Tertiary study (university, polytechnic, and institutes of technology) was the third largest sector, with 37% of students undertaking tertiary study at some point. The majority of tertiary sector students (76%) studied at university, and 28% studied a polytechnic or institute of technology. Sixty-nine percent of tertiary students also studied in at least one other sector, most commonly English language.

The table shows that 28% of English language studies students also studied at university. A large proportion of students at tertiary level and at Private Training Establishments also had English language in their study pathway. Only 13% of school sector students studied at university, although this figure is likely to be higher.²²

Table 2-1: Proportion of students who studied in each sector

Study sector	School	English language	University	Polytechnic	PTE	Total
	Proportion of students within each sector (row %)*					
School	69%	20%	13%	4%	6%	36,062
Eng. language	14%	42%	28%	14%	18%	49,183
University	18%	52%	33%	7%	8%	26,361
Polytechnic**	14%	67%	18%	19%	17%	9,921
PTE***	17%	68%	15%	13%	22%	12,986
Total	38%	52%	28%	10%	14%	94,537

*Row percentages are greater than 100% because multiple sector students are counted in more than one sector.

**Includes institutes of technology.

***Private Training Establishments.

²² Many school students transition to permanent residence (as dependents), at which point they no longer need a student permit to study. Therefore the full study pathways of students who gain permanent residence are not captured in this analysis.

2.4 Single versus multiple sector students

The three cohorts examined in this section are 1999/00 (17,869 students), 2000/01 (29,549 students) and 2001/02 (47,119 students). These cohort numbers indicate considerable growth in the number of first entries over the three-year period. Table 2.2 provides a breakdown of the number of students who had single or multiple sector pathways over the analysis period, as well as the sector breakdown for single sector students. The number of multiple sector students tripled over the three cohorts, while single sector student numbers increased but to a lesser degree. Thirty-one percent of students in the 1999/00 entry cohort were multiple sector students. This proportion increased to 34% in 2000/01 and 40% in 2001/02.

Table 2-2: Number of students by study sector

Study sector	Number of students	Proportion of students
School	25,051	26%
English language	20,898	22%
University	8,657	9%
Private Training Establishment	2,801	3%
Polytechnic	1,898	2%
Unknown	675	1%
College of Education	87	0%
Total single sector	60,067	64%
Total multiple sector	34,470	36%
Total students	94,537	100%

The proportion of students studying in a single sector versus multiple sectors varied considerably across nationalities. Of the main source countries, only Chinese students were more likely to have multiple sector study pathways (77%) versus single sector pathways. The reverse was true for all of the other main source countries. Eighty-four percent of South Korean students studied in a single sector over the analysis period. Table 2.3 shows the proportion of single sector students versus multiple sector students by nationality. Appendix C shows a breakdown of students by sector type and age group for the four main source countries.

Table 2-3: Single sector versus multiple sector students by nationality

Nationality	Sector type		Total students
	% Single	% Multiple	
China	23%	77%	32,679
South Korea	84%	16%	16,477
Japan	85%	15%	7,346
USA	97%	3%	3,725
Thailand	79%	21%	3,241
Germany	94%	6%	2,509
Taiwan	74%	26%	2,295
India	68%	32%	2,046
UK	92%	8%	1,890
Brazil	98%	2%	1,814
Others	84%	16%	20,515
Total	64%	36%	100%
	60,067	34,470	94,537

South Korean students accounted for a large proportion of single sector students in each of the three cohorts, and 23 percent overall. The other main source countries of single sector students were China (13%), Japan (10%), and the USA (6%).

The number of first entry single sector students from China increased from 834 in 1999/00 (7% of all single sector entries) to 4,777 in 2001/02 (17% of all single sector entries). Student numbers from all of the main source countries increased over the three years from 1999/00 to 2001/02.

China was the main source country of multiple sector students, accounting for almost three-quarters (73%). In 2001/02, Chinese students accounted for 79% of all first entry multiple sector students. The next largest source country was South Korea (8%), followed by Japan (3%). Although the number of multiple sector students increased for many of the main source countries over the three years, they represented a relatively small proportion of students compared to China.

2.5 Study region

The tendency for international students to begin their studies in Auckland increased over the three cohorts, a result of increasing numbers of English language students between 1999/01 and 2001/02. In total, over half of the students in the analysis began their study in Auckland (53%). Fifty-nine percent of multiple sector students began their study in Auckland compared to 49% of single sector students. Table 2.4 provides a breakdown of study regions for single and multiple sector students.

Table 2-4: Study region for single and multiple sector students*

First study region	Sector type		Total students	
	% Single	% Multiple	n	%
Auckland	49%	59%	43,973	53%
Canterbury	17%	15%	13,408	16%
Wellington	9%	9%	7,489	9%
Waikato	7%	5%	5,148	6%
Otago	6%	3%	3,935	5%
Manawatu	4%	3%	2,766	3%
Bay of Plenty	2%	2%	1,729	2%
Hawkes Bay	1%	1%	846	1%
Nelson	1%	<1%	740	1%
Northland	1%	1%	588	1%
Taranaki	1%	1%	550	1%
Wanganui	1%	<1%	520	1%
Marlborough	1%	1%	502	1%
Others	2%	1%	1,359	2%
Total %	100%	100%		
Total students	50,154	33,399	83,553	100%

* Region was not recorded for 17% of single sector students and 3% of multiple sector students

For single sector students, 63% of South Koreans and 61% of Chinese studied in Auckland. Students from Japan and the USA had a greater spread outside of Auckland, particularly into Canterbury, Manawatu, and Otago. The trends were similar for multiple sector students, with 61% of Chinese students and 64% of South Korean students beginning their study in Auckland. Japanese students had a lesser tendency to study in Auckland (35%).

Of the three main source countries of multiple sector students, Japanese students had the greatest regional spread, with 10% studying in the Manawatu region, and 7% in Otago.

Table 2-5: Study region for main source countries*

First study region	Single sector students				Multiple sector students			
	China	South Korea	Japan	USA	China	South Korea	Japan	USA
Auckland	61%	63%	31%	20%	61%	64%	35%	17%
Canterbury	14%	18%	24%	23%	15%	18%	20%	22%
Wellington	8%	5%	7%	12%	9%	4%	8%	15%
Waikato	7%	5%	5%	13%	5%	4%	5%	14%
Manawatu	3%	2%	8%	3%	2%	1%	10%	5%
Otago	2%	2%	6%	24%	2%	2%	7%	26%
Bay of Plenty	1%	2%	4%	1%	2%	2%	3%	<1%
Hawkes Bay	<1%	1%	3%	<1%	<1%	1%	2%	<1%
Others	2%	3%	10%	4%	3%	4%	9%	1%
Total students	6,834	12,133	5,990	3,222	24,617	2,471	1069	93
% of students	14%	24%	12%	6%	74%	7%	3%	0.3%

* Region was not recorded for 17% of single sector students and 3% of multiple sector students.

2.5.1 Regional shift

This analysis compares students' first study region with their last study region to gauge the degree of shift between regions. Approximately 10% of students changed regions over the course of their studies, but there were significant differences between single and multiple sector students and between the main source countries.

Table 2.6 shows the proportion of single sector and multiple sector students by nationality whose records showed a regional shift over the course of their study. Most single sector students did not change regions over the course of their study (97%). Regional shift was much more common for multiple sector students, where 24% had a change of regions. Amongst single sector students, Chinese students had the highest degree of regional shift.

When multiple sector students are considered separately, most of the main source countries show a relatively high degree of regional shift. Japanese students had the highest proportion, with 28% changing regions. However, actual numbers were greatest for China. When all students are taken into account, Chinese students were the most likely to change regions (21%) compared to the other main source countries (South Korea 6%, Japan 6%, and USA 1%).

Table 2-6: Regional shift by main source countries*

Nationality	Single sector students			Multiple sector students		
	Regional shift (row %)		Total	Regional shift (row %)		Total
	Yes	No		Yes	No	
China	6%	94%	6,887	26%	74%	20,370
South Korea	4%	96%	12,376	19%	81%	2,012
Japan	3%	97%	6,040	28%	72%	928
USA	1%	99%	3,232	18%	82%	51
Thailand	5%	95%	2,426	26%	74%	608
Germany	1%	99%	2,138	6%	94%	85
Taiwan	2%	98%	1,637	17%	83%	519
India	2%	98%	1,175	14%	86%	198
UK	1%	99%	586	25%	75%	89
Brazil	1%	99%	1,656	23%	77%	30
Others	1%	99%	12,636	20%	80%	2,219
Total	3%	97%	50,789	24%	76%	27,109

*18% of students had incomplete region data recorded.

Over 8,000 students changed study regions over the 45 month analysis period. The majority were multiple sector students (82%), and of these, 79% were Chinese. The most common regional shifts were made between the main centres, particularly to and from Auckland. Table 2.7 shows the regional shift between the first and last study regions, where these regions change over the study period. This table shows that of the 8,081 students who shifted regions, 30% shifted to Auckland, and 38% shifted from Auckland. Some of the most common regional shifts to Auckland were from Canterbury, Waikato, Manawatu, and Bay of Plenty. There was also substantial movement out of Auckland, in particular to Wellington, Canterbury, and Waikato.

Table 2-7: Regional shift by main study regions*

First study region	Last study region								Total	
	Auckland	Canterbury	Wellington	Waikato	Otago	Manawatu	Bay of Plenty	Others	%	n
Auckland		15%	27%	24%	10%	14%	2%	9%	100%	3,053
Canterbury	57%		12%	8%	11%	6%	1%	5%	100%	1,234
Wellington	45%	15%		6%	7%	22%	0%	5%	100%	792
Waikato	64%	7%	14%		4%	4%	4%	3%	100%	556
Otago	43%	25%	16%	3%		3%	1%	10%	100%	388
Manawatu	51%	9%	28%	4%	3%		1%	5%	100%	446
Bay of Plenty	48%	6%	15%	19%	3%	5%		4%	100%	520
Others	32%	16%	19%	8%	6%	7%	1%	12%	100%	1,092
Total row %	30%	12%	19%	14%	7%	10%	1%	7%		
Total students	2,413	956	1,523	1,094	597	795	106	597	100%	8,081

*18% of students had incomplete region data recorded.

2.6 Single sector students

The most common educational sector for single sector students over the three cohorts was school (42%) followed by English language studies (35%) and university (14%). While the number of students in each of the sectors increased over the three cohorts, the highest proportional increase was seen in those undertaking English language studies. In 2001/02, 38% percent of single sector entries were English language students, up from 29% in 1999/00 and 34% in 2000/01.

The top four source countries of single sector students across all three cohorts were South Korea, China, Japan, and the USA. South Korea was the top ranked country of origin throughout the study period. China, Japan, and the USA remained in the top four although their respective rankings changed as the number of Chinese students increased. School and English language studies were the most common sectors for South Korea, China, and Japan, while students from the USA were predominantly studying at university. Table 2.8 shows the most common single sector pathways by nationality for each of the main source countries.

Table 2-8: Single sector pathways by main source countries

Sector pathway	South Korea	China	Japan	USA	Others	Total
	% of students within each nationality					
School	52%	19%	38%	23%	46%	42%
English language	43%	64%	52%	1%	23%	35%
University	1%	12%	2%	70%	17%	14%
PTE*	3%	2%	6%	4%	6%	5%
Polytechnic**	0%	2%	1%	1%	6%	3%
N/R***	1%	1%	<1%	1%	2%	1%
College of Education	<1%	<1%	<1%	<1%	<1%	<1%
Total students	13,864	7,570	6,243	3,627	28,763	60,067
% of students	23%	13%	10%	6%	48%	100%

* Private Training Establishment.

** Includes institutes of technology.

*** Sector not recorded.

2.6.1 School sector students

The number of single sector students studying in schools more than doubled over the three-year period, from 5,446 students in 1999/00 to 11,591 students in 2001/02. South Korea was the main source country of school sector students (29%). The number of South Korean students increased four-fold over the three cohorts, from 955 in 1999/00 to 4,159 in 2001/02. Japan was the second largest source country overall (9%), although numbers increased only slightly over the period. The UK, South Africa, and China, each accounted for six percent of school sector students.

Figure 2.1 shows that the growth in single sector school student numbers was mainly attributable to growth in the number of first entries from South Korea.

Student numbers increased for all of the other main source countries, but to a lesser extent.

Figure 2.1: Main source countries of single sector school students

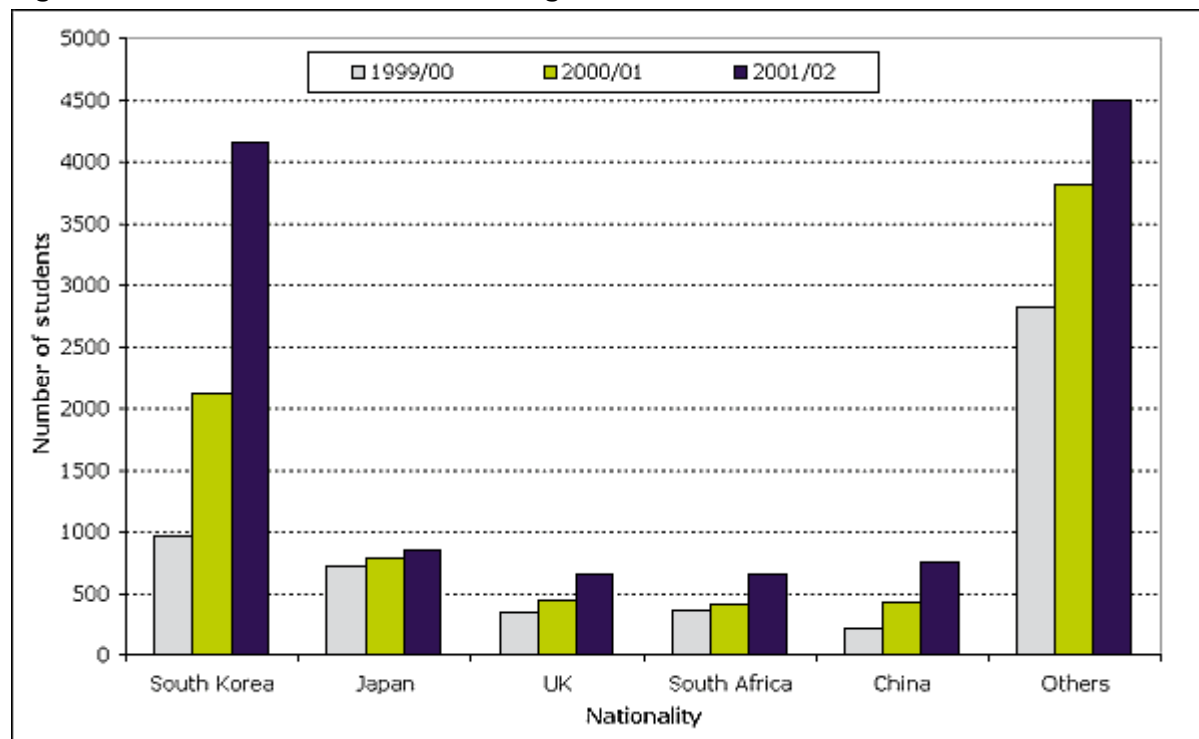
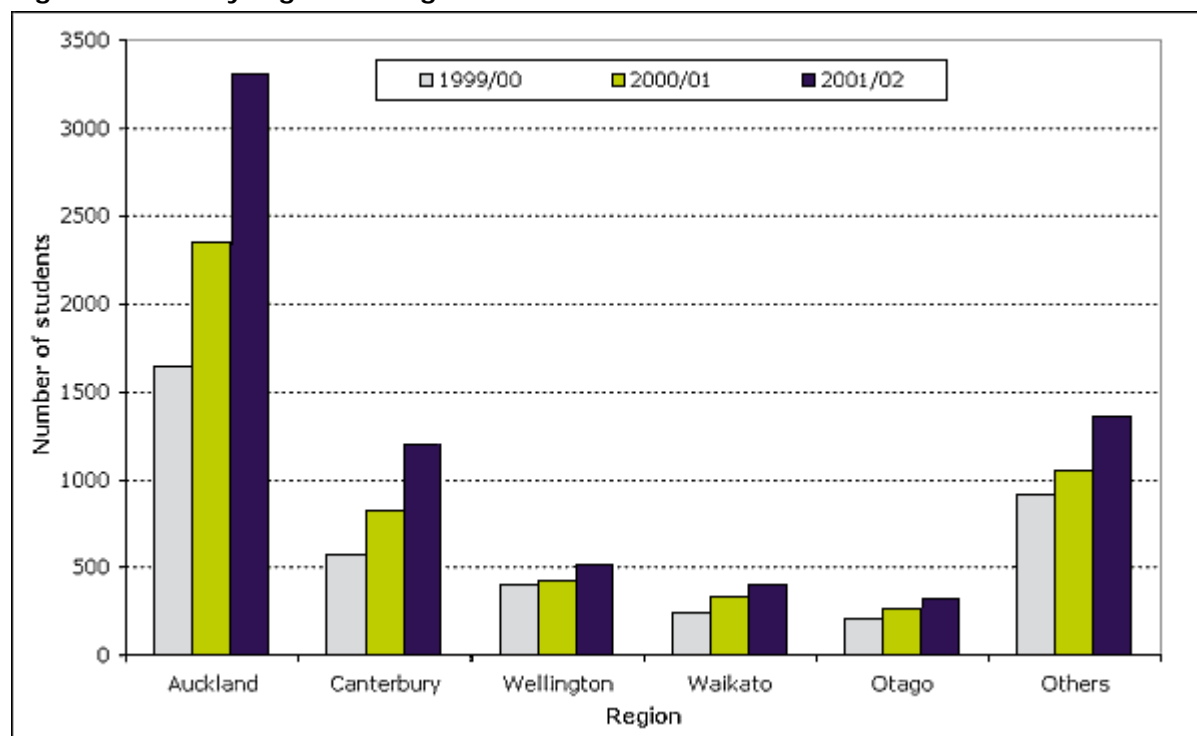


Figure 2.2 shows the study region of single sector school students. Auckland was most common study region, followed by Canterbury. The five main population centres accounted for 80% of students. Over half of all school students from South Korea, South Africa, and China, studied in the Auckland region – for South Korean students, 65% studied in Auckland. School students from Japan and the UK were less concentrated in Auckland, with a greater spread into the other main population areas. Only 23% of Japanese and 31% of UK school students had Auckland recorded as their study region.

Figure 2.2: Study region of single sector school students*



*Study region was not recorded for 34% of single sector school students

2.6.2 English language students

The number of single sector students studying English language more than tripled over the analysis period, from 3,536 in 1999/00 to 10,777 in 2001/02. Most English language students (85%) were under 30 years old. Six percent were under 17, 20% were 17–19 years old, 39% were 20–24 years old, and 20% were aged 25–29. The main source countries for English language students are shown in Figure 2.3.

The number of students from all the main source countries increased over the three cohorts, most significantly for South Korea and China. South Korea was the largest source country overall (29%), followed by China (23%) and Japan (16%), although China became the largest source country by the end of the analysis period. The greatest increase in numbers came from Chinese students, who accounted for 12% of English language students in 1999/00 and 31% in 2001/02. Although the USA was the fourth largest source country of single sector students, very few were issued permits to undertake English language studies.

Figure 2.3 shows that the growth in the single sector English language market was mainly attributable to growth in the number of students from China and South Korea, a combined increase of over 5,000 students between 1999/00 and 2001/02. Student numbers also increased for the other main source countries, but to a lesser extent.

Figure 2.3: Main source countries of single sector English language students

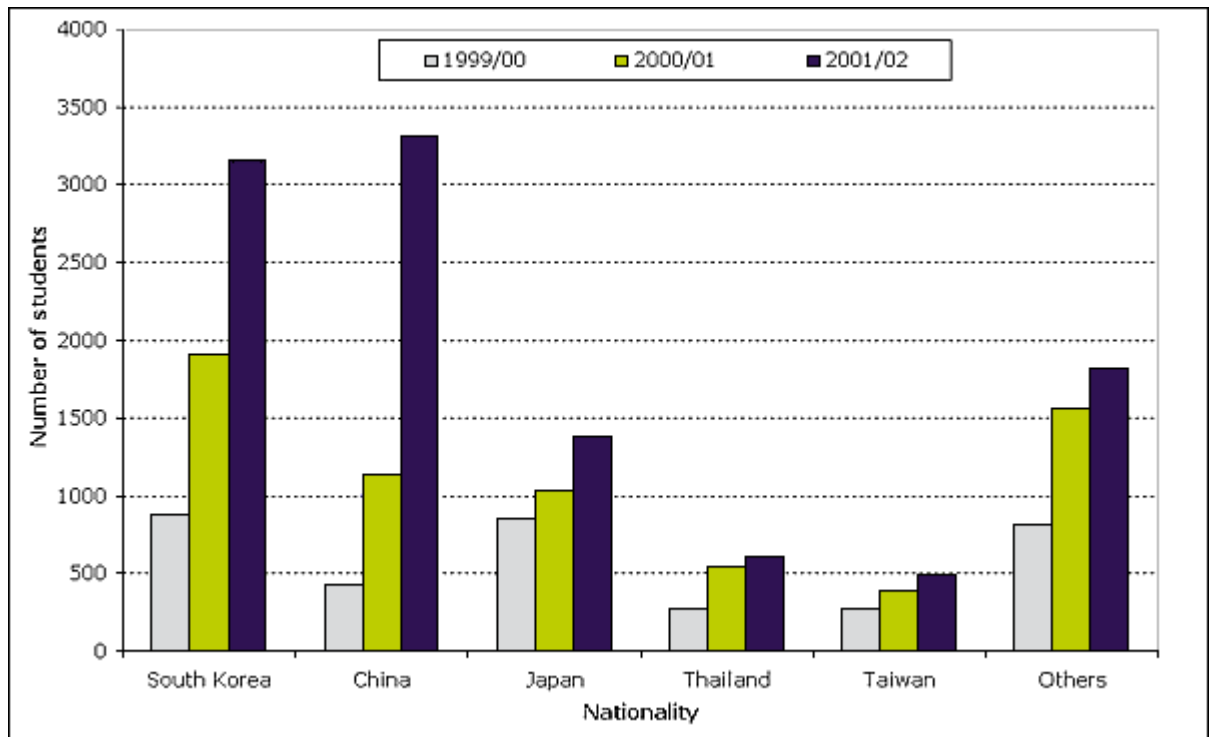
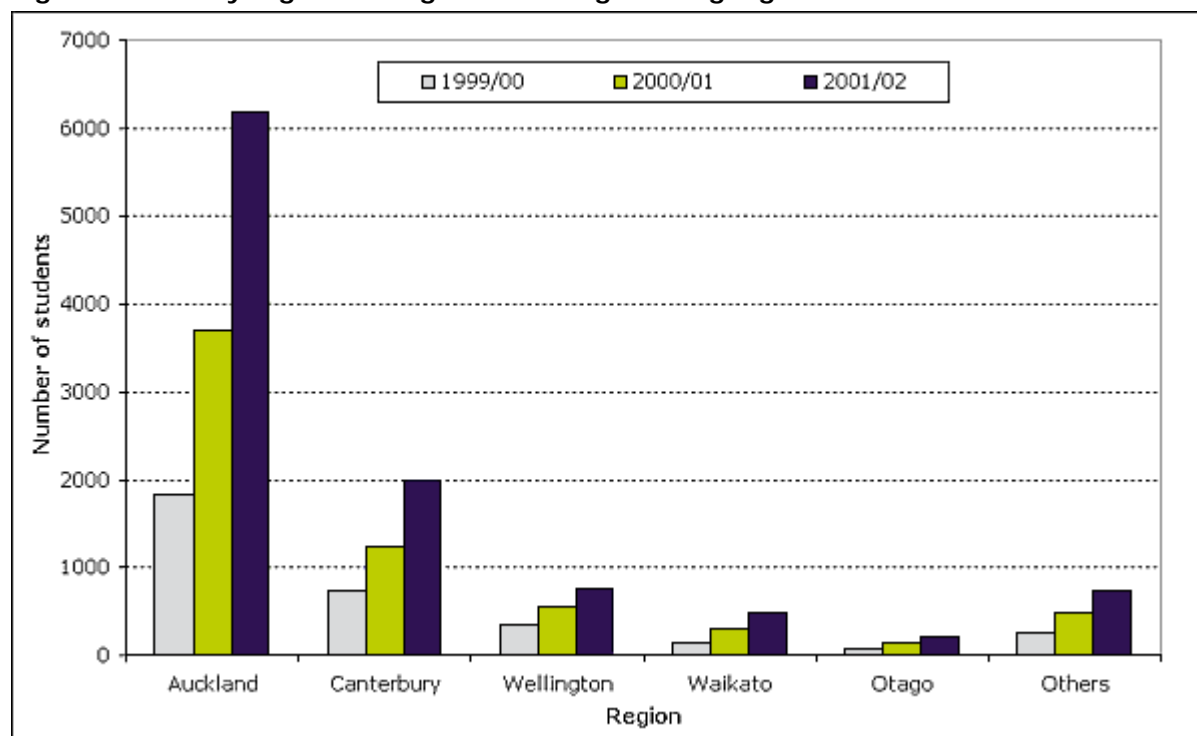


Figure 2.4 shows the study region for English language students. Auckland was the most common region overall, and for each of the five main source countries. In the 2001/02 cohort, 65% of Chinese English language students studied in Auckland, as did 61% of South Korean students. For Japanese and Thai students starting their studies in 2001/02, less than half studied in Auckland (42% and 48% respectively).

Canterbury was the second largest study region for English language students (22%), followed by Wellington (6%), Waikato (5%), Otago (2%), and Bay of Plenty (2%). Thirty-three percent of Japanese students and 26% of Thai students studied in Canterbury. For South Korean and Chinese students, the comparable figures were 19% and 17%.

Figure 2.4: Study region of single sector English language students*



* Study region was not recorded for 3% of single sector English language students

2.6.3 University pathway

The number of single sector students studying at university increased from 2,118 in 1999/00 to 3,606 in 2001/02. In each of the entry cohorts examined, at least 75% of first entries in the university sector were aged 20–29. The main source countries differed from those studying in other sectors. Many non-English speaking students completed an English language studies course prior to university, hence the relatively low number of Asian single sector university students.

The USA was the main source country of single sector university students (29%), followed by China (11%), and Germany (9%). Student numbers increased over the three cohorts for most of the main source countries, most notably for India. Figure 2.5 shows the growth in single sector university student numbers for the main source countries between 1999/00 and 2001/02.

Figure 2.5: Main source countries of single sector university students

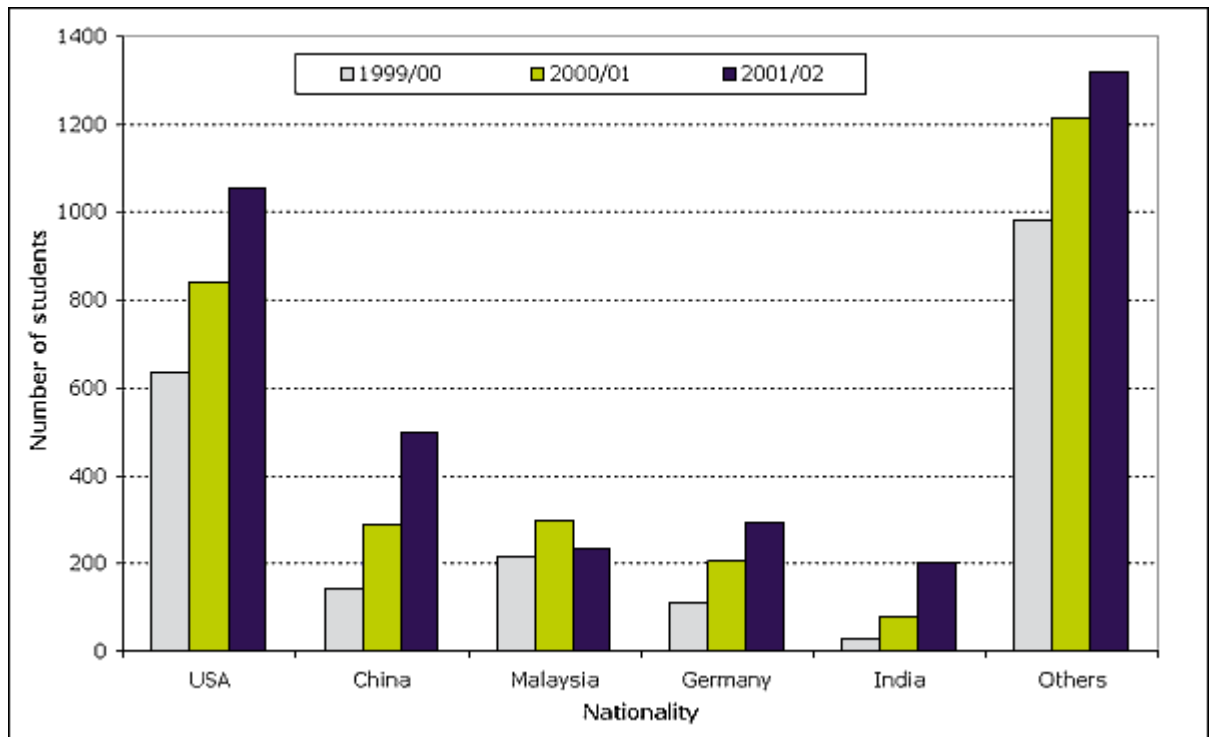
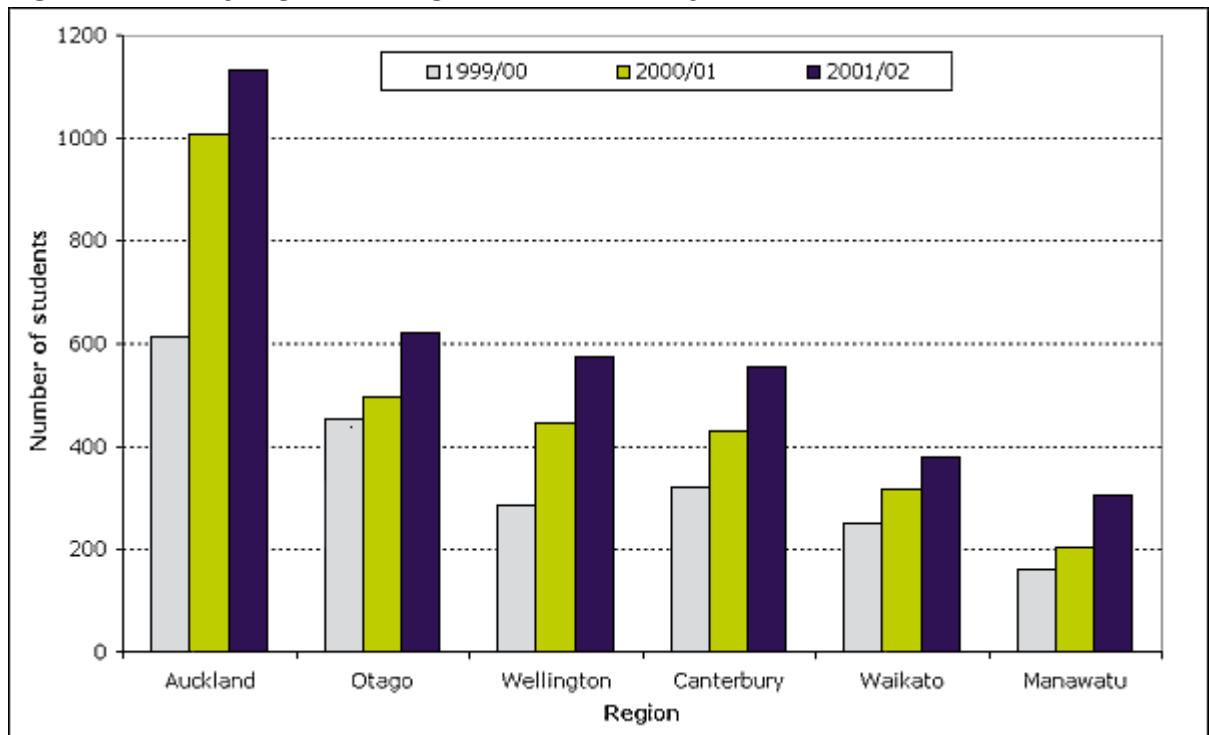


Figure 2.6 shows the study region of single sector university students. Auckland was the most common region overall (32%), followed by Otago (18%), Canterbury (15%), Wellington (15%), and Waikato (11%). Eight percent studied in the Manawatu. Auckland was the most common study region of students from China (37%), Malaysia (41%), Germany (29%), and India (59%).

Figure 2.6: Study region for single sector university students*



* Study region was not recorded for 1% of single sector university students

2.7 Multiple Sector Pathways

This analysis is of the study pathways of the 34,470 international students who studied in more than one educational sector over the 45-month period. There is a clear trend amongst multiple sector students towards studying English language prior to further education. This reflects the high number of international students from non-English speaking countries, particularly China. Eighty-two percent of multiple sector students studied English language at some stage of their study pathway.

For the purpose of this analysis, any study at university, polytechnic or institute of technology, or a college of education, was aggregated as a tertiary sector pathway. Seventy-percent of multiple sector students undertook tertiary study at some stage of their study pathway. School, English language studies, and study at a Private Training Establishment (PTE) were treated as individual pathways.²³ Thirty-two percent of multiple sector pathways included study at a school, and 30% included study at a PTE.

This section describes the main study pathways when the students' education sectors are combined. The most common pathway when all sectors were taken into account was English language–tertiary, the pathway undertaken by 37% of multiple sector students. The number of students taking this pathway increased significantly over the three cohorts, from 28% of the 1999/00 cohort to 40% of the 2001/02 cohort. This is the result of increasing numbers of Chinese students. Table 2.9 shows the most common pathways followed by the three main source countries of multiple sector students.

Table 2-9: Most common multiple sector pathways by nationality

Pathway	China	South Korea	Japan	Others	Total	
	% of students within each nationality				n	%
EL*–Tertiary	44%	18%	27%	18%	12,862	37%
EL–PTE**	14%	14%	13%	7%	4,409	13%
School–Tertiary	7%	7%	6%	11%	2,760	8%
EL–School	2%	24%	21%	10%	2,022	6%
EL–School–Tertiary	5%	3%	2%	2%	1,466	4%
EL–PTE–Tertiary	5%	1%	1%	1%	1,405	4%
Others	22%	33%	30%	51%	9,546	28%
Total %	100%	100%	100%	100%	34,470	100%
Total students	25,109	2,613	1,103	5,645	34,470	
% of students	73%	8%	3%	16%	100%	

* English language studies.

** Private Training Enterprise.

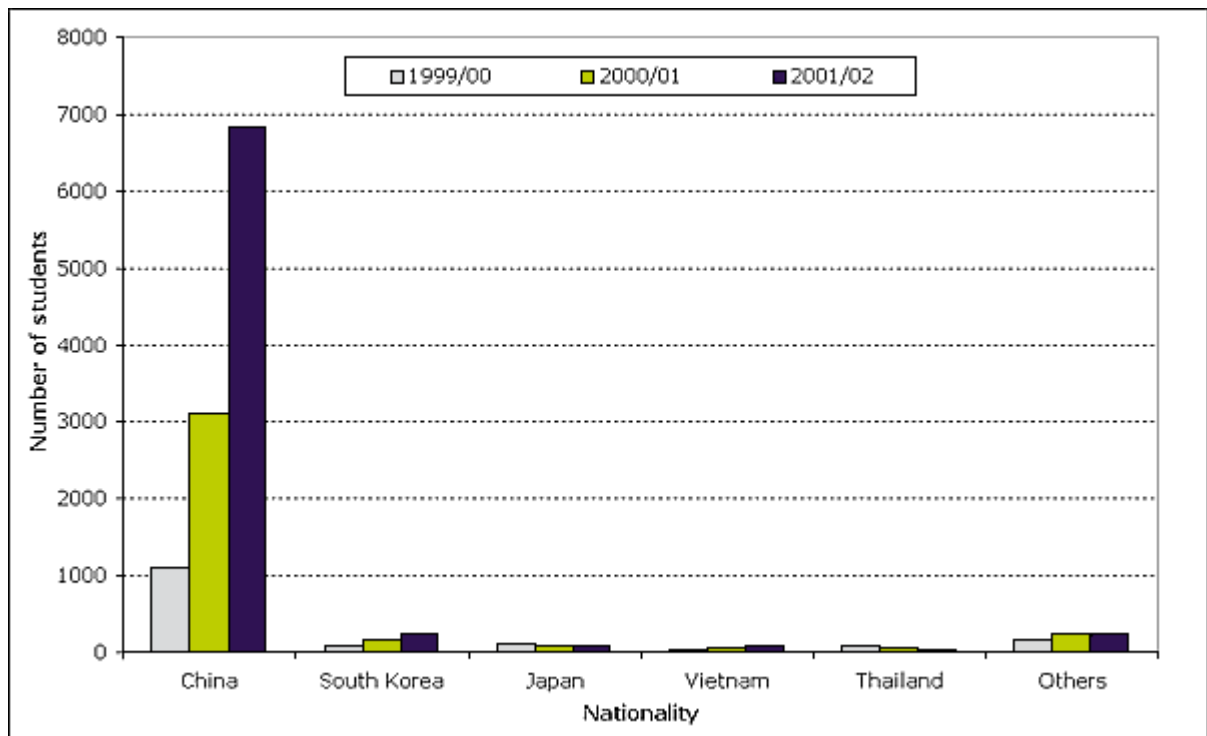
²³ Where a sector recurred in a student's pathway, for example, EL-tertiary-EL, the second occurrence was not included in the pathway. In this example the resulting pathway was EL-tertiary.

2.7.1 English language–tertiary sector pathway

Over 12,800 students (37% of all multiple sector students) followed a study pathway from English language studies to tertiary education. The tertiary studies component was predominantly university (64%). A further 23% went on to study at a polytechnic or institute of technology, while the remaining students studied at a combination of tertiary institutions, including a small number at a college of education.

The number of multiple sector students following this pathway increased from 1,545 in 1999/00 to 7,597 in 2001/02. Eighty-six percent of students following this pathway were Chinese. By 2001/02, Chinese students comprised 90% of multiple sector students following this study pathway. South Korea was the next largest source country overall but student numbers were relatively small compared with China. Figure 2.7 shows the extent to which Chinese students dominated the English language–tertiary pathway. It also shows the growth in the number of Chinese students following this pathway over the three-year period.

Figure 2.7: Main source countries of multiple sector English language–tertiary sector students



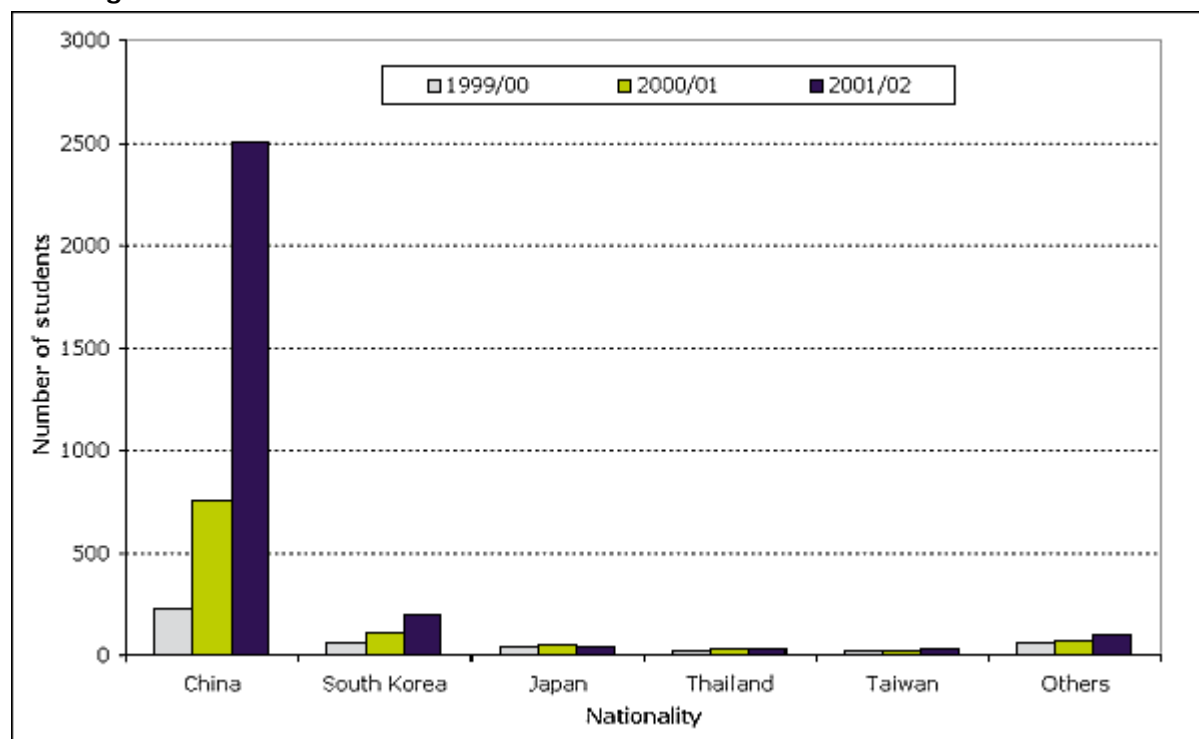
2.7.2 English language–Private Training Establishment pathway

The English language–Private Training Establishment (PTE) study pathway was the second most common for multiple sector students, accounting for 13% of multiple sector students. The number of students following this pathway increased from 439 in 1999/00 to 2,921 in 2001/02. China was the main source country for multiple sector students following this pathway (79%), followed by South Korea (8%) and Japan (3%).

Figure 2.8 shows the main source countries for multiple sector students following the English language–PTE pathway, and the rapid growth in this pathway over the

study period. Most of his growth can be attributed to the growth in the number of first entry students from China. Between 1999/00 and 2001/02, first entries from China increased ten-fold from 230 to 2,501. The number of first entries from South Korea following this pathway also increased but to a lesser extent.

Figure 2.8: Main source countries of multiple sector English language–Private Training Establishment students



2.7.3 School–tertiary pathway

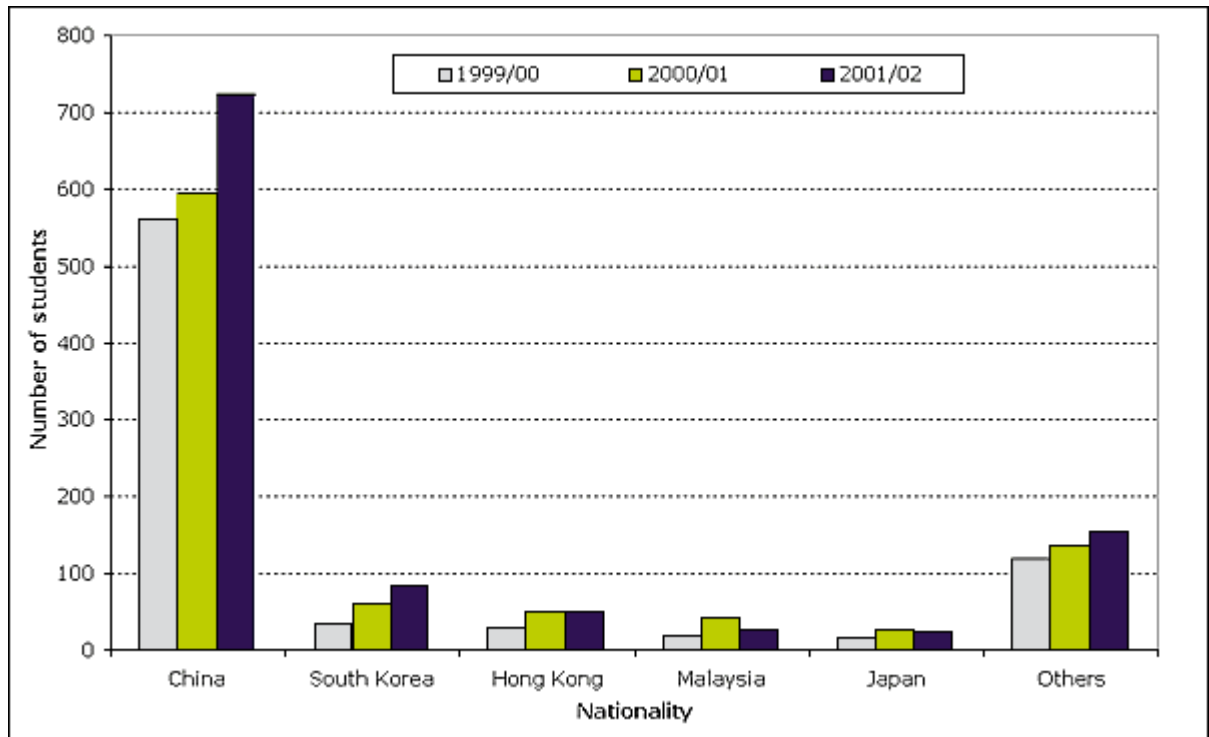
The school–tertiary pathway was the third most common, and accounted for 8% of multiple sector students. However, many school students transition to permanent residence (see Chapter 3), which interrupts their study pathway in the dataset used in this analysis. As a New Zealand resident, a student is no longer required to hold a permit to study. Therefore the full study pathway of students who transition to residence is not captured in the student pathways dataset. This may account for the relatively low number of school students whose study pathway includes tertiary education.

The number of multiple sector students following this pathway increased over the three years, but not to the same extent as the two main pathways. The tertiary studies component was predominantly university – 85% of students taking this pathway studied at university. A further 12% went from school to a polytechnic or institute of technology, while the remaining students studied at a combination of tertiary institutions, including a small number at a college of education.

Figure 2.9 shows the main source countries for multiple sector students following the school–tertiary pathway. China was the main source country (68%), followed by South Korea (7%), and Hong Kong (5%). There was relatively little growth in the number of students taking this pathway over the three-year period. As mentioned earlier, this trend reflects the high number of school students who

transition to permanent residence and are thereafter not required to hold a student permit to continue their education.

Figure 2.9: Main source countries of multiple sector school–tertiary sector students



3. TRANSITIONS TO WORK AND RESIDENCE

3.1 Introduction

The chapter examines the patterns of transition to work or permanent residence in New Zealand for 47,418 international students approved for their first student permit between 1999/00 and 2000/01. The purpose of this analysis is to identify the main pathways from study to work or residence, and the characteristics of students who make this transition. This chapter also examines the study tenure of students who did not transition to work or residence.

3.2 Summary of main findings

- Twenty-seven percent of the 47,418 students transitioned to work or permanent residence. Fifteen percent transitioned directly from study to residence, 6% transitioned from study to work and residence, and 6% transitioned from study to work (but not residence). Seventy-three percent of students did not transition to work or residence.
- Thirty percent of students whose study pathway included both English language and tertiary studies made the transition to work or residence. Twenty-seven percent of students who studied at a tertiary level, or a combination of tertiary and any other sector, made the transition from study. Students whose study pathway included school had the highest rate of transition to residence (24%).
- Almost half (46%) of the all students who transitioned to permanent residence began their study in the school sector. A further 33% began their study in the English language studies sector. Overall, 68% of students who gained residence did so through the Skilled/Business Stream.
- The most common route to residence for Chinese students was through the Skilled/Business Stream following a study pathway that included English language and tertiary studies. Students from South Korea, Japan, and the USA were more likely to gain residence directly from school.
- Rates of transition to work and residence varied considerably between nationalities. The rate of transition for Chinese students was relatively high (32%) compared to South Korean (23%), Japanese (10%), and students from the USA (10%). Some smaller source countries (UK, Fiji, and South Africa) had transition rates over 50%.
- Young students (16 and under) were more likely to gain permanent residence than older students. 30% of students 16 and under gained permanent residence compared to 25% of students aged over 16.
- The time taken to transition to work and residence was quickest for those who met the policy requirements to gain residence through the Skilled/Business Stream. Of those who gained residence through the Skilled/Business Stream, over half (52%) did so within two years of beginning study. Transition times were fastest for young students (dependants), and slowest for those with longer study pathways, such as those who undertook English language studies prior to entry into the tertiary sector.

- Twelve percent of students transitioned from study to work (some of whom gained residence as well). The most common work permit held was labour market tested (41% of students)²⁴. Other students (particularly Japanese) transitioned to work via a working holiday scheme (7%), a relationship with a New Zealand resident or citizen (34%), or a combination of these and other work permit types.
- Most students who transitioned to work or residence stayed on in New Zealand, although 18% had since left the country long term. Students who gained permanent residence were more likely to stay on in New Zealand compared to those who transitioned to work (but not residence). In general, younger students (under 20) who gained residence had lower rates of absence than younger students. South Korean students had lower rates of absence compared to students from China, Japan, and the USA. This may reflect the different age profiles of students from the main source countries.
- Seventy-three percent of students did not transition to work or residence. Many of these students had a relatively short stay in New Zealand. Fifty-three percent of single sector students studied for less than 12 months. Chinese students, having predominantly multiple sector pathways, typically studied for longer than students from the other main source countries.

3.3 Method

There are many work and residence permit categories. When the transition pathways were derived for each student there were an unwieldy number of permutations in the dataset. To overcome this, the various work and residence policies were aggregated into related groups.

Work permit policies were grouped into four main groups, including labour market tested work permits, working holidaymaker permits, work permits issued on the basis of a family relationship (partnership), and other work permit types, such as the Graduate Job Search permit. Residence permit categories have been grouped into their respective streams, including the Skilled/Business Stream, the Family Sponsored Stream, and the International/ Humanitarian Stream. Complete lists of residence and work permit categories are given in Appendices B and D.

The two cohorts examined in this section are 1999/00 and 2000/01. Each of these cohorts comprises the same students included in Chapter 2, implying the

²⁴ The labour market test requires New Zealand employers to show that they have made genuine efforts to recruit locally, but have been unable to find people within New Zealand to fill a temporary worker shortage. Establishing this shortage allows employers to recruit temporary workers from overseas to meet particular or seasonal skill needs. The General Work Permit is the main labour market tested work permit, and may be issued to people with a job offer in an occupation on the Immediate Skill Shortage List, or where an employer has established that they cannot fill the vacancy within New Zealand on a case by case basis. In this analysis, various other permits have been classified as labour market tested, such as the Talent Visa policy or those issued through the Long Term Skill Shortage List Occupation policy. While these policies do not require a labour market test per se, it is inherent in the policy that the applicant's skills or labour is in shortage.

overall demographic characteristics of each cohort are unchanged. In this analysis, however, the research window is widened to 57 months to allow more time for students to transition from study to work and permanent residence. The 2001/02 cohort is excluded in this analysis because 57 months of data was not available for each student in the cohort.

Table 3.1 shows the number of students by sector when the analysis window is extended to 57-months. As expected, the inclusion of a further 12 months of permit data had the effect of decreasing the number of students in single sector educational pathways and increasing the number in multiple sectors (since more time was allowed to observe these pathways).

Table 3-1: Number of students by study sector (1999/00–2000/01)

Study sector	Number of students	Proportion of students
School	13,186	28%
English language	10,067	21%
University	5,036	11%
Private Training Establishment	1,602	3%
Polytechnic*	1,075	2%
Unknown	356	1%
College of Education	41	<1%
Total single sector	31,363	66%
Total multiple sector	16,055	34%
Total students	47,418	100%

* Includes institutes of technology.

3.4 Transition pathways

Table 3.2 summarises the transitions to work and residence for the two cohorts over the 57-month analysis period. The results show that 21% of students granted a permit to study in 1999/00 and 2000/01 transitioned to permanent residence, and a further 6% transitioned to work but had not gained residence by the end of the analysis period. Of the 21% who gained permanent residence, most (72%) did so directly without gaining a work permit. Of the 47,418 students in this analysis, 73% had not made a transition to work or residence.

Table 3-2: Students who transitioned to work or residence

Transition type	Number of students	Proportion of students
Residence permit only	7,122	15%
Work and Residence	2,720	6%
Total Residence	9,842	21%
Work permit only	2,754	6%
Total work or residence	12,596	27%
No transition	34,822	73%
Total First Entries	47,418	100%

Table 3.3 shows the most common pathways from study to residence by the main student source countries, and includes those students who transitioned to work prior to residence. The most common routes to residence were from school–Skilled/Business Stream (29%), and from school–Family Sponsored Stream (8%).

A high proportion of students who transitioned directly from study to residence were school age – three of the five main pathways from study to residence comprised school-aged students. Overall, 46% of students who gained permanent residence began their study in the school sector.

Four of the top ten pathways to residence included students whose first educational sector was English language studies. Overall, 33% of students who gained residence began their study in New Zealand with English language studies. The majority of these students gained residence through the Skilled/Business Stream (66%) following a transition to another education sector (mainly tertiary) and/or a work permit.

The most common route to residence for Chinese students was through the Skilled/Business stream following English language and tertiary studies. Students from South Korea, Japan, and the USA, were most likely to gain residence directly from school. For each of these latter three countries the students were generally aged 16 or under and therefore most likely gained residence as dependents.

Table 3-3: Residence pathways by main source countries*

Residence pathway	China	South Korea	Japan	USA	Others	Total
	% of students within each nationality					
School–SB	6%	52%	23%	33%	34%	29%
School–FS	1%	4%	2%	21%	13%	8%
EL–SB	7%	12%	6%	1%	2%	5%
EL–Tertiary–SB	14%	1%	1%	0%	1%	4%
School–IH	0%	0%	1%	9%	8%	4%
Tertiary–SB	5%	1%	3%	5%	4%	4%
EL–Partnership–FS	3%	2%	9%	1%	4%	3%
Tertiary–LMT–SB	2%	0%	1%	4%	4%	3%
EL–Tertiary–LMT–SB	6%	0%	1%	0%	0%	2%
Tertiary–FS	1%	0%	2%	7%	2%	2%
Others	55%	27%	51%	21%	29%	36%
Study–residence total	2,800	1,494	163	169	5,216	9,842
% of all transitions	28%	15%	2%	2%	53%	100%

* EL – English language, SB – Skilled/Business, FS – Family Sponsored, IH – International/Humanitarian, LMT – Labour market tested work permit.

Of the 12,596 students who transitioned to work or residence, 5,474 (43%) transitioned to work, and of these, 2,720 also gained residence. The pathways followed by these students were varied, often with multiple education sectors and multiple work permit types. The most common pathways accounted for a small proportion of the total number of pathways. Table 3.4 shows the most common pathways to work taken by the main source countries of students.

Four of the five main pathways included multiple sector students, the majority of whom began their study in the English language sector followed by tertiary studies. The most common work permit held was labour market tested, while others were granted a working holidaymaker permit or a work permit through partnership policy.

Chinese students were most likely to transition to work after studying in multiple education sectors (English language and tertiary). South Korean students were more likely to gain a work permit through partnership policy. Almost one third of Japanese students who transitioned to work did so through the working holiday scheme. Students from the USA were most likely to gain a labour market tested work permit following tertiary study.

Table 3-4: Work pathways by main source countries*

Work pathway	China	South Korea	Japan	USA	Others	Total
	% of students within each nationality					
EL–Partnership–FS	3%	7%	4%	1%	9%	6%
EL–Tertiary–Other Work	11%	1%	1%	0%	1%	5%
Tertiary–LMT–SB	2%	1%	1%	7%	9%	5%
EL–Tertiary–LMT	7%	1%	2%	0%	1%	4%
EL–Tertiary–LMT–SB	6%	1%	0%	0%	0%	3%
Tertiary–LMT	0%	0%	2%	17%	5%	3%
EL–WHS	0%	2%	30%	0%	1%	3%
EL–Tertiary–Partnership–FS	4%	2%	0%	0%	1%	2%
Tertiary–Partnership–FS	1%	1%	0%	12%	4%	2%
EL–Tertiary–Partnership	3%	0%	1%	0%	1%	2%
Others	62%	86%	59%	63%	68%	66%
Study–work total	2,482	396	369	89	2,138	5,474
% of all transitions	45%	7%	7%	2%	39%	100%

* EL – English language, SB – Skilled/Business, FS – Family Sponsored, IH – International/Humanitarian, LMT – Labour market tested work permit.

3.4.1 Transition to work and residence by study sector

This analysis calculates the proportion of students who studied in each sector, or combination of sectors, who subsequently transitioned to work or residence. Table 3.5 shows the transition rates by study sector. Students whose study pathways included both English language studies and tertiary education had the highest transition rate to work and residence (30%), with a high proportion gaining a work permit. Students whose study pathway included school, or a combination of school and other sectors, had the highest transition rate to residence (24%). Section 3.5 discusses the main pathways to work and residence.

Table 3-5: Rate of transition to work and residence by study sector*

Study sector	Total students		Transitioned to Work**		Transitioned to residence***		Total transitioned from study****	
	n	%	n	%	n	%	n	%
EL	22,371	47%	3,429	15%	3,378	15%	5,214	23%
School	19,470	41%	609	3%	4,742	24%	5,173	27%
Tertiary	17,735	37%	3,192	18%	3,171	18%	4,809	27%
EL and Tertiary	8,411	18%	1,723	20%	1,496	18%	2,513	30%
PTE	5,900	12%	1,117	19%	904	15%	1,591	27%
School and Tertiary	3,796	8%	297	8%	244	6%	473	12%
School and EL	3,757	8%	239	6%	268	7%	436	12%
EL and PTE	3,556	7%	668	19%	467	13%	930	26%
Tertiary and PTE	1,695	4%	275	16%	187	11%	382	23%

* In this table, students are counted in each of the sectors included in their study pathway. Multiple sector students are therefore counted more than once.

** All students who gained a work permit, including those transitioned to residence.

*** All students who transitioned to residence, some of whom had also held a work permit.

**** All students who transitioned to work or residence.

3.4.2 Transition to work and residence by nationality

Table 3.6 shows the rate of transition to work and residence for the main source countries. The rates vary significantly across the source countries, and there may be several reasons to account for these differences. Previous research has shown that transition rates vary depending on the age of the student.²⁵ In general, young students (dependents) have a much higher rate of transition to residence than older students, because dependent students gain residence at the same time as the parents.

However, not all young international students live with their parents in New Zealand.²⁶ Research by the Ministry of Education (MOE) showed that in 2003, approximately half of all international students aged 13 and under lived without a parent in New Zealand, and the majority of students in this age group were South Korean.²⁷ The MOE research also found that the tenure of study for young students was relatively low, with 40% staying 6–12 months and 27% staying 1–2 years.²⁸ These students would be unlikely to gain permanent residence in New Zealand, particularly if their parents did not reside here.

Table 3.6 shows that Chinese students are more likely to gain work permits after completing their studies than students from the other main source countries. Of the 13,120 Chinese students in the two cohorts, 19% (2,482 students) gained a work permit after study. Of the 2,482 students, 1,352 (54%) had not gained residence at the end of the analysis period.

²⁵ Merwood, 2006: Migration Trends 2005/2006. Department of Labour. Wellington.

²⁶ Ministry of Education, 2003: Report on Research into the Circumstances of Very Young International Students in New Zealand. International Policy and Development Unit. Ministry of Education

²⁷ Ibid, pages 5 & 11.

²⁸ Ibid, page 15.

South Korean students were more likely to gain residence without transitioning to work, most likely because of their age. In the table below, 56% of the 1,701 South Korean students who transitioned to work or residence were 16 or under when they began their studies. By comparison, only 8% of the Chinese students who transitioned to work or residence were under 17. A full breakdown of age groups for students in the two cohorts, and for those who transitioned to work or residence, is given in Appendix E.

Table 3-6: Rate of transition to work or residence by source country

Nationality	Total students	Transitioned to work only*		Transitioned to Work**		Transitioned to residence***		Total transitioned from study****	
		n	%	n	%	n	%	n	%
China	13,120	1,352	10%	2,482	19%	2,800	21%	4,152	32%
South Korea	7,557	207	3%	396	5%	1,494	20%	1,701	23%
Japan	4,567	289	6%	369	8%	163	4%	452	10%
USA	2,232	60	3%	89	4%	169	8%	229	10%
Thailand	1,932	56	3%	153	8%	223	12%	279	14%
Germany	1,463	64	4%	87	6%	65	4%	129	9%
Taiwan	1,380	28	2%	51	4%	162	12%	190	14%
Fiji	1,088	87	8%	200	18%	566	52%	653	60%
UK	1,069	20	2%	69	6%	575	54%	595	56%
Malaysia	1,003	69	7%	170	17%	200	20%	269	27%
Others	12,007	522	4%	1,408	12%	3,425	29%	3,947	33%
Total	47,418	2,754	6%	5,474	12%	9,842	21%	12,596	27%

* All students who gained a work permit, but had not transitioned to residence.

** All students who gained a work permit, including those transitioned to residence.

*** All students who transitioned to residence, some of whom had also held a work permit.

**** All students who transitioned to work or residence.

3.4.3 Transition to work and residence by age

Table 3.7 shows the age breakdown of students in the 1999/00 and 2000/01 cohorts and the number and proportion of students in the age group who transitioned to work or residence. Overall, 30% of students aged 16 or under transitioned to work or residence, compared to 25% of students who were 17 or over. This difference is considerably smaller than was found in previous research, which may be a cohort effect. ²⁹Previous research shows that the rate of transition to residence has increased significantly since 2000/01. However, the table below shows some important differences between source countries.

Most Chinese students were not dependents when they began their study, with the vast majority aged 17 or over. The relatively high proportion of older Chinese students transitioning to work or residence (33%) may indicate that staying on in New Zealand is the goal for many students after graduation. South Korean

²⁹ Some cohorts used in the Migration Trends 2005/06 analysis, which included cohorts from 1997/98 to 2005/06, were more recent cohorts than cohorts used in this analysis. The Migration Trends cohorts encompass a period when a growing number of migrants worked or studied in New Zealand prior to gaining residence.

students were typically younger, with nearly half of the South Korean students in these two cohorts under 17 years old. South Korean students aged under 17 had a higher transition rate to work or residence than did those aged 17 or over (26% compared with 19%).

Transition rates were relatively low for the next two largest source countries, Japan and the USA (10% each). A high proportion of students from the USA were aged 20–24 (59%), yet fewer than 5% transitioned to work or residence. This may indicate students coming to New Zealand for post graduate study, with no intention to stay on in the country.

Many of the smaller source countries had high transition rates to work or residence, such as the UK, Fiji, and South Africa. The majority of students from the UK and South Africa were dependents who settled in New Zealand with their parents. The number of work permits issued to migrants from all three of these source countries has increased steadily in recent years, and the school-aged children of these migrants are granted student permits prior to permanent residence. Appendix E has a detailed age breakdown for the main source countries.

Table 3-7: Rate of transition to work or residence for the main source countries by age group*

Nationality	All students 99/00–00/01			Number who gained work or residence			% who gained work or residence		
	0–16	17+	Total	0–16	17+	Total	0–16	17+	Total
China	1,577	11,543	13,120	342	3,810	4,152	22%	33%	32%
South Korea	3,622	3,935	7,557	957	744	1,701	26%	19%	23%
Japan	1,618	2,949	4,567	57	395	452	4%	13%	10%
USA	474	1,758	2,232	112	117	229	24%	7%	10%
Thailand	689	1,243	1,932	67	212	279	10%	17%	14%
Germany	633	830	1,463	41	88	129	6%	11%	9%
Taiwan	415	965	1,380	79	111	190	19%	12%	14%
Fiji	472	616	1,088	334	319	653	71%	52%	60%
UK	811	258	1,069	493	102	595	61%	40%	56%
Malaysia	128	875	1,003	54	215	269	42%	25%	27%
Others	4,381	7,626	12,007	1,894	2,053	3,947	43%	27%	33%
Total	14,820	32,598	47,418	4,430	8,166	12,596	30%	25%	27%

*Calculated at age of commencing study

Previous research has shown that another important factor in transition rates is the ability to access different work permit types. People who gain business related work permits (such as the Long Term Business Visa), or those issued through partnership policy, tended to have a high rate of transition. The rate of transition to residence for working holidaymakers was generally lower than other work permit types. For international students, the ability to access such permits may make the difference between staying on in New Zealand and returning home. Of the 10 main source countries, all have working holiday schemes with New Zealand except China and Fiji.

3.4.4 Transition to residence by stream

Over two thirds of students who gained permanent residence were approved through the Skilled/Business Stream (68%). A further 27% were approved through the Family Sponsored Stream, and 5% were approved through the International/Humanitarian Stream. For the two main source countries, China and South Korea, over three-quarters of those who gained residence did so as Skilled/Business migrants. Table 3.8 provides a breakdown of the proportion of approval by residence stream for the main source countries of students.

Table 3-8: Proportion of students who gained permanent residence by stream for the main source countries

Nationality	Total students		Residence approval stream (row %)*		
	n	%	SB	FS	IH
China	2,800	21%	76%	23%	<1%
South Korea	1,494	20%	86%	13%	<1%
Japan	163	4%	57%	41%	2%
USA	169	8%	48%	41%	11%
Thailand	223	12%	35%	61%	3%
Germany	65	4%	69%	31%	0%
Taiwan	162	12%	70%	29%	1%
Fiji	566	52%	52%	40%	8%
UK	575	54%	79%	20%	1%
Malaysia	200	20%	76%	24%	1%
Others	3,425	29%	56%	31%	13%
Total	9,842	21%	68%	27%	5%

*SB – Skilled/Business Stream, FS – Family Sponsored Stream, IH – International/Humanitarian Stream.

3.5 Main pathways to residence

The previous analysis showed that 9,842 students in the 1999/00 and 2000/01 cohorts (out of 47,415 students, 21%) made a transition from study to permanent residence. This section details the three most common pathways to permanent residence, the characteristics of the students taking the various pathways, and the time taken to transition.

3.5.1 School–residence

The most common pathway to residence included students who began their study at school. Over 4,500 students took this pathway, accounting for 46% of all students who gained permanent residence over the analysis period. Of these, the majority gained residence through the Skilled/Business Stream (68%), a further 22% gained residence through the Family Sponsored Stream, while the remaining 10% gained residence through the International/Humanitarian Stream.

Ninety-eight percent of students making the transition from school–residence were under 17 years old, and therefore would most likely have gained residence as dependents. It is likely that many of these students continued their studies at

a tertiary level, but their study pathway was no longer captured in the student pathways dataset after they gained residence.³⁰

The main source countries of students following the school–residence pathway were South Korea (21%), South Africa (14%), and Great Britain (11%). Over 80% of the students who transitioned to residence from these three countries did so through the Skilled/Business Stream.

Tongan school students were the most likely to gain residence through the Family Sponsored Stream (41%) and the International/Humanitarian Stream (52%). This reflects the high proportion of Tongan nationals who gained residence through the October 2000 Transitional Category over the analysis period.³¹ Table 3.9 shows the main source countries of students who transitioned from school to permanent residence, and the residence streams through which they transitioned.

Table 3-9: Main source countries of school students who gained residence

Nationality	Total students		Residence approval stream (row %)*		
	n	%	SB	FS	IH
South Korea	943	21%	91%	9%	1%
South Africa	636	14%	89%	9%	2%
Great Britain	496	11%	80%	19%	1%
China	414	9%	67%	32%	2%
Fiji	367	8%	55%	35%	11%
Tonga	239	5%	7%	41%	52%
Zimbabwe	180	4%	84%	7%	9%
USA	110	2%	52%	33%	15%
Others	1,173	26%	50%	31%	19%
School–residence total	4,558	100%	68%	22%	10%

* SB – Skilled/Business Stream, FS – Family Sponsored Stream, IH – International/Humanitarian Stream.

Table 3.10 shows the rate of transition from study to residence for school students who gained residence. For most, the time taken to transition to residence was relatively quick, with 58% gaining residence within 24 months of beginning their study. Overall, 81% had gained residence within three years of beginning their study.

Students who gained residence through the Skilled/Business Stream and the Family Sponsored Stream typically had a faster transition than those approved residence through the International/Humanitarian Stream. Sixty-nine percent of students who gained residence through the International/Humanitarian Stream took more than two years to make the transition, compared to 45% of those

³⁰ Research by the Ministry of Education showed that Asian students have a high rate of transition from school to tertiary education compared to New Zealand's other main ethnic groups. In 2004, for example, at least two-thirds of Asian students enrolled in degree-level study directly from leaving school. (Ministry of Education, 2006: State of Education in New Zealand 2006. Strategy and System Performance. Ministry of Education.

³¹ Department of Labour (2005). Migration Trends 2004/05. Department of Labour. Wellington

approved through the Family Sponsored Stream, and only 37% of those approved through the Skilled/Business Stream.

Table 3-10: Time taken to transition from school to permanent residence

Time taken to transition	Total students		Residence approval stream*		
	n	%	SB	FS	IH
<12 months	1,679	37%	42%	31%	18%
13–24 months	959	21%	21%	23%	13%
25–36 months	1,026	23%	18%	24%	52%
37–48 months	585	13%	13%	13%	11%
49–57 months	309	7%	6%	8%	6%
School–residence total	4,558	100%	100%	100%	100%

* SB – Skilled/Business Stream, FS – Family Sponsored Stream, IH – International/Humanitarian Stream.

3.5.2 English language–residence

The English language–residence pathway was the second most common pathway to residence. Over 3,200 students followed this pathway, accounting for 33% of all students who gained permanent residence over the analysis period. Of these, the majority gained residence through the Skilled/Business Stream (67%), a further 33% gained residence through the Family Sponsored Stream, while less than 1% gained residence through the International/Humanitarian Stream.

The main source countries of students following the English language–residence pathway were China (59%) and South Korea (14%). Students from Cambodia, Thailand, Vietnam, and Japan, each accounted for between 3% and 5% of students following this pathway. Seventy-five percent of Chinese students and 80% of South Korean students following this pathway gained residence through the Skilled/Business Stream. Numbers were significantly smaller for the other main source countries, but there was a greater tendency to gain residence through the Family Sponsored Stream.

The majority of English language students from Cambodia (92%), Thailand (67%), Vietnam (83%), and Japan (56%) gained residence through the Family Sponsored Stream. Almost all other students from these four nationalities gained residence through the Skilled/Business Stream. Table 3.11 shows the main source countries of students who transitioned from English language–residence.

Table 3-11: Main source countries of English language students who gained residence

Nationality	Total students		Residence approval stream (row %)*		
	n	%	SB	FS	IH
China	1,908	59%	75%	24%	<1%
South Korea	453	14%	80%	20%	<1%
Cambodia	155	5%	5%	92%	3%
Thailand	129	4%	32%	67%	1%
Vietnam	92	3%	17%	83%	0%
Japan	85	3%	42%	56%	1%
Taiwan	78	2%	62%	37%	1%
Others	322	10%	61%	38%	1%
EL–residence total	3,222	100%	67%	33%	1%

* SB – Skilled/Business Stream, FS – Family Sponsored Stream, IH – International/Humanitarian Stream.

The majority of students making the transition from English language–residence were under 25 (62%). Nineteen percent were aged 25–29 and the remaining 19% were 30 or older. However, there was considerable variation amongst the main source countries. The majority of students from China (75%), Cambodia (90%), and Vietnam (76%) were under 25. Students from the other main source countries were generally older. Only 28% of South Korean students following this pathway were under 25, as were 36% of those from Thailand, and only 24% of Japanese students. Forty-seven percent of South Korean students who began their study in New Zealand as an English language student and later transitioned to permanent residence were aged 30 or older. Most of these students (85%) gained residence through the Skilled/Business Stream.

Table 3.12 shows the rate of transition from study to residence for English language students who gained residence. The time to transition was generally longer for English language students than for school students, particularly because many English language students followed other pathways prior to gaining residence. Many English language students undertook further study, or transitioned to a work permit before gaining residence. Consequently, 60% of those English language students who gained residence did so at least two years after beginning their study. Fifteen percent were studying or working in New Zealand for at least four years before gaining residence.

Table 3-12: Time taken to transition from English language studies to permanent residence

Time taken to transition	Total students		Residence approval stream*		
	n	%	SB	FS	IH
<12 months	460	14%	15%	13%	17%
13–24 months	827	26%	25%	27%	39%
25–36 months	684	21%	18%	27%	22%
37–48 months	758	24%	23%	24%	17%
49–57 months	493	15%	19%	9%	6%
EL–residence total	3,222	100%	100%	100%	100%

* SB – Skilled/Business Stream, FS – Family Sponsored Stream, IH – International/Humanitarian Stream.

English language students who gained residence through the Skilled/Business Stream typically had a slower transition than those approved residence through the Family Sponsored Stream. Fifty-eight percent of students who gained residence through the Skilled/Business Stream did so within three years, compared to 67% of those approved through the Family Sponsored Stream. Nineteen percent of Skilled/Business Stream approvals took four or more years, compared to 9% of Family Sponsored Stream approvals. Only 18 English language students gained residence through the International/Humanitarian Stream.

Other pathways from English language studies to permanent residence were many and varied. Many students attended multiple educational institutions, and some transitioned to work prior to residence. Forty-five percent of English language students who gained permanent residence undertook tertiary study prior to residence. The majority of these students were Chinese (88%), most of whom (79%) gained residence through the Skilled/Business Stream.

Other English language students undertook further study at a PTE (13%), gained a work permit through partnership policy (24%) or one requiring a labour market test (17%), yet many followed combinations of these pathways. Thirty percent of those who undertook tertiary study subsequently gained a work permit through partnership policy. These people typically gained residence through the Family Sponsored Stream. A further 21% of those who undertook tertiary study subsequently gained a labour market tested work permit, followed by residence through the Skilled/Business Stream. In both of the latter examples the majority of students were Chinese.

3.5.3 Tertiary study–residence

Fifteen percent of students who gained permanent residence (1,482 out of 9,842) began their studies at a tertiary level. Of these, 72% gained residence through the Skilled/Business Stream and 25% gained residence through the Family Sponsored Stream. Most tertiary students who gained residence were in their twenties when they began study in New Zealand (70%). Fourteen percent were under 20 when they started study, 16% were 30 or over.

This group of students encompassed a broader range of nationalities than those beginning their study with a course in English language. Only 26% of students following this pathway were Chinese. A further 13% were from India, followed by Fiji and Malaysia (8% each). Table 3.13 shows the main source countries of students who transitioned from tertiary study–residence.

Table 3-13: Main source countries of tertiary students who gained residence

Nationality	Total students		Residence approval stream*		
	n	%	SB	FS	IH
China	392	26%	87%	13%	<1%
India	200	13%	83%	17%	0%
Fiji	123	8%	54%	41%	4%
Malaysia	116	8%	79%	21%	0%
Philippines	51	3%	96%	4%	0%
UK	51	3%	73%	27%	0%
USA	43	3%	37%	63%	0%
Indonesia	34	2%	76%	24%	0%
Others	472	32%	59%	35%	6%
Tertiary–residence total	1,482	100%	72%	25%	2%

* SB – Skilled/Business Stream, FS – Family Sponsored Stream, IH – International/Humanitarian Stream.

The majority of tertiary students transitioned to some form of work permit prior to residence. However, 26% transitioned directly to the Skilled/Business Stream and a further 10% gained residence through the Family Sponsored Stream.

Of those who transitioned to work prior to residence, the most common work permit type was labour market tested (49%), followed by those issued through Partnership policy (23%) and other work permit types (15%) such as the Graduate Job Search permit. Only 2% transitioned to a Working Holidaymaker permit prior to residence.

Table 3.14 shows the rate of transition from study to residence for tertiary students who gained residence. There was a relatively even spread of transition times over the analysis period, with between 20–30% of students gaining residence at yearly increments over the first four years. Approximately two-thirds of students following this pathway had gained residence within three years of beginning their study, regardless of whether they transitioned to residence through the Skilled/Business Stream or the Family Sponsored Stream. A very small number gained residence through the International/Humanitarian Stream, and those who did typically took longer to gain residence than those who gained residence through the other two Streams.

Table 3-14: Time taken to transition from tertiary study to residence

Time taken to transition	Total students		Residence approval stream*		
	n	%	SB	FS	IH
<12 months	292	20%	20%	18%	21%
13–24 months	402	27%	27%	27%	15%
25–36 months	330	22%	22%	25%	12%
37–48 months	335	23%	23%	21%	24%
49–57 months	123	8%	8%	9%	27%
Tertiary–residence total	1,482	100%	100%	100%	100%

* SB – Skilled/Business Stream, FS – Family Sponsored Stream, IH – International/Humanitarian Stream.

3.6 Transition from study to work

This section describes the characteristics of students following pathways from study to work. Of the 47,418 students in the analysis, 5,474 (12%) had transitioned to work, many of whom also gained permanent residence within the 57-month analysis window. The pathways followed by these students were varied, often with multiple education sectors and multiple work permit types.

Of the 5,474, 59% began their study in the English language sector, 23% in the tertiary sector, and 9% in the school sector. However, many students followed multiple study pathways, which included school, English language, tertiary, or combinations of these and other sectors. When the complete pathways were examined, 63% undertook English language studies at some stage, 58% had studied in the tertiary sector, and 11% had studied at school.

The most common type of work permit held was labour market tested (41%), followed by those issued through partnership policy (34%). Smaller numbers gained a work permit through a working holiday scheme (7%). Many students held more than one type of work permit following their study. New Zealand has working holiday schemes with South Korea, Japan, and some of the other main source countries, but not with China. These policy options reflected the types of work permits held by the main nationalities. Sixty-eight percent of Japanese students gained a working holidaymaker permit, as did 3% of South Korean and 10% of Malaysian students. Chinese students typically gained work permits via a labour market test or through the Graduate Job Search permit policy. Table 3.15 shows the main source countries of students who transitioned from study–work and the type of work permit held.

Table 3-15: Main source countries of students who gained a work permit

Nationality	Total students		Work permit type (row %)*			
	n	%	LMT	WHS	Family	Other
China	2,482	45%	41%	0%	29%	38%
South Korea	396	7%	46%	3%	38%	18%
Japan	369	7%	30%	68%	22%	5%
India	256	5%	39%	0%	31%	22%
Fiji	200	4%	49%	0%	44%	26%
Malaysia	170	3%	70%	10%	16%	22%
Thailand	153	3%	30%	0%	68%	22%
Cambodia	152	3%	13%	0%	84%	16%
Vietnam	114	2%	19%	0%	79%	17%
USA	89	2%	38%	1%	37%	18%
Others	1,093	20%	46%	7%	33%	23%
Study-work total	5,474	100%	41%	7%	34%	28%

* Row percentages add to more than 100 because some students' pathway included more than one work permit type.

Table 3.16 shows the rate of transition from study to work for students following study-work pathways. The rate of transition to work was generally slower than the rates observed for students transitioning to residence. Forty percent of students following the study-work pathways were not issued with work permits until at least 48 months after the first study permit was issued. This reflects longer periods spent in education, in particular by multiple education sector students. It also suggests that a longer analysis window would be required to observe these students' pathways to residence.

Table 3-16: Time taken to transition from study to work

Time taken to transition	Total students		Work permit type (row %)*			
	n	%	LMT	WHS	Family	Other
<12 months	422	8%	33%	13%	33%	9%
13-24 months	819	15%	31%	11%	40%	12%
25-36 months	850	16%	39%	9%	43%	18%
37-48 months	1,219	22%	48%	6%	37%	26%
49-57 months	2,164	40%	44%	3%	27%	42%
Study-work total	5,474	100%	41%	7%	34%	28%

* Row percentages add to more than 100 because some students' pathway included more than one work permit type.

3.7 Staying on in New Zealand

Research has shown that some migrants are highly mobile, spending large amounts of time out of New Zealand, while others leave New Zealand long term within a few years of being granted residence.³² This analysis looks at the time spent in New Zealand after taking up work or permanent residence for the 12,596 students who made this transition from study. Of the 12,596, 86% of those who gained permanent residence remained in New Zealand as at March 2007, while

³² Shorland, 2006: People on the Move: A study of migrant movement patterns to and from New Zealand. Department of Labour. Wellington.

14% had left long term.³³ In the following analysis, many source countries have relatively low numbers represented in the data.

Table 3.17 shows that students who had transitioned to work but had not gained residence were more likely to have left New Zealand long term compared to those who gained residence, but there were significant differences between the main source countries. The higher rate of absence for work permit holders may indicate a failure to secure employment and/or an inability to meet the policy requirements for permanent residence, but it may also reflect the intentions of the student. For example, students from the USA and Japan have lower transition rates overall, and this may reflect a lesser intention to stay on in New Zealand long term, compared to Chinese students.

Table 3-17: Proportion of long term absent students after transition to work or residence

Nationality	Total students	Transitioned to work only*		Transitioned to residence**		Total transitioned from study***	
		n	% LTA	n	% LTA	n	% LTA
China	13,120	1,352	22%	2,800	19%	4,152	20%
South Korea	7,557	207	40%	1,494	10%	1,701	13%
Japan	4,567	289	70%	163	21%	452	53%
USA	2,232	60	75%	169	25%	229	38%
Thailand	1,932	56	41%	223	10%	279	16%
Germany	1,463	64	59%	65	17%	129	38%
Taiwan	1,380	28	39%	162	21%	190	24%
Fiji	1,088	87	22%	566	5%	653	7%
UK	1,069	20	45%	575	11%	595	12%
Malaysia	1,003	69	32%	200	11%	269	16%
Others	12,007	522	33%	3,425	14%	3,947	16%
Total	47,418	2,754	33%	9,842	14%	12,596	18%

* All students who gained a work permit, but had not transitioned to residence.

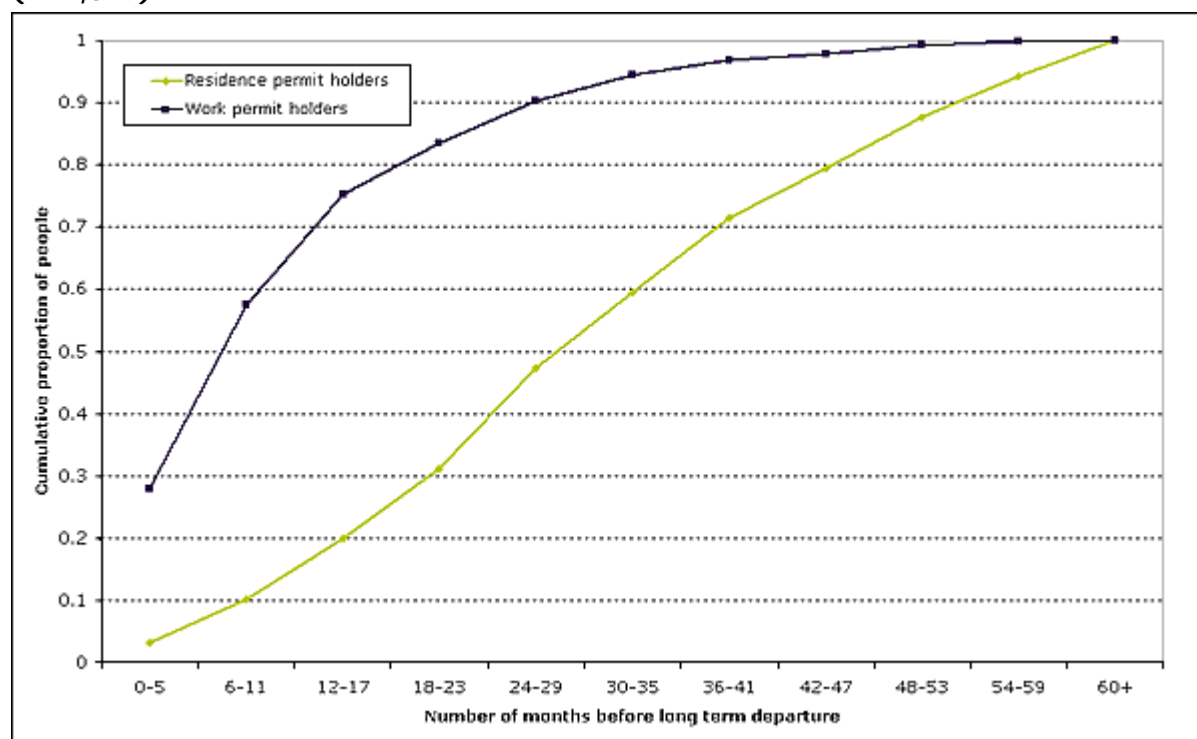
** All students who transitioned to residence, some of whom had also held a work permit.

*** All students who transitioned to work or residence

Figure 3.1 shows the number of months spent in New Zealand after being granted a work or residence permit before leaving the country long term. Most work permit holders left New Zealand relatively quickly (83% within two years). This reflects the short term nature of work permits, but it may also show that many students intend to work in New Zealand but not gain permanent residence. For those who left New Zealand long term after being granted residence, 31% did so within two years of gaining their residence permit, and 79% had left within four years.

³³ Defined as having left New Zealand at least 6 months prior to 31 March 2007.

Figure 3.1: Number of months spent in New Zealand before departing long term (n=2,319)



3.7.1 Residence permit holders leaving New Zealand

Of the 9,842 students who gained permanent residence, 1,401 (14%) subsequently left New Zealand long term. Table 3.18 shows the proportion of students who were long term absent within in each age group in relation to the number in each age group who gained permanent residence. For example, it shows that 22% of students aged 25–29 who gained permanent residence had left long term (260 out of 1,159).

The table shows considerable variation across the main source countries and within the various age groups. Nineteen percent of Chinese students granted residence had left New Zealand long term, compared to only 10% of South Korea students who gained residence. For these two source countries the proportion of young students who left New Zealand long term were relatively similar, while a much higher proportion of Chinese students aged 25 or more left long term, compared to South Korean students in this age range. Both Japan and the USA had low rates of transition to residence (see section 3.4.2) yet both had higher than average rates of long term absence.

Table 3-18: Rate of long term absence by age group and nationality

Nationality	Proportion absent within each age group					Total absent	
	0–16	17–19	20–24	25–29	30+	n	%
China	9%	13%	20%	29%	20%	519	19%
South Korea	8%	11%	17%	18%	10%	147	10%
Japan	25%	*	*	26%	19%	35	21%
USA	27%	*	24%	*	*	43	25%
Others	11%	9%	14%	18%	17%	657	13%
Total %	11%	11%	18%	22%	16%	1,401	14%
Total students	462	153	366	260	160		

* Cell count less than 5.

Table 3.19 shows the proportion of students who were long term absent within in each residence stream in relation to the number who gained permanent residence in each of the streams. The table shows that students who gained residence through the Skilled/Business Stream had higher rates of absence than those approved through the other two streams, a finding consistent with past research on migrant movement patterns.³⁴ The table also shows variation across nationalities and streams. Students from Japan and the USA who were approved permanent residence through the Skilled/Business Stream had higher than average rates of long term absence, although actual numbers were relatively small.

Table 3-19: Rate of long term absence by residence stream and nationality

Nationality	Proportion absent within each Stream**			Total absent	
	SB	FS	IH	n	%
China	19%	16%	15%	519	19%
South Korea	10%	8%	0%	147	10%
Japan	30%	10%	0%	35	21%
USA	30%	20%	28%	43	25%
Thailand	13%	9%	0%	22	10%
Germany	13%	25%	0%	11	17%
Taiwan	22%	19%	0%	34	21%
Fiji	5%	4%	4%	27	5%
UK	12%	8%	0%	65	11%
Malaysia	13%	6%	*	22	11%
Others	16%	12%	11%	476	14%
Total %	16%	12%	10%	1,401	14%
Total students	1,034	312	55		

* Cell count less than 5

**SB – Skilled/Business Stream, FS – Family Sponsored Stream, IH – International/Humanitarian Stream.

³⁴ Shorland, 2006: People on the Move: A study of migrant movement patterns to and from New Zealand. Department of Labour. Wellington.

3.8 Study tenure in New Zealand

The previous sections in this chapter consider the pathways of students who transitioned from study to work or residence. This section uses the Department of Labour's administrative data to estimate the study tenure for students who did not transition to work or residence. Of the 47,418 students in this analysis, 73% (34,822) did not transition to work or residence within 57 months of beginning study.

Table 3.20 estimates study tenure by taking the length of time between the issue of the first student permit and the date of the last departure from New Zealand.³⁵ Most of the 34,822 students (70%) had left New Zealand within 57 months of obtaining their first student permit. A further 11% were still in New Zealand after 57 months but have since left the country. The remaining 19% (6,490), predominantly multiple sector students, were still residing in New Zealand at least one year after the analysis window. For some students this equates to a period of almost six years in New Zealand. Many of these students would still have been studying in New Zealand, while others would have transitioned to work or residence but did so outside of the original analysis window of 57 months.

The table shows that over half of the single sector students in this analysis studied for less than 12 months in New Zealand, compared to only 3% of multiple sector students. A high proportion of multiple sector students studied for three years or more (38%). A further 42% of multiple sector students were still living in New Zealand after 57-months, many of whom would have continued their studies.

Table 3-20: Tenure of study by sector for non-transitioning students

Time in New Zealand	Single sector students		Multiple sector students		Total students	
	n	%	n	%	n	%
0–1 years	12,442	53%	343	3%	12,785	37%
1–2 years	3,322	14%	823	7%	4,145	12%
2–3 years	2,022	9%	1,107	10%	3,129	9%
3–4 years	1,545	7%	1,311	11%	2,856	8%
4–5 years	944	4%	1,263	11%	2,207	6%
5+ years	1,344	6%	1,866	16%	3,210	9%
Still residing in NZ*	1,716	7%	4,774	42%	6,490	19%
Total	23,335	100%	11,487	100%	34,822	100%

*As at March 2007

³⁵ This method of calculation presents a number of limitations. Firstly, most students in this dataset were issued their first student visa offshore. Some time would have elapsed before these students arrived and began their courses, but this would usually be no more than three months. Similarly, some time would have elapsed between finishing a course and leaving the country. These factors combined may lead to an over-estimation of the time spent studying in New Zealand. However, many students were in New Zealand longer than 57 months, so the analysis window was too short to take full account of the time spent studying.

Combining age, nationality, and study tenure highlights a number of trends within the main student source countries. Table 3.21 shows study tenure by age and nationality for students who did not transition to work or residence. The table shows the number of students within each age whose study tenure was either 0–4 years or 4+ years. It shows that Chinese students generally studied for longer than students from the other main nationalities. Sixty-seven percent of Chinese students held a student permit for 4 years or more, or were still residing in New Zealand at the end of the analysis period. Conversely, 76% of South Korean students, 82% of Japanese students, and 90% of USA students studied for less than four years.

The table also shows differences between age groups, with older students tending to have shorter study tenure than younger students. This is most evident amongst Chinese students. For Japanese and USA students the age differentiation was less marked. Study tenure was generally less than four years for students from these two nationalities, regardless of age.

Table 3-21: Tenure of study by age and nationality for non-transitioning students

Age group	Study tenure (years)	Nationality					Total
		China	South Korea	Japan	USA	Others	
0–16	0–4	352	1,704	1,209	287	3,190	6,742
	4+	883	961	352	75	1,377	3,648
17–19	0–4	1,394	343	793	260	2,307	5,097
	4+	3,835	153	170	29	981	5,168
20–24	0–4	926	1,378	800	1,186	2,717	7,007
	4+	1,212	161	123	75	647	2,218
25–29	0–4	171	694	331	51	1,229	2,476
	4+	75	71	43	5	240	434
30+	0–4	92	320	223	28	930	1,593
	4+	28	71	71	7	262	439
Sub-totals	0–4	2,935	4,439	3,356	1,812	10,373	22,915
	4+	6,033	1,417	759	191	3,507	11,907
Total %	0–4	33%	76%	82%	90%	75%	66%
	4+	67%	24%	18%	10%	25%	34%
Total students		8,968	5,856	4,115	2,003	13,880	34,822

4. CONCLUSIONS

Foreign students choose to study in New Zealand for many reasons. The opportunity to learn English, experience another culture, gain a valuable qualification or complement an existing one may be the motivation for some. For others, the relative cost of education, potential work opportunities in New Zealand, or the desire to migrate on a permanent basis may be the driving factors.

New Zealand's temporary immigration policies aim to facilitate the entry of foreign students and have a focus on attracting and developing students who have the skills New Zealand needs. Like other host countries, New Zealand promotes the policy linkages between study, work, and permanent residence. This research shows that over one-quarter of foreign students who study in New Zealand stay on in the country as temporary workers or permanent residents.

Recent changes in New Zealand's student immigration policy have strengthened the link between study and work, meaning foreign students have greater opportunities to stay on in New Zealand to participate in the labour market. To date, the majority of students taking advantage of these new work policies have been Chinese. International students with recognised New Zealand qualifications or work experience can gain bonus points when applying for residence through the Skilled Migrant Category, and the number of Chinese graduates gaining permanent residence through this category has increased steadily over the last two years.

Previous research has shown that for some students, particularly Chinese, there is a strong desire to stay on in New Zealand to work or gain permanent residence, but their experience in New Zealand plays an important role in their decision to stay on. This research does not examine these experiences, or the reasons why some students do not achieve their goal to stay on in New Zealand, but it does show the degree to which particular students face change or transition points during their time in New Zealand.

Changing course providers, getting accommodation, looking for work, or trying to meet the requirements of a specific immigration policy are all transition points for international students. This research shows that some students are more likely to encounter these transition points than others. Chinese students, in particular, are more likely to have multiple sector study pathways, and are more likely to change locations throughout the course of their study. Unlike students from South Korea, Japan, and the USA, Chinese students do not have access to a working holiday scheme. For many, this means they must secure employment to stay in New Zealand long term.

This research shows that students of similar ages, source countries, or other attributes often have similar pathways from study to work and residence. Students who do not transition to work or residence after their studies tend to have a relatively short stay in New Zealand. However, the research shows that

for many students, particularly young adults from China, the period of analysis used in this research (57 months) was not long enough to capture their full pathway from study to work or residence. As non-English speakers, most of these students began their study with a course in English language before gaining entry to a tertiary institution, which extends the time they spend studying.

It is difficult to draw comparisons between international student retention rates of New Zealand and other host countries. Host countries' data collection systems differ in their ability to track student pathways from study to work and residence. Comparative data shows the proportion of international students who remain in New Zealand to work or gain permanent residence is broadly comparable to Australia and Canada. However, Australia has introduced a number of immigration policies that have a direct link between study and residence, which will have a positive impact on their ability to attract and retain international students.

The majority of students who gain residence in New Zealand do so as skilled or business migrants. New Zealand has also seen a growing number of former international students gaining residence as skilled migrants, although not to the same extent as Australia. Most international students in this research, however, choose New Zealand primarily as a study destination, and many stay in the country for a relatively short time.

The research shows that the pathways from study to work and residence can be complex, and encompass many transition points. Transition points, such as changing course providers, shifting to a new location in New Zealand, or securing employment, highlight areas where students may potentially encounter difficulties. The findings of this research highlight opportunities for educational institutions, government, and other service providers to ensure that in negotiating these transitions, international students achieve the best possible outcomes for themselves and for New Zealand.

APPENDIX A RESEARCH METHODOLOGY AND LIMITATIONS

Research method

This study involved a quantitative analysis of the Department of Labour's Immigration database. All administrative data on applications for student, work, and residence permits was extracted in April 2006 for the period July 1997 to March 2006. The student permit component of this data was used to form a longitudinal dataset, referred to in this study as the pathways dataset.

Data for the report was generated using SAS to query the Department of Labour's Management Information System (MIS). MIS is a subset of the Immigration database, the Application Management System (AMS). The MIS data was extracted in April 2006. Since MIS is a dynamic database, the data represent the state of data as of that month. Further data analysis was carried out using SAS and MS Excel.

The pathways dataset comprises longitudinal data over a window of nearly nine years – from 01 July 1997 to 25 March 2006. This includes demographic data for each student as well as permit data such as permit issue date and educational institution. An educational sector was derived for each permit issue date and this sector information was used to develop a pathway definition. This involved 'cleaning' the educational institution field (a free text variable) and then matching the cleaned field to a reference table provided by the Ministry of Education that included educational sector.

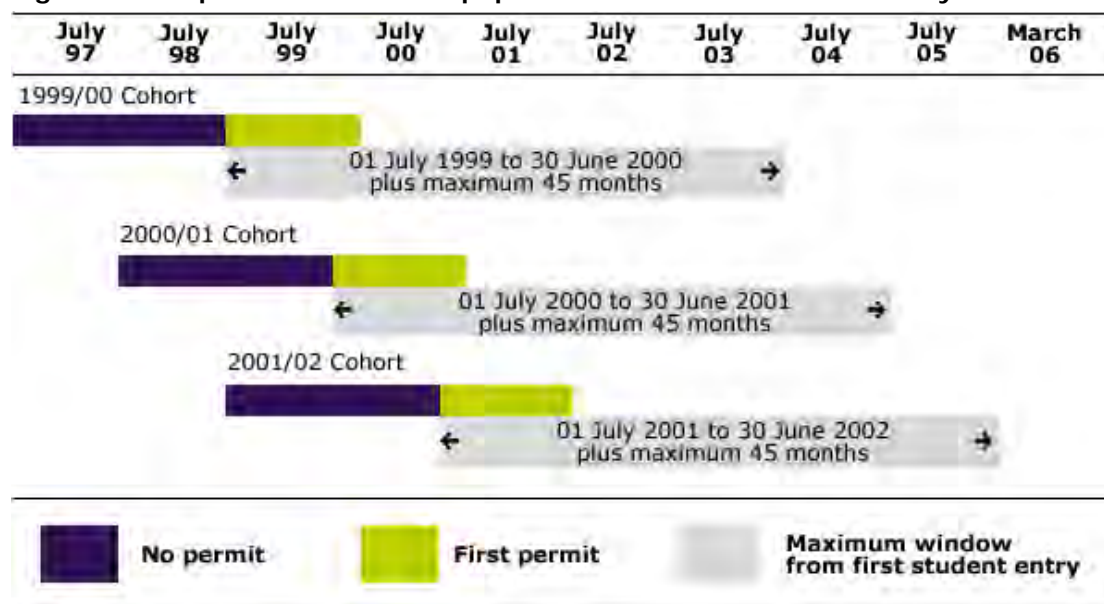
Educational pathways have been defined using the following sectors: school (primary and secondary), English language, university, institutes of technology and polytechnics, wananga, college of education, private training establishments, and Not recorded.³⁶

The dataset includes the entire population of students who were granted their first student permit in 1999/00, 2000/01 or 2001/02 and holds a unique identifier for each student. Each student has only one record in the final dataset. This dataset enables the analysis of all international students granted a student permit over the period of interest without the problems of sampling error.

The first part of this analysis examines the educational pathways of three cohorts of students (1999/00 to 2001/02) over 45 months – 94,537 students in total. The second section examines the transitions to work and residence for the 1999/00 and 2000/01 entry cohorts over a 57-month window, and includes 47,418 students. By way of comparison, the AEI studied a cohort of 100,450 students (the 2002 cohort) over 36 months. Figure 1 illustrates the composition of the first section of the report, which includes three cohorts over a 45-month window.

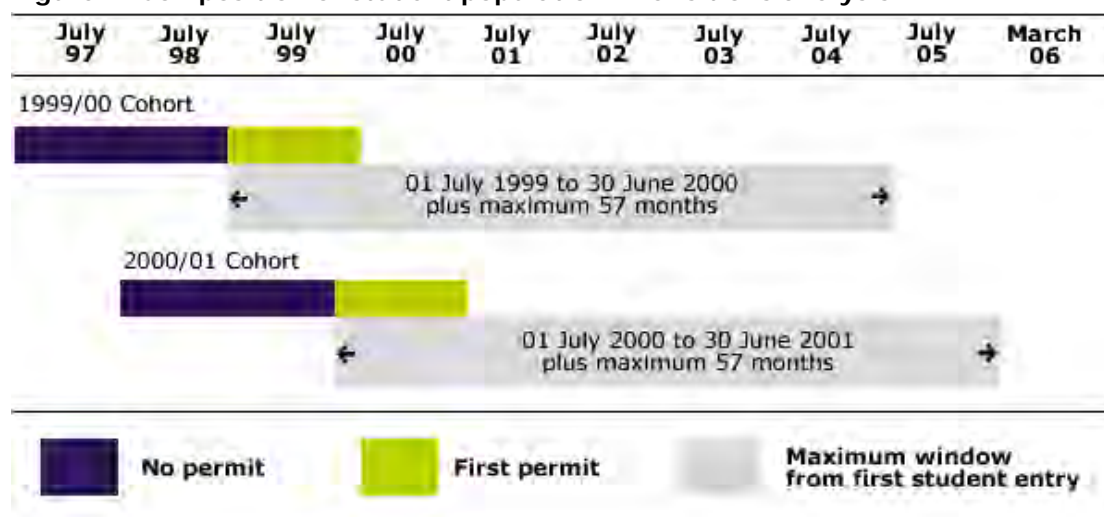
³⁶ Educational sector has been assigned 'Not recorded' where there was not sufficient information available to derive reliable information.

Figure 1: Composition of student population: Educational sector analysis



The second section of analysis examines the 1999/00 and 2000/01 entry cohorts and identifies the subsequent transitions to work and residence. Figure 2 illustrates the composition of the second analysis in the report, which includes two cohorts over a 57-month window.

Figure 2: Composition of student population: Transitions analysis



Definitions

Below is a description of some of the key immigration terms used in this report:

Visa: A visa indicates that the issuing officer knows of no reason why the visa holder should not be granted a corresponding permit on arrival in New Zealand.

Permit: A permit allows a person to remain in New Zealand in accordance with the permit's conditions. All permits expire when the holder leaves New Zealand (if not before). Unless otherwise specified, 'permit' is used throughout this report to denote both permits and visas.

Principal applicant: The principal applicant is the person assessed against the policy criteria. All students in this research were approved their student permit as principal applicants.

Residence policy: Residence applications are considered on the basis of whether the principal applicant meets the policy criteria. The principal applicant may include their partner and dependent children in the application. All applicants must meet standard health and character requirements.

Residence streams: In selected analyses in the report, data is broken down into residence streams. The Skilled/Business Stream includes the SMC (and its forerunner the General Skills Category), the Work to Residence categories, and the Business categories. The Family Sponsored Stream includes the Family Category and former Humanitarian Category, while the International/Humanitarian Stream includes the Samoan Quota, Pacific Access Category, Refugee Quota, Refugee Status, Ministerial direction, and various other policies. A breakdown of the various residence streams and policies is given in Appendix B.

Year: The data is reported for financial years, which run from 1 July to 30 June.

Limitations

The students included in this analysis were granted their permits prior to the policy changes that came into effect in July 2005. For the most part, this research is not able to assess the impact of those changes. However, some students granted their permits during the analysis period will have benefited from the policy changes. In particular, students who complete their courses from July 2005 onwards may apply for a graduate job search permit to look for work in New Zealand, or for a two-year post-study work permit to obtain practical work experience. Students who apply for residence through the Skilled Migrant Category (which came into effect in December 2003) gain recognition for their New Zealand qualifications via bonus points.

Any analysis that examines the transition from temporary to permanent residence requires a reasonable length of time to have transpired after a person first enters New Zealand. This time is needed for students to complete their course (in the case of tertiary students) and then establish themselves in employment if they want to meet skilled residence policy (unless they can meet other residence policies without employment). For this reason, a small number of cohorts were chosen for the analysis so that as large a window as possible was used to examine transition patterns.

There are some important differences between this research and the AEI study. The AEI study included a greater number of students, but tracked their pathways through the education sector for a shorter period. This research includes a smaller number of students but a longer window of analysis, enabling exploration beyond the students' time in the education sector and their links with work and permanent residence. Some of the educational sectors in this research are not

directly comparable to the AEI study. For example, New Zealand has no direct equivalent to the Australian VET sector.

Educational sector was not recorded for all student records in the administrative data. In these instances, the age of the student was used to impute sector data where applicable. Any students aged 17 or under without sector data were assigned to the schools sector, while those aged 17 or over were assigned a 'Not recorded' status. In the final dataset of 94,537 records, 1.1% of single sector students (675 out of 60,067) had a sector status that was not recorded. For multiple sector students, 8.9% (3,058 out of 34,470) had an unrecorded educational sector within their pathway.

APPENDIX B NEW ZEALAND RESIDENCE PROGRAMME POLICIES

Skilled/Business Stream

- Skilled Migrant Category
- Talent – Sports
- 1995 General Skills
- Employees of Businesses
- LTSSL Occupation
- Entrepreneur Category
- Talent – Accredited Employers
- Investor Category
- Talent – Arts and Culture

Family Sponsored Stream

- Adult Child
- Partnership
- Dependent Child
- Sibling
- Family Quota
- Humanitarian
- Parent
- October 2000 Transitional

International/Humanitarian Stream

- Refugee Emergency
- Samoan Quota
- Refugee Family
- Samoan Residual Places
- Refugee Medical
- 1995 Refugee Status
- Refugee Protection
- Ministerial Direction
- Refugee Women at Risk
- October 2000 Transitional
- PAC Residence Tonga
- Refugee Family Quota
- PAC Residence Fiji
- Section 35A
- PAC Residence Kiribati
- Victims of Domestic Violence
- PAC Residence Tuvalu
- Zimbabwe Policy
- PAC Residual Places

APPENDIX C NUMBER OF STUDENTS BY NATIONALITY AND AGE GROUP (1999/00–2001/02)

Nationality	Age group	Single sector		Multiple sector		Total students	
		n	%	n	%	n	%
China	0–16	1,176	16%	1,899	8%	3,075	9%
	17–19	2,285	30%	13,530	54%	15,815	48%
	20–24	2,608	34%	8,318	33%	10,926	33%
	25–29	924	12%	1,099	4%	2,023	6%
	30+	577	8%	263	1%	840	3%
China total		7,570	100%	25,109	100%	32,679	100%
South Korea	0–16	7,250	52%	1,120	43%	8,370	51%
	17–19	598	4%	543	21%	1,141	7%
	20–24	2,987	22%	552	21%	3,539	21%
	25–29	1,663	12%	205	8%	1,868	11%
	30+	1,366	10%	193	7%	1,559	9%
South Korea total		13,864	100%	2,613	100%	16,477	100%
Japan	0–16	2,156	35%	360	33%	2,516	34%
	17–19	1,289	21%	337	31%	1,626	22%
	20–24	1,569	25%	235	21%	1,804	25%
	25–29	718	12%	99	9%	817	11%
	30+	511	8%	72	7%	583	8%
Japan total		6,243	100%	1,103	100%	7,346	100%
USA	0–16	711	20%	12	12%	723	19%
	17–19	481	13%	20	20%	501	13%
	20–24	2,235	62%	52	53%	2,287	61%
	25–29	120	3%	8	8%	128	3%
	30+	80	2%	6	6%	86	2%
USA total		3,627	100%	98	100%	3,725	100%
Others	0–16	11,988	42%	1,254	23%	13,242	39%
	17–19	4,883	17%	1,875	34%	6,758	20%
	20–24	6,306	22%	1,551	28%	7,857	23%
	25–29	3,098	11%	546	10%	3,644	11%
	30+	2,488	9%	321	6%	2,809	8%
Others total		28,763	100%	5,547	100%	34,310	100%
Total	0–16	23,281	39%	4,645	13%	27,926	30%
	17–19	9,536	16%	16,305	47%	25,841	27%
	20–24	15,705	26%	10,708	31%	26,413	28%
	25–29	6,523	11%	1,957	6%	8,480	9%
	30+	5,022	8%	855	2%	5,877	6%
Total students		60,067	100%	34,470	100%	94,537	100%

APPENDIX D WORK PERMIT POLICIES

Labour market tested work permits

- Business – Long Term Executive
- Business – Short Term
- General
- Japanese Interpreter
- Long Term Skill Shortage List Occupation
- Machinery Installer/Service
- Seasonal Labour Pilot
- Specialist Skills
- Talent (Accredited Employers)

Working Holiday Schemes

- Argentina
- Belgium
- Canada
- Chile
- Czech Republic
- Denmark
- Finland
- France
- Germany
- Hong Kong
- Ireland
- Italy
- Japan
- Malaysia
- Malta
- Netherlands
- Norway
- Singapore
- South Korea
- Sweden
- Taiwan
- Thailand
- United Kingdom
- United States of America
- Uruguay

Family relationship

- Partner of a student
- Partner of a worker
- Partner of NZ citizen/resident

Other work permit types

- Approved in Principle

- Asylum Seeker
- BIC Residence Direct Investor
- Chef from Thailand
- Crew of Foreign Fishing vessel
- Domestic Staff for Consular Personnel
- Domestic Staff for Seconded Business Personnel
- Entertainer/Performing Artist and Support
- Exchange (Work), Private
- Graduate Job Search
- Job Search Visa
- Long Term Business Visa
- Medical and Dental Trainee
- Medical and Dental Personnel
- Minister/Missionary/Pastor
- Normal
- NZ Racing Conference Apprentice
- Oct 2000 Transitional Policy
- Practical Experience Post Study
- Reconsideration
- Research/Post Doctoral Fellow
- s35A Request
- Show Judge/Sports Referee
- Skilled Migrant
- Specific Purpose or Event
- Sports Player/Professional Coach
- Talent (Arts, Culture and Sports)
- University Lecturer
- Victims of Domestic Violence
- Work Experience for Student

APPENDIX E AGE BREAKDOWN OF STUDENTS

Table E.1 Age breakdown of students approved between 1999/00 and 2000/01

Nationality	Row % of students in each age group*					All students who began study 99/00–00/01
	0–16	17–19	20–24	25–29	30+	
China	12%	51%	29%	6%	3%	13,120
South Korea	48%	8%	22%	12%	10%	7,557
Japan	35%	23%	23%	11%	8%	4,567
USA	21%	14%	59%	3%	2%	2,232
Thailand	36%	14%	28%	13%	10%	1,932
Germany	43%	20%	23%	10%	3%	1,463
Taiwan	30%	15%	24%	20%	10%	1,380
Fiji	43%	30%	13%	5%	9%	1,088
UK	76%	8%	7%	4%	6%	1,069
Malaysia	13%	27%	52%	5%	4%	1,003
Others	36%	22%	21%	11%	10%	12,007
Total students	14,820	12,626	12,279	4,385	3,308	47,418
% in age group	31%	27%	26%	9%	7%	100%

*Calculated at age of commencing study.

Table E.2 Age breakdown of students approved between 1999/00 and 2000/01 who transitioned to work or residence

Nationality	Row % of students in each age group*					All students (99/00–00/01) who transitioned to work or residence
	0–16	17–19	20–24	25–29	30+	
China	8%	34%	40%	12%	5%	4,152
South Korea	56%	5%	7%	10%	22%	1,701
Japan	13%	15%	30%	27%	15%	452
USA	49%	7%	28%	9%	7%	229
Thailand	24%	6%	25%	18%	27%	279
Germany	32%	12%	25%	20%	12%	129
Taiwan	42%	12%	17%	16%	13%	190
Fiji	51%	28%	12%	3%	6%	653
UK	83%	3%	4%	3%	7%	595
Malaysia	20%	23%	43%	8%	6%	269
Others	48%	12%	18%	13%	10%	3,947
Total students	4,430	2,361	3,054	1,475	1,276	12,596
% in age group	35%	19%	24%	12%	10%	100%

*Calculated at age of commencing study.

ADDITIONAL DATA TABLES

Table 1 Number of students by type, entry cohort, and nationality (1999/00-2001/02)

Nationality	Single			Single Total	Multiple			Multiple Total	Total			Total
	99/00	00/01	01/02		99/00	00/01	01/02		99/00	00/01	01/02	
China	834	1,959	4,777	7,570	3,304	7,023	14,782	25,109	4,138	8,982	19,559	32,679
South Korea	2,004	4,222	7,638	13,864	464	867	1,282	2,613	2,468	5,089	8,920	16,477
Japan	1,770	2,043	2,430	6,243	359	395	349	1,103	2,129	2,438	2,779	7,346
USA	999	1,186	1,442	3,627	19	28	51	98	1,018	1,214	1,493	3,725
Thailand	558	952	1,050	2,560	184	238	259	681	742	1,190	1,309	3,241
Germany	537	848	986	2,371	23	55	60	138	560	903	1,046	2,509
Taiwan	449	571	677	1,697	174	186	238	598	623	757	915	2,295
India	152	443	801	1,396	46	169	435	650	198	612	1,236	2,046
Great Britain	434	543	768	1,745	36	56	53	145	470	599	821	1,890
Brazil	346	603	823	1,772	5	19	18	42	351	622	841	1,814
Fiji	296	571	579	1,446	72	149	114	335	368	720	693	1,781
South Africa	384	464	698	1,546	11	13	22	46	395	477	720	1,592
Malaysia	339	450	422	1,211	87	127	108	322	426	577	530	1,533
Hong Kong	212	296	302	810	156	192	178	526	368	488	480	1,336
Vietnam	123	268	313	704	80	160	242	482	203	428	555	1,186
Canada	207	259	285	751	5	13	16	34	212	272	301	785
Tonga	132	318	257	707	26	13	17	56	158	331	274	763
Indonesia	134	166	178	478	88	79	91	258	222	245	269	736
Cambodia	137	175	277	589	59	43	41	143	196	218	318	732
Sweden	173	195	206	574	11	10	15	36	184	205	221	610
Zimbabwe	13	219	327	559	0	8	11	19	13	227	338	578
Samoa	121	196	183	500	24	13	12	49	145	209	195	549
Others	2,007	2,419	2,921	7,347	275	327	385	987	2,282	2,746	3,306	8,334
Total	12,361	19,366	28,340	60,067	5,508	10,183	18,779	34,470	17,869	29,549	47,119	94,537

Table 2 Number of students by type, entry cohort, and first study region (1999/00-2001/02)*

Nationality	Single			Single Total	Multiple			Multiple Total	Total			Total
	99/00	00/01	01/02		99/00	00/01	01/02		99/00	00/01	01/02	
Auckland	4,612	7,973	11,815	24,400	3,127	5,864	10,582	19,573	7,739	13,837	22,397	43,973
Canterbury	1,744	2,636	3,968	8,348	770	1,353	2,937	5,060	2,514	3,989	6,905	13,408
Wellington	1,080	1,519	1,970	4,569	389	871	1,660	2,920	1,469	2,390	3,630	7,489
Waikato	755	1,101	1,479	3,335	285	565	963	1,813	1,040	1,666	2,442	5,148
Otago	765	952	1,224	2,941	225	328	441	994	990	1,280	1,665	3,935
Manawatu	455	600	810	1,865	145	246	510	901	600	846	1,320	2,766
Bay of Plenty	205	293	506	1,004	98	182	445	725	303	475	951	1,729
Hawkes Bay	170	202	269	641	40	63	102	205	210	265	371	846
Nelson	184	185	245	614	45	35	46	126	229	220	291	740
Northland	92	125	151	368	37	74	109	220	129	199	260	588
Taranaki	88	116	134	338	35	62	115	212	123	178	249	550
Wanganui	91	106	165	362	33	55	70	158	124	161	235	520
Marlborough	41	112	155	308	11	74	109	194	52	186	264	502
Eastland	67	98	90	255	32	41	52	125	99	139	142	380
Southland	78	78	70	226	22	39	31	92	100	117	101	318
Coromandel	45	53	69	167	15	6	10	31	60	59	79	198
Wairarapa	55	59	65	179	3	6	7	16	58	65	72	195
Fiordland	74	21	10	105	1	2	0	3	75	23	10	108
Others	37	39	53	129	11	5	15	31	48	44	68	160
Not Recorded	1,723	3,098	5,092	9,913	184	312	575	1,071	1,907	3,410	5,667	10,984
Total	12,361	19,366	28,340	60,067	5,508	10,183	18,779	34,470	17,869	29,549	47,119	94,537

*Summary tables shown elsewhere in this report exclude students where region data is 'Not Recorded'. The denominator used for calculating percentages from this table therefore equals the 'Total' figure minus 'Not Recorded'.

Table 3 Number of students by nationality, type, and first study region (1999/00-2001/02) *

Nationality	China		South Korea		Japan		USA		Others		Total		Total
	Single	Multiple	Single	Multiple	Single	Multiple	Single	Multiple	Single	Multiple	Single	Multiple	
Auckland	4,202	14,924	7,671	1,584	1,881	372	644	16	10,002	2,677	24,400	19,573	43,973
Canterbury	966	3,740	2,203	453	1,452	216	750	20	2,977	631	8,348	5,060	13,408
Wellington	539	2,258	640	104	442	88	371	14	2,577	456	4,569	2,920	7,489
Waikato	491	1,332	563	94	329	56	424	13	1,528	318	3,335	1,813	5,148
Otago	139	515	220	47	387	78	779	24	1,416	330	2,941	994	3,935
Manawatu	234	554	211	33	502	104	88	5	830	205	1,865	901	2,766
Bay of Plenty	90	530	214	47	212	33	25	0	463	115	1,004	725	1,729
Hawkes Bay	21	96	88	21	163	21	14	0	355	67	641	205	846
Nelson	15	50	59	11	145	18	26	0	369	47	614	126	740
Northland	40	163	69	23	49	8	11	0	199	26	368	220	588
Taranaki	17	79	15	11	68	9	16	0	222	113	338	212	550
Wanganui	16	99	37	5	48	10	10	1	251	43	362	158	520
Marlborough	34	131	46	12	51	13	14	0	163	38	308	194	502
Eastland	9	66	56	9	40	16	5	0	145	34	255	125	380
Southland	9	51	17	9	57	5	14	0	129	27	226	92	318
Coromandel	3	5	18	5	69	17	5	0	72	4	167	31	198
Wairarapa	0	6	3	0	58	3	11	0	107	7	179	16	195
Fiordland	3	0	0	0	8	0	7	0	87	3	105	3	108
Others	6	18	3	3	29	2	8	0	83	8	129	31	160
Not recorded	736	492	1,731	142	253	34	405	5	6,788	398	9,913	1,071	10,984
Total	7,570	25,109	13,864	2,613	6,243	1,103	3,627	98	28,763	5,547	60,067	34,470	94,537

*Summary tables shown elsewhere in this report exclude students where region data is 'Not Recorded'. The denominator used for calculating percentages from this table therefore equals the 'Total' figure minus 'Not Recorded'.

Table 4 Number of single sector students by study sector, entry cohort, and nationality (1999/00-2001/02)

Nationality	School			Total	English Language			Total	University			Total
	99/00	00/01	01/02		99/00	00/01	01/02		99/00	00/01	01/02	
China	218	427	757	1,402	432	1,132	3,314	4,878	141	292	497	930
South Korea	955	2,121	4,159	7,235	888	1,915	3,154	5,957	22	31	77	130
Japan	726	787	857	2,370	851	1,037	1,384	3,272	49	55	49	153
USA	274	267	282	823	14	20	15	49	637	840	1,058	2,535
Thailand	238	322	393	953	275	550	608	1,433	28	51	31	110
Germany	211	105	201	517	180	455	410	1,045	112	206	295	613
Taiwan	144	135	138	417	272	396	493	1,161	16	7	11	34
India	46	64	121	231	7	39	19	65	32	81	203	316
Great Britain	354	448	658	1,460	0	4	4	8	43	43	55	141
Brazil	280	448	582	1,310	44	134	222	400	11	9	12	32
Others	2,000	2,890	3,443	8,333	573	903	1,154	2,630	1,027	1,318	1,318	3,663
Total	5,446	8,014	11,591	25,051	3,536	6,585	10,777	20,898	2,118	2,933	3,606	8,657

Nationality	Private Training Establishment				Total	Polytechnic/Inst. of Technology				Total	Other sector (incl. not recorded)				Total
	99/00	00/01	01/02			99/00	00/01	01/02			99/00	00/01	01/02		
China	22	40	62	124	18	53	104	175	3	15	43	61			
South Korea	115	134	190	439	6	3	22	31	18	18	36	72			
Japan	133	146	122	401	8	16	11	35	3	2	7	12			
USA	55	37	53	145	11	14	22	47	8	8	12	28			
Thailand	12	18	12	42	4	8	4	16	1	3	2	6			
Germany	11	21	28	60	19	52	49	120	4	9	3	16			
Taiwan	12	26	31	69	4	5	0	9	1	2	4	7			
India	21	97	239	357	43	154	195	392	3	8	24	35			
Great Britain	14	21	21	56	15	15	14	44	8	12	16	36			
Brazil	7	10	4	21	2	2	1	5	2	0	2	4			
Others	295	365	427	1,087	280	351	393	1,024	103	169	213	485			
Total	697	915	1,189	2,801	410	673	815	1,898	154	246	362	762			

Table 5 Number of multiple sector students by sector pathway, entry cohort, and nationality (1999/00-2001/02)*

Nationality	English Language - Tertiary Education				Total	English Language - PTE				Total	School - Tertiary Education			Total
	99/00	00/01	01/02	99/00		00/01	01/02	99/00	00/01		01/02			
	China	1,106	3,116	6,850		11,072	230	759	2,501		3,490	561	595	
South Korea	76	158	244	478	65	108	197	370	36	60	86	182		
Japan	98	92	103	293	44	57	46	147	17	28	26	71		
Thailand	55	61	56	172	21	31	38	90	18	19	29	66		
India	1	10	11	22	1	11	14	26	2	2	3	7		
Taiwan	39	44	58	141	20	22	38	80	13	12	18	43		
Hong Kong	35	37	28	100	14	14	8	36	29	51	50	130		
Vietnam	34	56	95	185	2	20	33	55	1	12	17	30		
Fiji	2	6	0	8	0	1	0	1	9	25	24	58		
Malaysia	11	16	28	55	1	1	0	2	18	42	27	87		
Indonesia	27	30	27	84	10	2	13	25	11	9	9	29		
Great Britain	4	10	4	18	0	1	0	1	8	11	8	27		
Cambodia	8	16	6	30	15	5	8	28	3	1	4	8		
Germany	2	6	1	9	0	0	0	0	2	2	2	6		
USA	0	0	1	1	2	2	1	5	1	1	6	8		
Others	47	62	85	194	14	15	24	53	51	42	35	128		
Total	1,545	3,720	7,597	12,862	439	1,049	2,921	4,409	780	912	1,068	2,760		

*This table includes multiple sector students following the three main study pathways. These three pathways account for 58% of multiple sector students (20,031 out of 34,470).

Table 6 Number and proportion of students by age group and nationality (1999/00-2001/02)

Nationality	Age group					Total	Proportion of students in each age group					Total
	0-16	17-19	20-24	25-29	30+		0-16	17-19	20-24	25-29	30+	
China	3,075	15,815	10,926	2,023	840	32,679	9%	48%	33%	6%	3%	100%
South Korea	8,370	1,141	3,539	1,868	1,559	16,477	51%	7%	21%	11%	9%	100%
Japan	2,516	1,626	1,804	817	583	7,346	34%	22%	25%	11%	8%	100%
USA	723	501	2,287	128	86	3,725	19%	13%	61%	3%	2%	100%
Thailand	1,202	453	888	406	292	3,241	37%	14%	27%	13%	9%	100%
Germany	1,116	437	599	273	84	2,509	44%	17%	24%	11%	3%	100%
Taiwan	664	361	542	474	254	2,295	29%	16%	24%	21%	11%	100%
India	246	292	910	466	132	2,046	12%	14%	44%	23%	6%	100%
Great Britain	1,493	126	116	56	99	1,890	79%	7%	6%	3%	5%	100%
Brazil	948	508	215	93	50	1,814	52%	28%	12%	5%	3%	100%
Fiji	825	496	226	91	143	1,781	46%	28%	13%	5%	8%	100%
South Africa	1,417	113	31	17	14	1,592	89%	7%	2%	1%	1%	100%
Malaysia	214	413	750	85	71	1,533	14%	27%	49%	6%	5%	100%
Hong Kong	495	463	202	91	85	1,336	37%	35%	15%	7%	6%	100%
Vietnam	227	478	283	121	77	1,186	19%	40%	24%	10%	6%	100%
Canada	249	207	225	63	41	785	32%	26%	29%	8%	5%	100%
Tonga	466	120	79	43	55	763	61%	16%	10%	6%	7%	100%
Indonesia	144	204	181	88	119	736	20%	28%	25%	12%	16%	100%
Cambodia	106	207	326	63	30	732	14%	28%	45%	9%	4%	100%
Sweden	84	107	285	113	21	610	14%	18%	47%	19%	3%	100%
Zimbabwe	492	55	11	11	9	578	85%	10%	2%	2%	2%	100%
Samoa	222	181	98	23	25	549	40%	33%	18%	4%	5%	100%
Others	2,632	1,537	1,890	1,067	1,208	8,334	32%	18%	23%	13%	14%	100%
Total	27,926	25,841	26,413	8,480	5,877	94,537	30%	27%	28%	9%	6%	100%