

The number of new migrants settling here is at an all time high with a net gain of 43,500 in the August year

Posted in interestrates.co.nz September 19, 2014 - 11:08am, [Greg Ninness](#)



Population growth from immigration has surged to a new high with a record net gain from migration of 43,483 in the year to August, according to Statistics NZ.

That is more than three times as many as the net gain of 12,848 that occurred in the previous 12 months to August 2013.

The surge was driven by a big increase in the number of immigrants arriving in this country to live, which increased from 90,329 in the year to August 2013 to 103,875 in the year to August 2014.

Over the same period, the number of people leaving the country permanently dropped from 77,481 in the year to August 2013 to 60,392 in the year to August 2014.

In the month of August the net gain from migration was 4695, equalling the previous monthly record set in February 2003 when a large number of overseas students arrived at the start of the university year, Statistics NZ said.

The biggest sources of migrants continue to be Australia and the UK as New Zealanders return home from the not so lucky country and Old Blighty.

In the year to August 22,594 migrants arrived here from Australia followed by the UK (13,712), India (9622), China (9236), The Philippines (3546), Germany (3408), France (2771), Japan (2038), Canada (1957) and Korea (1715).

Over the same period of time 44,919 people left the country permanently bound for Australia which remains the most popular destination by far for New Zealanders moving overseas.

But those numbers were well down on the 53,904 who left for Australia in the year to August 2012, and that decline helped swell the net migration gain.

In the year to August the country suffered a net loss of 6457 people to Australia, compared with a net loss of 39,956 in 2012. For the August month just 71 more people moved to Australia than came to New Zealand from Australia. In August 2012 this loss was 2820, and in August 2013 it was 897.

Statistics NZ said another notable feature of the growth in migration was the number of students from India coming to this country.

'50,000 by early next year'

In a note about the figures, Westpac senior economist Anne Boniface said she expected the annual net inflow of migrants to peak at 50,000 by early next year.

"Surging net migration will support the housing market and boost spending in the New Zealand economy," Boniface said.

"However, ultimately the current surge in net migration is set to be temporary.

"Improving Australian job prospects next year should both entice more Kiwis back across the Tasman and stem the flow of Australians heading to New Zealand."

Meanwhile, ASB senior economist Chris Tennent-Brown said; "We expect annual migration to peak early next year at around 48,000. But over the past quarter, the level of net migration inflows annualises to over 54,000."

An RBNZ rethink?

Boniface noted that the Reserve Bank had [recently downgraded its assessment of the effect immigration would have on house prices](#), but suggested the latest figures might cause it to rethink its position.

"At its current record setting levels, strong net migration is providing a considerable growth impetus to the New Zealand economy and will still be giving the RBNZ pause for thought," she said.

"Although the RBNZ has signalled it is firmly in wait and see mode for now, it still will be keeping a watchful eye on how the housing market responds to the very strong net migration flows we are continuing to see."

We welcome your help to improve our coverage of this issue. Any examples or experiences to relate? Any links to other news, data or research to shed more light on this? Any insight or views on what might happen next or what should happen next? Any errors to correct?

We welcome your comments below. If you are not already registered, please register to comment in the box on the right or click on the "Register" link at the bottom of the comments.

Remember we welcome robust, respectful and insightful debate. We don't welcome abusive or defamatory comments and will de-register those repeatedly making such comments. Our current Comment policy is [here](#).