The economic contribution of Kiwi Indians in New Zealand

Commissioned by Waitakere Indian Association

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Sponsored by

Authorship

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Access to the data used in this study was provided by Stats NZ under conditions designed to give effect to the security and confidentiality provisions of the Data and Statistics Act 2022. The results presented in this study are the work of the author, not Stats NZ or individual data suppliers.

These results are not official statistics. They have been created for research purposes from the Integrated Data Infrastructure (IDI) and Longitudinal Business Database (LBD) which are carefully managed by Stats NZ. For more information about the IDI and LBD please visit https://www.stats.govt.nz/integrated-data/.

The results are based in part on tax data supplied by Inland Revenue to Stats NZ under the Tax Administration Act 1994 for statistical purposes. Any discussion of data limitations or weaknesses is in the context of using the IDI for statistical purposes and is not related to the data's ability to ~~support Inland Revenue's core operational requirements.~~

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Foreword by Sunil Kaushal, President, Waitakere Indian Association

From Contribution to Leadership: The Next Chapter for Kiwi Indians

Namaste,

In 2020, the Waitakere Indian Association released the first Economic Contribution of Kiwi Indians report. It gave evidence to what many in our community already knew through lived experience. Kiwi Indians were working hard, building businesses, supporting families and contributing strongly to New Zealand.

This 2026 report is the next chapter.

It tells a bigger story. It is the story of a young, skilled and growing community that is now deeply woven into New Zealand's economy and society. Kiwi Indians are workers, employers, students, professionals, entrepreneurs, consumers, visitors, volunteers and community builders. Their contribution reaches far beyond numbers. This report should be a moment of pride for the Kiwi Indian diaspora. But it should also be a moment of reflection.

To the Kiwi Indian community, the message is clear. We must now move from contribution to leadership. We must build stronger businesses, support our young people in pursuing higher-value careers, mentor new migrants, protect vulnerable workers, and take a more active role in civic life. Our success must not be measured only by income, qualifications, or business ownership. It must also be measured by how much we give back and how many doors we open for others.

To policymakers, this report carries an important challenge. New Zealand cannot afford to underuse the skills, ambition and global connections of its Indian community. Recognition of migrant skills, better pathways into professional work, stronger support for Kiwi Indian businesses, fair settlement systems and deeper education and talent links with India are not only community issues. They are national productivity issues.

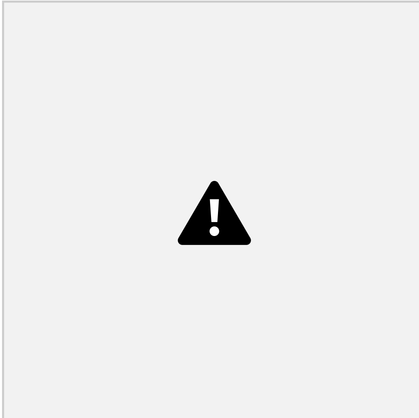
When migrants are able to work at their full skill level, New Zealand benefits. When Kiwi Indian businesses grow, local economies benefit. When education and talent links with India are strengthened, both countries benefit.

The New Zealand India relationship is entering an important new phase. Trade, talent, tourism, investment, education and people-to-people links will matter more in the years ahead. Kiwi Indians sit at the heart of this relationship. We are not just a bridge between two countries. We are part of the foundation on which a stronger partnership can be built.

I acknowledge Infometrics, and in particular Rob Heyes, for their professional work in preparing this report. I also thank the trustees and executive of the Waitakere Indian Association, and the Ministry for Ethnic Communities for their support. Most importantly, I thank the Kiwi Indian community. This report belongs to you. Let it be read not only as a record of contribution, but as a call to shape the future.

Sunil Kaushal

Foreword by Pratima Namasivayam, Chief Executive, Ministry for Ethnic Communities



What makes this report compelling is not simply the scale of the contribution it records. It is the picture it paints of Indian New Zealanders as a community with remarkable momentum.

The findings describe a community that is growing, highly qualified, increasingly entrepreneurial and making a significant impact across New Zealand's economy. They tell a story of enterprise, ambition and investment in New Zealand's future: business owners creating jobs, professionals filling critical skills shortages, and students building skills and qualifications. The report's central message is one of confidence: Indian New Zealanders are already making an outsized contribution to Aotearoa New Zealand's prosperity, and there is every reason to believe that impact will continue to grow.

I want to acknowledge the Waitakere Indian Association for commissioning this work. Community organisations play an important role in bringing people together and advocating for their communities. Through this report, the Association has also demonstrated a commitment to evidence and understanding. In an increasingly diverse New Zealand, that matters. Good data helps us move beyond assumptions, recognise the contribution communities make, and better understand the opportunities ahead.

At the Ministry for Ethnic Communities, we see every day the value that Ethnic Communities bring to Aotearoa New Zealand. Their contribution extends well beyond economic measures. They strengthen our communities, enrich our society, expand our connections with the world, and help drive innovation, entrepreneurship and growth. The story this report tells is ultimately one of aspiration, opportunity and contribution. It is a reminder that the success of Indian New Zealanders is not simply a story for one community. It is part of Aotearoa New Zealand's story, and part of our shared future.

Pratima Namasivayam

Chief Executive, Ministry for Ethnic Communities

Foreword by H. E. Ms Muanpuii Saiawi, High Commissioner of India

Introduction

The Waitakere Indian Association commissioned Infometrics to measure the economic contribution of Indians living in New Zealand (Kiwi Indians). Our study covers the contribution of Indian businesses, households, international students, and visitors for the year to March 2025. We also look at the characteristics and labour market outcomes of the Kiwi Indian population to determine whether their economic contribution is likely to have grown over time and will continue to grow in future.

This report serves as an update to a report published by Waitakere Indian Association in 2020 entitled *The Economic Contribution of Kiwi Indians*. Our descriptive analysis focuses on changes in the Indian population since the previous report was published. Much of the descriptive data in the two reports is comparable, as it is taken from the 2018 and 2023 New Zealand Census of Population and Dwellings. However, due to differences in methodology, economic contribution estimates in the two reports are not comparable.

Economic context

The New Zealand economy contracted in 2024 following several years of interest rate increases, implemented by the Reserve Bank of New Zealand to bring inflation back within its 1–3% target band.

The economy faced persistent headwinds, including weak business and consumer confidence and a soft domestic labour market. Unemployment rose through much of the year. Government finances were constrained to slow expenditure growth below nominal GDP growth as the Crown worked toward a return to surplus.

Free Trade Agreement

India has emerged as an increasingly important bilateral economic partner to New Zealand with the formal launch of Free Trade Agreement (FTA) negotiations in March 2025. The FTA was negotiated in a record nine months following Prime Minister Christopher Luxon's visit to India in March 2025. Two way trade between New Zealand and India in 2025 stood at $3.95 billion[1], and the FTA is expected to significantly expand this figure in coming years.

The FTA gives New Zealand a foothold in one of the world's largest, fastest-growing economies, growth that will flow through to New Zealand products and services exports, and ultimately Kiwi jobs and household incomes. For example, the FTA gives New Zealand access to a rising Indian middle class that is increasingly demanding high-value products such as international education, professional services, tourism and fintech. Under the FTA, India will offer New Zealand capability building in high value skills such as software engineering, environmental services, tertiary and adult education, and audio-visual services. In a global economy where high-demand industries are increasingly technology and innovation-based, and in markets where social/environmental resilience is valued, these are some of the key benefits offered by the FTA to New Zealand.

The FTA offers Kiwi Indians opportunities to grow their economic contribution to New Zealand. The Kiwi Indian community is critical to the success of the FTE for New Zealand. Its unique position, bridging both the Indian and New Zealand cultures and economies, means they can facilitate the

[1] Source: Stats NZ, https://statisticsnz.shinyapps.io/trade_dashboard/

connection of people, businesses, and institutions across the two countries, helping realise the economic benefits of the FTA for all New Zealanders.

Changes to visa settings underpin a commitment to attracting skilled Indians

Immigration policy changes in 2025 also represented meaningful progress for the community. From June 2025, Indian graduates from premier institutions including Indian Institutes of Technology (IIT), National Institutes of Technology (NIT), and Indian Institutes of Science Education and Research (IISER) were no longer required to undergo an International Qualification Assessment (IQA) when applying for residency visas under the Skilled Migrant Category or Green List roles - a change widely interpreted as a signal of New Zealand's commitment to attracting India's skilled graduates.

The Accredited Employer Work Visa (AEWV) scheme also underwent reforms in 2024 and 2025 to reduce barriers and improve accessibility, including the removal of the median wage threshold and a reduction in the required work experience from three to two years.

Challenges

Despite these positive developments, the Indian community in New Zealand has been navigating a range of significant challenges. Retail crime targeting small business owners continues to be an issue, albeit with some improvement recently. The government's Ministerial Advisory Group on Retail Crime included two prominent Indian New Zealanders among its members.

Tensions remain in the immigration system including migrant exploitation, and a lack of jobs for new migrants. Indian-trained nurses in particular have reported difficulties finding employment despite holding valid work visas. The doubling of student visa application fees from $375 to NZD $750 in October 2024 was an added financial burden for prospective students and their families.

Summary of analysis

Indians are part of New Zealand's story and, more importantly, part of New Zealand’s economic story. For around 200 years, successive generations of Kiwi Indians have helped build New Zealand’s economy, communities and institutions.

Today, Kiwi Indians already make an outsized economic contribution relative to their population share, and the structural characteristics of the community - its youth, qualification levels, growing self employment, and still-maturing migrant cohort - suggest this contribution will continue to grow in the years ahead.

A $37.3bn economic contribution

Indians in New Zealand made a substantial economic contribution of $37.3bn in GDP over the year to March 2025, equivalent to 8.6% of New Zealand’s total GDP, and supporting 220,910 full-time equivalent (FTE) jobs. Indian businesses are the powerhouse of this contribution, accounting for just under three-quarters of the total through their production of goods and services. Kiwi Indian households contribute a further quarter through their consumption, while Indian international students and Indian visitors together make up the remaining 2%.

Today's $37.3 billion economic contribution reflects the cumulative value that is created when people build lives, communities, and businesses over many generations, as well as their investment in New Zealand’s future.

That has grown substantially in recent years

Although comparable earlier economic contribution estimates do not exist, several lines of evidence point to Indians’ contribution having grown substantially in recent years. The Kiwi Indian population rose 27% between 2018 and 2023 to 330,000, overtaking the Chinese community to become the largest ethnic minority in New Zealand outside of Māori and Pacific Peoples.

Kiwi Indians are also becoming more economically productive: the proportion employed full-time rose from 59% to 63% between 2018 and 2023, the median personal income rose 47% (compared with 31% for the total population), and self-employment rates increased from 16% to 19%. Kiwi Indian employment is shifting towards higher-skilled professional roles and a broader range of industries, increasing both incomes and economic resilience.

And is well-positioned to grow further

Projections indicate continued strong population growth, with the Kiwi Indian population expected to reach 626,000 by 2043 - 10% of the projected New Zealand population.

A significant proportion of Kiwi Indians are recent migrants who are still in the “catch-up” period typical of immigrant settlement, during which earnings and productivity rise as workers develop local networks, gain New Zealand work experience, and move into roles that better match their skills. Some 59% of overseas-born Kiwi Indians arrived within the last nine years, compared with 45% of overseas born Chinese. As these newer arrivals establish themselves, their economic contribution can be expected to increase materially.

Additionally, 46% of Kiwi Indians are aged 25–44, which is a younger age profile than the total population - meaning a large cohort is still building careers and approaching peak earning years. Kiwi Indians are also highly qualified, with 46% holding a bachelor’s degree or higher compared with 27% of the total population, and they tend to study fields where post-graduation earnings are high such as management, commerce, and engineering.

Indian migrants play a critical role

Indian migrants continue to play a vital role in New Zealand’s workforce, filling Green List occupations facing persistent national shortages - including registered nurses, software engineers, and telecommunications technicians, as well as supporting the retail, hospitality, and transport industries in which Kiwi Indians are already strongly represented. However, there are vulnerabilities: Indian migrants are concentrated in a relatively narrow range of industries, and recent changes to the Accredited Employer Work Visa (AEWV) requiring holders to exit New Zealand after reaching their maximum continuous stay mean that not all recent arrivals will remain here long-term.

Indian visitors and students’ contribution is growing

Indian visitors and international students are also contributing a growing share of New Zealand’s tourism and education revenues. Indian visitor arrivals reached 81,000 in 2025, 19% above their pre pandemic peak, with visitor spending reaching $336 million- up 27% on the pre-pandemic high. The Kiwi Indian community plays a key role in sustaining this growth: nearly half of Indian visitors come to New Zealand to visit friends and relatives, making demand more resilient to travel cost fluctuations than pure tourism.

Indian international student spending has recovered strongly post-pandemic, rising 17% above 2019 levels despite enrolments remaining 12% below, because students are enrolling in longer, higher-level programmes at universities.

Looking ahead, the New Zealand–India Free Trade Agreement (signed April 2026) provides new impetus for growth in both visitor and student flows, codifying in-study and post-study work rights and opening career pathways for Indian graduates in high-demand fields.

Indians’ economic contribution

Indians are part of New Zealand's story and, more importantly, part of NZ's economic story. For around 200 years, successive generations of Kiwi Indians have helped build New Zealand's economy, communities and institutions.

Indians contributed $37.3bn in economic activity (GDP) over the year to March 2025, making up 8.6% of New Zealand's GDP and supporting 220,910 full-time equivalent (FTE) jobs. Today's $37.3 billion economic contribution reflects the cumulative value that is created when people build lives, communities, and businesses over many generations, as well as their investment in New Zealand's future.

Indians' economic contribution

Indian businesses are the powerhouse of the Kiwi Indian economy in New Zealand, making up just under three-quarters of Indians' economic contribution through their production of goods and services. Kiwi Indian households make up a quarter of Indians' economic contribution through their consumption of goods and services. Indian international students and Indian visitors together make up 2% of Indians' economic contribution.

- There were just under 34,000 Kiwi Indian businesses in the year to March 2024[2] – 6.2% of all businesses.
- There were almost 99,000 Kiwi Indian households in 2023[3] – 5.7% of all households.
- In 2025, there were 81,000 visitors from India (2.3% of all visitors) and just over 9,100 international students from India (21% of all international students).

We split Indians' economic contribution into direct, indirect and induced (Chart 1).

- Almost half (46%) of Indians' economic contribution was a direct contribution. This is economic activity created by Indian businesses, and activity created at the businesses where Indian households, visitors and students spend their money.
- Some 16% of the economic contribution was indirect. This is economic activity created at Indian businesses' upstream supply chains as well as the suppliers to businesses where Indian households, visitors and students spend their money.
- Over one-third (38%) of the economic contribution was induced. This is economic activity created by staff at the businesses mentioned above spending their earnings at other businesses.

[2] The latest reliable data available.
[3] The latest data available.

Chart 1

Indians contributed $37.3bn GDP & 220,910 FTE jobs Full-time equivalent (FTE) jobs , Yr to March 2025

Induced Indirect Direct

100%

80%

60%
40%
20%
0%

$14,118m 81,113 FTE $5,971m 35,509 FTE
GDP Employment

Source: Infometrics

Figure 1 describes direct, indirect and induced economic contribution diagrammatically.

Indians' economic contribution to New Zealand

Figure 1

Source: Infometrics

Indian household spending
Indian visitor spending
Indian International student spending

Direct economic contribution: Indian businesses
Direct economic contribution: other businesses
Indirect economic contribution: supply chain businesses
Induced economic contribution: businesses where staff spend their earnings
Indirect economic contribution: supply chain businesses

Indians make an economic contribution to every sector in New Zealand (Chart 2).

- Almost $8bn in GDP is created in the rental and property sector such as through Indian and other businesses renting commercial properties, and through staff at businesses renting residential properties.

- Around $5.5bn in GDP is created in retail and hospitality sectors. Many Indian businesses in the retail or hospitality industries, and much of the spending by Indian households, visitors and students is on retail and hospitality goods and services.

- A further $4.7bn in GDP is created in professional services, chiefly through Indian businesses purchasing legal, accounting and other services.

Indians' total GDP impact by industry

Chart 2

$m, Yr to March 2025

Rental & property
Retail & hospitality
Professional services
Finance
Transport
Manufacturing
Wholesale

Construction
Other services
Health
Agriculture
Utilities
IT & telecomms
Education
Government
Mining

0 1,000 2,000 3,000 4,000 5,000 6,000 7,000 8,000

Source: Infometrics

Indians' economic contribution has been increasing

Although we don't have any earlier, comparable estimates of Indians' economic contribution to compare with, Kiwi Indians' economic contribution to New Zealand has most likely been increasing for several reasons. The number of Kiwi Indian self-employed has been rising which means more Kiwi Indian businesses. Kiwi Indians are a rapidly growing, increasingly highly qualified community with high employment rates, which means Kiwi Indian household incomes are higher than average and rising. And both Indian visitor and international student spending has surpassed pre-pandemic levels.

A rapidly growing population

The Indian population in New Zealand has been growing faster than the total population. The number of Indians in New Zealand rose 27% or 4.9%pa between 2018 and 2023 from 260,000 to 330,000. This growth was just ahead of a 26% increase (4.8%pa) in the Asian population and well ahead of 6.1% growth (1.2%pa) in the whole population.

Indians have now overtaken the Chinese as the biggest ethnic minority in New Zealand (outside of Māori and Pacific Peoples). In 2023, Chinese people made up 5.6% of the total population compared with Indians at 5.8%. A bigger Kiwi Indian population means more workers, businesses owners, and consumers. It also acts as a draw for visitors, international students and more migrant arrivals – all of which increase the Indian community's economic contribution.

That is set to grow further

Driven by migration and natural increase (births), Kiwi Indian population growth is projected to remain well ahead of growth in the total population, which means Kiwi Indians will become an increasingly important part of the New Zealand economy.

Under our medium population projection, the Kiwi Indian population is projected to grow 90% or an average of 3.3%pa to 626,000 people over the 20 years from 2023 to 2043, ahead of Chinese growth (2.7%pa), the broader Asian population (3.2%pa), and the total population (0.7%pa). By 2043, Kiwi Indians are projected to make up 10% of the total New Zealand population, up from 5.8% in 2023. Chinese in comparison are projected to make up 8.4% of the New Zealand population.

Chart 3

Indian population to grow faster than total NZ population Average annual population growth, 2018-43

6%
5%
4%
3%
2%
1%
0%

2018-23 2023-43

Indian Asian Chinese Total population

Source: Stats NZ, Infometrics

Ageing of New Zealand's population means that retiring workers are increasingly outnumbering new labour market entrants, and deaths are growing faster than births. In this context, migration is essential for New Zealand to maintain its population and workforce. At the same time, many of New Zealand's established trading partners face the same ageing population challenges – not just traditional European partners, but even China, which has faced a declining population since 2020. By contrast, India has a relatively youthful population, which makes it an increasingly attractive – and important - origin for migrants as New Zealand's population ages.

Kiwi Indians are highly qualified

Kiwi Indians are more highly qualified than the wider population, and the gap persists. Some 46% of Kiwi Indians attained a level 7 qualification or higher[4] in 2023 compared with just 27% of the total population in 2023 (Chart 4).

Chart 4

Indians are more highly qualified than total population

Indian ethnicity and total population aged 15+ by highest qualification, 2023

No qualification
Overseas secondary school qualification
Level 1 certificate
Level 2 certificate
Level 3 certificate
Level 4 certificate
Level 5 diploma
Level 6 diploma
Bachelor degree and level 7 qualification
Post-graduate and honours degrees
Masters degree
Doctorate degree

Indians
Total population

0% 5% 10% 15% 20% 25% 30%

Source: Stats NZ Census of Population and Dwellings, Infometrics

[4] Level 7 qualifications or higher include bachelor degrees, postgraduate and honours degrees, masters degrees, and doctorate degrees.

Between 2018 and 2023, the proportion of Kiwi Indians who had attained a level 7 qualification or higher rose from 44% to 46%. The increase in the broader population was from 25% to 27%.

Kiwi Indian students study in fields that lead to higher earnings

Kiwi Indians also lean towards fields of study that lead to higher post-graduation earnings and therefore a greater economic contribution. In 2023, 32% of Kiwi Indian students aged 15 and older were studying management or commerce compared with just 20% of all students. Engineering and health are also popular fields of study for Indian students (Chart 5).

Chart 5

Indian students lean towards management and commerce

Indian and total students aged 15+ by field of study, 2023

Management and commerce
Engineering and related technologies
Health
Society and culture
Information technology
Natural and physical sciences
Education
Food, hospitality and personal services
Creative arts
Architecture and building
Agriculture, environmental and related studies

Indians
Total population

0% 5% 10% 15% 20% 25% 30% 35%
Source: Stats NZ Census of Population and Dwellings, Infometrics

Research by the Ministry of Education[5] found that graduates in the management and commerce field and engineering field tend to receive higher-than-average earnings. For example, among all domestic bachelors-degree graduates, those who had studied management and commerce were earning, on average, 14% more than the average salary of all domestic bachelors-degree graduates 11 years after graduation. Graduates of engineering and related technology courses were earning 29% more than the average. Graduates of health related courses were earning 1.9% below the average. However, earnings in the health workforce vary depending on the occupation and large numbers of Indians are employed in relatively well paid medical practitioner and nursing roles.

These fields of study choices are creating a large stock of human capital that is translating into stronger labour market outcomes for Kiwi Indians.

Kiwi Indians are more likely to be full-time employed

Kiwi Indians are more likely to be earning a full-time wage, providing them and their families a higher standard of living, and enabling them to make an economic contribution through both their work and

[5] The post-study earnings and destinations of young, domestic graduates, Ministry of Education, (2017), destinations-of-young-domestic-graduates
https://www.educationcounts.govt.nz/publications/tertiary_education/education-outcomes/destinations/the-post-study-earnings-and

their consumption. In 2023, 63% of Kiwi Indians aged 15 or older were in full-time employment compared with 51% of all people aged 15 or older (Chart 6).[6]

Total population

Chart 6
Indians more likely to be full-time employed
Indians and total population aged 15+ by labour force status, 2023
Employed Full-time
Employed Part-time
Unemployed
Not in the Labour Force
0% 10% 20% 30% 40% 50% 60% 70%
Indians
Source: Stats NZ Census of Population and Dwellings, Infometrics

Labour force status is influenced by labour market conditions. In 2018, the New Zealand labour market was performing well on the back of a growing economy, and large numbers of migrants were being drawn to New Zealand to work. In 2023, the economy was also thriving due in no small part to fiscal and monetary stimulus designed to mitigate the economic effects of the COVID-19 pandemic. However, the New Zealand border had only recently opened having been closed since 2020, which had led to deep skill shortages across many industries.

It's no surprise then to see rates of full-time work higher in 2023 than they were in 2018. Between 2018 and 2023, the proportion of Kiwi Indians aged 15 or older that were in full-time work rose from 59% to 63%. Across the total population aged 15 or older, it rose from 50% to 51%.

Kiwi Indians shifting to more highly skilled work

More Kiwi Indians are working in higher-skilled professional roles and moving away from lower-skilled sales and labourer roles (Chart 7). Higher-skilled work usually produces higher productivity and therefore pays higher earnings, enabling workers to make a greater contribution through their production and consumption. The shift towards professional roles is being enabled by Kiwi Indians gaining higher qualifications – especially bachelor's degrees and higher qualifications that are required for entry into professional roles. The shift might also reflect the adjustment of new migrant arrivals to jobs that better fit their skill level.

[6] Chart 6 shows the proportion of all people aged 15 or older that are unemployed. This is not what is usually referred to

as the people in the labour force. The labour force is made up of unemployed and employed people.

unemployment rate. The unemployment rate is calculated as the number of unemployed people as a proportion of the number of

Chart 7

Indians shift towards professional roles Indian ethnicity aged 15+ in work by occupation group, 2018-23

Professionals
Managers
Technicians and Trades Workers
Clerical and Administrative Workers
Community and Personal Service Workers
Sales Workers
Machinery Operators and Drivers
Labourers

2018 2023

0% 5% 10% 15% 20% 25% 30% 35%

Source: Stats NZ Census of Population and Dwellings, Infometrics

Increasing numbers of Indians have moved into roles such as software engineer, registered nurse, teacher, marketing specialists and engineering. And there are fewer Indians working contact centre, clerk, courier and fast food cook roles.

There's also been a smaller shift towards Kiwi Indians working in community and personal service roles, such as nursing support worker, community worker and personal care assistant, and machinery operation and driving roles such as truck driver. These roles tend to pay less than professional jobs and could involve Kiwi Indians working in jobs that are below their skill level – Indians with a nursing qualification employed as nursing support workers, for example. However, in economic contribution terms, they are still an improvement on labourer roles which tend to be the lowest paid.

Kiwi Indians jobs are shifting to a broader range of industries

The shift of Indian workers towards professional occupations is leading them to work in a broader range of industries. In recent years there has been a shift in Kiwi Indian employment towards the healthcare (especially hospitals and residential aged care) and central government sectors. The shift away from sales occupations led to a shift out of both the retail trade and accommodation and food service industries (Chart 8).

There are also parallels between the fields of study that Kiwi Indian students typically choose and the industry profile of Kiwi Indians (see *Kiwi Indian students study in fields that lead to higher earnings*, p17). Kiwi Indians' employment in healthcare ties to the popularity of healthcare as a field of study. Study in the popular engineering field of study often prepares students for a career in the professional, scientific and technical services industry which employs the third highest number of Kiwi Indians in roles such as engineering design, accountancy, and management consultancy. The industries, as well as self-employment.
management and commerce field of study can prepare graduates for professional roles in a range of

Chart 8

Indian employment shifts away from retail and hospitality Indian ethnicity aged 15+ in work by industry, 2018-23

Health Care and Social Assistance
Retail Trade
Professional, Scientific and Technical Services
Manufacturing
Accommodation and Food Services
Public Administration and Safety
Transport, Postal and Warehousing
Construction
Wholesale Trade
Education and Training
Financial and Insurance Services
Administrative and Support Services
Other Services
Agriculture, Forestry and Fishing
Information Media and Telecommunications
Rental, Hiring and Real Estate Services
Electricity, Gas, Water and Waste Services
Arts and Recreation Services
Mining

2018 2023

0% 2% 4% 6% 8% 10% 12% 14% 16%

Source: Stats NZ Census of Population and Dwellings, Infometrics

Changes in the roles that Kiwi Indians work in, and the industries in which they are employed, are reshaping how Kiwi Indians make an economic contribution to New Zealand and making them more resilient to changing economic conditions. The retail and hospitality industries remain in the top five employers of Kiwi Indians, and Kiwi Indians are more likely to work in these industries than the total employed population. But Kiwi Indians are also more likely to work in the healthcare, transport, and financial services industries (Chart 9).

Chart 9

Indians more likely to work in health and retail Indian ethnicity & total population aged 15+ in work by industry, 2023 Health Care and Social Assistance

Retail Trade
Professional, Scientific and Technical Services
Manufacturing
Accommodation and Food Services
Public Administration and Safety
Transport, Postal and Warehousing
Construction
Wholesale Trade
Education and Training
Financial and Insurance Services
Administrative and Support Services
Other Services
Agriculture, Forestry and Fishing
Information Media and Telecommunications
Rental, Hiring and Real Estate Services
Electricity, Gas, Water and Waste Services
Arts and Recreation Services
Indians
Total population

0% 2% 4% 6% 8% 10% 12% 14%

Mining

Source: Stats NZ Census of Population and Dwellings, Infometrics

Kiwi Indian employment across industries is still more highly concentrated than the workforce as a whole, which makes it relatively more vulnerable, but the gap is narrowing. We used the Herfindahl Hirschman (HH) Index to measure the level of diversification of Kiwi Indian employment. The HH index fell from 809 in 2018 (13% higher than the total workforce) to 788 in 2023 (10% higher). A falling index indicates Kiwi Indian employment is becoming less concentrated in a few industries.

The move away from employment being concentrated in retail and hospitality makes the Kiwi Indian workforce more resilient to economic downturns. In recent years, the retail and hospitality industries have been highly exposed to higher interest rates, which have stifled consumer spending. In contrast, growth and aging.

healthcare tends to be insulated from economic cycles with employment driven more by population

Kiwi Indians increasingly likely to be self-employed

Self-employment can be a pathway to economic prosperity. Business owners make a direct economic contribution through their businesses' production, as well as through their spending on suppliers, and their staff spending their earnings. In fact, almost three quarters of Indians' economic contribution is from Indian businesses (see *Indians' economic contribution*, p12). Kiwi Indians' self-employment rate is lower than average but rising, which means the economic contribution of Indian businesses has most likely been increasing. In 2023, 19% of Kiwi Indians aged 15 or older were self-employed compared with 22% of the total population.[7] However, Kiwi Indians' self-employment rate rose from 16% to 19% between 2018 and 2023.

Indian businesses concentrated in seven industries

Of the 33,700 Indian businesses in New Zealand over the year to March 2024, almost four-fifths (78%) were concentrated in just seven industries: transport, postal and warehousing (16%), retail (14%), professional services (12%), administrative services (10%), rental and real estate services (9.5%), accommodation and food services (9.0%), and construction (8.6%) (Chart 10).

Chart 10

Indian businesses concentrated in 7 industries Business counts by industry, yr to March 2024

Transport, Postal and Warehousing
Retail Trade
Professional, Scientific and Technical Services
Administrative and Support Services
Rental, Hiring and Real Estate Services
Accommodation and Food Services
Construction
Other Services
Health Care and Social Assistance
Agriculture, Forestry and Fishing
Wholesale Trade
Manufacturing
Financial and Insurance Services
Education and Training
Information Media and Telecommunications
Arts and Recreation Services
Electricity, Gas, Water and Waste Services
Public Administration and Safety
Indian businesses All businesses

0% 2% 4% 6% 8% 10% 12% 14% 16% 18%

Mining

Source: Stats NZ Integrated Data Infrastructure (IDI), Infometrics

This degree of concentration reflects the industrial structure of all businesses – 72% of all businesses were concentrated in seven industries. However, Indian businesses are concentrated in different industries.

As Chart 10 shows, the 16% of Indian businesses in the transport, postal and warehousing industry compares with just 3.3% of all businesses. There is a similar disparity in retail trade (14% and 5.3% respectively), administrative services (10% and 4.6%) and accommodation and food services (9.0% and 4.5%). In contrast, 11% of all businesses were in the agriculture industry compared with just 3.1% of Indian businesses. There are similar disparities in construction, rental and real estate services, professional services, manufacturing, and arts and recreation services.

[7] The self-employment rate is calculated as the number of people receiving income from self-employment or a business they own and work in, as a percentage of all employed people.

Employment concentrated in employment-rich industries

Comparing employment in Indian businesses with all businesses, we observe similar industry concentrations as we did with the firm count, but employment is even more concentrated in employment-rich industries such as accommodation and food services (28% of all employment in Indian businesses) and retail (16%). Employment-rich industries create a large number of jobs for every unit of economic output because they tend to be less capital-intensive and automated than other industries.

Indian employment extends well beyond Indian businesses. Comparing employment in Indian businesses with the employment of all Indian workers across industries in Chart 11, the concentration of Indian businesses in accommodation and food services really stands out, whereas Indian workers are employed across a broader range of industries such as healthcare and professional services.

Chart 11

Indians employed in a broader range of industries

Employment in Indian businesses, yr to March 2024, All Indian employment, 2023

Health Care and Social Assistance Retail Trade

Professional, Scientific and Technical Services

Manufacturing Accommodation and Food Services

Public Administration and Safety Transport, Postal

and Warehousing Construction Wholesale Trade

Financial and

Education and Training

Insurance Services Administrative and

Support Services Other Services Agriculture, Forestry

and Fishing Information Media and

Telecommunications Rental, Hiring and Real Estate

Services Electricity, Gas, Water and Waste Services

Arts and Recreation Services Mining

All Indian employment

Employment in Indian businesses

0% 5% 10% 15% 20% 25% 30%

Source: Stats NZ Census of Population and Dwellings, Integrated Data Infrastructure (IDI), Infometrics

Wages concentrated in employment-rich and high wage industries

In terms of wages paid by Indian businesses, accommodation and food services (20% of all wages paid by Indian businesses) and retail (15%) are the top two – not surprising since these two industries employ the most workers. Professional services (10%) comes in at number three because this is a highly skilled workforce paying higher wages than many other industries.

Retail generates revenue but margins are slim

A third (32%) of Indian business revenue is generated by the retail industry, 12% by accommodation

terms of firm count, it creates a disproportionate amount of revenue.

and food services, and 12% by construction. With retail making up just 14% of Kiwi Indian business in

Chart 12

Indian businesses revenue concentrated in 3 industries Business counts by industry, yr to March 2024

Retail Trade
Accommodation and Food Services
Wholesale Trade
Construction
Transport, Postal and Warehousing
Professional, Scientific and Technical Services
Rental, Hiring and Real Estate Services
Agriculture, Forestry and Fishing
Financial and Insurance Services
Administrative and Support Services
Manufacturing
Health Care and Social Assistance
Other Services
Information Media and Telecommunications
Education and Training
Arts and Recreation Services
Electricity, Gas, Water and Waste Services
Public Administration and Safety
Indian businesses All businesses

0% 5% 10% 15% 20% 25% 30%
35%

Mining

Source: Stats NZ Integrated Data Infrastructure (IDI), Infometrics

However, margins in retail tend to be relatively thin, so only 15% of Indian businesses' gross operating surplus[8] goes to retail. A quarter (23%) goes to wholesale trade and 12% to financial and insurance services – both highly profitable industries since wholesale trade makes up just 2.9% of Indian businesses in terms of firm count, and financial and insurance services 1.8%.

IDI data enables us to identify Indian businesses

The Indian business data was extracted from the Integrated Data Infrastructure (IDI). Based on earlier work by Te Puni Kokiri to identify Māori businesses, we identified Indian businesses as businesses where either the sole trader identifies as Indian, the majority of income went to partners or shareholders who identify as Indian, or 100% of the business earnings go to employees who identify as Indian. In addition to firm counts, the IDI gave us data on employment, wages, revenue, gross operating surplus, expenses, shareholder wages and shareholder count. These data were used as inputs to our measure of the economic contribution of Indian businesses.

Kiwi Indians are concentrated in Auckland, but this is changing

In addition to job diversity, economic resilience can come from regional diversity. The Kiwi Indian population remains concentrated in Auckland, but small communities of Kiwi Indians reside in every other territorial authority in New Zealand, and the Kiwi Indian population is growing in other urban centres.

In 2023, 60% of Kiwi Indians (176,000) called Auckland home compared with 33% of the total population (Chart 13). Indians living in Auckland, especially newly arrived migrants, benefit from having access to established social networks and a larger number of job opportunities, giving them an improved chance of finding work that best utilises their skills. However, the concentration of Kiwi Indians in Auckland has fallen from 65% in 2018 to 60% in 2023. There are growing numbers in Hamilton City, Christchurch City, Wellington City, Lower Hutt City and Tauranga City.

accounting for capital depreciation, interest, and taxes.
[8] A measure of core profitability: gross operating surplus is the surplus generated by businesses from their operations before

Growing populations outside Auckland means the Kiwi Indian community is more resilient to economic forces which affect regions differently. However, the population remains largely urban which makes it vulnerable to economic pressures that disproportionately affect urban centres. For example, in recent years rural economies have benefitted from high commodity export prices, while urban economies have been more exposed to high interest rates which have weakened both consumer spending and housing markets.

Kiwi Indians remain more

Chart 13

concentrated in Auckland Indian ethnicity and total population by region of residence, 2023

Auckland
Wellington
Waikato
Canterbury
Bay of Plenty
ManawatÅ«-Whanganui
Otago
Hawke's Bay
Northland
Taranaki
Southland
Nelson
Gisborne
Marlborough
West Coast
Tasman

Indian
Total population

0% 10% 20% 30% 40% 50% 60% 70%

Source: Stats NZ Census of Population and Dwellings, Infometrics

Kiwi Indian incomes higher and rising faster

A growing, younger, highly qualified Kiwi Indian population that is increasingly employed in higher skilled work has increased Kiwi Indians’ economic contribution in recent years and is laying the foundations for that contribution to grow further in future.

Kiwi Indians are more likely to receive income from wages. In 2023, 72% of Kiwi Indians aged 15 and older received income from employment compared with 61% of the total population. Incomes from self-employment, investments, superannuation etc were much less common. This underlines the importance of work as a source of income, and the importance of securing higher-skilled work, to Kiwi Indians.

Kiwi Indians receive higher incomes than the total population. In 2023, Kiwi Indians aged 15 and older received a median personal income of $51,600 per annum compared with $41,500 across the whole and $150,000 per annum in personal income compared with 47% of the total population (Chart 14). population aged 15 and older. Some 58% of Kiwi Indians aged 15 or older received between $40,000

Chart 14

Indians have higher incomes

Indian ethnicity and total population aged 15+ by annual income, 2023

Loss
Zero income
$1-$10,000
$10,001-$15,000
$15,001-$20,000
$20,001-$25,000
$25,001-$30,000
$30,001-$35,000
$35,001-$40,000
$40,001-$50,000
$50,001-$60,000
$60,001-$70,000
$70,001-$100,000
$100,001-$150,000
$150,001-$200,000

Indian
Total population

0% 2% 4% 6% 8% 10% 12% 14% 16% 18%

$200,001 or more

Source: Stats NZ Census of Population and Dwellings, Infometrics

Indian household incomes were also higher than average. In 2023, the median Indian household income was $132,100, 36% higher than the $97,000 median across all households.

This difference in incomes is all the more notable because the Kiwi Indian population is younger than the population as a whole and younger people tend to earn less. A significant proportion of Kiwi Indians are also recent migrants. Recent migrants tend to undergo a period of adjustment in a new country that can often result initially in lower earnings and therefore incomes.

Chart 14 also shows that 10% of Kiwi Indians received no income compared with 6.8% of the total population – this could be Indian international students, or it could be individuals who do not work and rely on their spouse's income.

Kiwi Indians are also shifting into higher income bands over time. This is to be expected. Incomes tend to rise to keep pace with price inflation, but the shift in Kiwi Indian incomes has been remarkable. Between 2018 and 2023, the median personal income of Kiwi Indians' aged 15 years and older rose 47% compared with 31% across the total population aged 15 years and older. The proportion of Kiwi Indians receiving an income of more than $50,000 per annum rose from 29% to 52%. The proportion receiving more than $100,000 per annum rose from 5.2% to 11% (Chart 15). This change is consistent with Kiwi Indians becoming more highly qualified and moving into higher-skilled, better-paid roles, as better paid roles.

well as an aging population with Kiwi workers gaining work experience and moving into more senior,

Chart 15

Indians shift into higher income bands

Indian ethnicity aged 15+ by annual income, 2018-23 2018 2023 Loss

Zero income
$1-$10,000
$10,001-$15,000
$15,001-$20,000

$20,001-$25,000
$25,001-$30,000
$30,001-$35,000
$35,001-$40,000
$40,001-$50,000
$50,001-$60,000
$60,001-$70,000
$70,001-$100,000
$100,001-$150,000
$150,001-$200,000
$200,001 or more

0% 2% 4% 6% 8% 10% 12% 14% 16% 18%

Source: Stats NZ Census of Population and Dwellings, Infometrics

Kiwi Indian economic contribution expected to increase

Looking forward, Kiwi Indians are a younger population many of whom are still adjusting to life in New Zealand, which means they are well positioned to increase their contribution over time.

Many Kiwi Indians are still adjusting to life in NZ

Migrants usually require several years to adjust to a new country, typically experiencing a "catch-up" period where they initially work in jobs below their skill level or earn less than native-born workers. Over time, their productivity and wages increase as they develop networks, gain work experience in the local economy, and find work that is a better fit for their skills.

Research by the OECD has found that, across 15 OECD countries, immigrant earnings are initially 34% lower than those of the native-born of the same age and sex. By the fifth year in the host country labour market, the earnings gap falls to 21% with the biggest decreases taking place in the first and second years. After ten years the gap is 16%. Differences in hours worked are a key reason for the gap. There's evidence that recent migrants work part-time because they are unable to find full-time work. Differences in the sectors, firms and occupations in which immigrants work also explain the earnings gap, as well as differences in immigrants' qualification levels.[9]

Indian migration to New Zealand dates back to the nineteenth century. Early settlers established businesses, worked the land, served local communities and raised families, laying the foundations for the economic contribution that continues today. Each generation of Indian migration has responded to New Zealand's economic needs: flax workers and road builders of the early 19th century, small business owners of the late 19th and early 20th century, dairy farmers, market gardeners, manufacturing, hospitality and fruit and vegetable retailers in the mid-20th century, and today's skilled professionals, entrepreneurs, healthcare workers and technology specialists.[10]

In recent years, Indian migration to New Zealand has accelerated such that, today, many Indians are relative newcomers to New Zealand. In 2023, 59% of Kiwi Indians born overseas arrived in New Zealand up to nine years ago compared to 45% of Chinese migrants born overseas and 40% of all people born overseas (Chart 16).[11] We have seen how many Kiwi Indians are already adjusting well to the New Zealand labour market, gaining higher-skilled work and higher incomes. As relatively new Indian migrants remain in New Zealand longer, their economic contribution can be expected to increase even further.

[9] OECD (2025), *International Migration Outlook 2025*, p130, OECD Publishing, Paris, https://doi.org/10.1787/ae26c893-en. [10] Source: Te Ara, Encyclopedia of New Zealand, https://teara.govt.nz/en/indians

[11] Arrival times have been distorted by the COVID-19 pandemic. In 2023, New Zealand was starting to open its borders again, 10% of Kiwi Indians born overseas had arrived here less than a year ago, but only 3.2% had arrived here between one and two years ago.

Chart 16

Indians more likely to have arrived recently

Indians and all people born overseas by years since arrival, 2023

Less than one year
1 year
2 years
3 years
4 years
5-9 years
10-19 years
20+ years
0% 5% 10% 15% 20% 25% 30% 35% 40%
Indians
All people born overseas

Source: Stats NZ Census of Population and Dwellings, Infometrics

2023 saw a surge in in Indian work visa inflows which has created a 'bubble' of relative newcomers in the local population. If these newcomers remain here, they have the potential to make a growing contribution to New Zealand over time. The section entitled *Indian migrants*, p30, looks at recent Indian migration trends and their outlook in more detail.

Younger Indians will increase their incomes as they age

A significant proportion of Kiwi Indians are in the younger working-age groups where people are starting families, developing skills and building careers. In 2023, 46% of Kiwi Indians were aged 25 to 44 years compared with just 27% of the total population (Chart 17). As these Kiwi Indians gain more work experience and age into their 50's and early 60's, their productivity and therefore economic contribution has the potential to rise further.

Moreover, the next generation of Kiwi Indians, the children of Indian residents and work visa holders, is already (or will soon be) passing through the New Zealand education system creating the foundation for its own economic contribution. In 2023, 16% of Kiwi Indians were aged 0-9 years compared with 12% of the total population.

Chart 17

Indians are a younger population

Indian ethnicity and total population by age group, 2023

0-4
5-9
10-14
15-19
20-24
25-29
30-34
35-39
40-44
45-49
50-54
55-59
60-64

65-69
70-74
75-79
80-84

85-89
Indians
Total population

90+
0% 2% 4% 6% 8% 10% 12% 14% 16%

Source: Stats NZ Census of Population and Dwellings, Infometrics

Indian migrants make a critical contribution

Indian migration to New Zealand surged to record levels following the reopening of borders, before partially reverting to pre-COVID levels. The inflow of Indian migrants helps alleviate skill shortages in critical industries. However, Indian migrants also fill roles in a narrow range of relatively low-skill industries, making them vulnerable to economic conditions. Furthermore, recent changes to working visa conditions that require migrants to exit New Zealand after reaching their maximum continuous stay means newer migrants are less likely to remain in New Zealand and contribute to the workforce in the longer term.

A quarter of Kiwi Indians were born in New Zealand

While an increasing number of Kiwi Indians were born in New Zealand, the Indian community remains primarily shaped by sustained net inward migration. In 2023, 27% of Indians living in New Zealand were born in New Zealand, up from 24% in 2018. This is by no means a unique characteristic of the Kiwi Indian community. Some 29% of Chinese people and 25% of Asian people as a whole were born in New Zealand. Second generation Indians who were born and grew up in New Zealand tend to access better education and labour market opportunities than their parents, thus increasing their economic contribution.

On the other hand, the continued inflow of new Indian migrants serves to maintain economic and social connections with India and other source countries. Of these Indians born overseas in 2023, 67% were born in India. A further 25% were born in the Pacific Islands. Fiji, for example, hosts a sizeable Indian population.

India is an important source of migrants

New Zealand's migration intake is concentrated in five source countries, of which India is one (Chart 18). In terms of PLT arrivals from 2016 to 2025, India sits behind the Philippines, the UK and China, after which there is a noticeable drop to the fifth biggest source country, Australia.

Chart 18

India embedded in the top 5 migrant source countries

Philippines
United Kingdom
Permanent and long-term arrivals, 2016-25
China
India
Australia
South Africa
Germany
United States of America
Fiji
Japan
South Korea
Canada 60,000 70,000
0 10,000 20,000 30,000 40,000 50,000

Source: Stats NZ International Travel and Migration statistics, Infometrics

Indian migrant arrivals expected to revert to pre COVID levels

Efforts to contain the COVID-19 pandemic, such as border closures, caused a shock to New Zealand's immigration system leading to a near-collapse in inflows and the emergence of deep skill and labour shortages in the New Zealand labour market. When borders reopened in 2023, net inward Indian migration surged and was largely employment driven as pent-up demand for workers was met by a rush of overseas workers who had put their migration plans on hold during the pandemic. The surge has quickly fallen away, albeit not yet back to pre-COVID levels (Chart 19). Pre-pandemic, Indian migration to New Zealand had been largely stable.

Looking forward, we expect a full reversion of Indian net migration back to pre-pandemic levels by 2027 as the post-pandemic surge fully dissipates balanced by New Zealand undergoing a moderate economic recovery.

20,000
15,000
10,000
5,000
Other
Work
Residence

Chart 19

Indian migrant arrivals surge then fall back Permanent and long-term Indian (citizenship) arrivals 25,000

0

04 05 06 07 08 09 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25

Source: Stats NZ International Travel and Migration statistics, Infometrics

Indian migrants help grow the Kiwi Indian population

Migration shapes the Kiwi Indian population and has contributed to its growth, particularly during the surge of recent years. Indian PLT arrivals in 2025 were equivalent to 2.0% of the Kiwi Indian population in 2023[12], which is on a par with Chinese arrivals (2.5%) and South Korean arrivals (2.9%). India's 2.0% in 2025 was a little higher than in previous years because arrivals in 2025 were higher than in previous years. With the recent surge in migration expected to revert or fall below pre-COVID levels, we expect annual Indian arrivals to fall back to around 1.5% of the Kiwi Indian population.

A further post-COVID change is that arrivals on work visas have made up a higher proportion of all Indian arrivals at the expense of residence visa arrivals which have made up a declining proportion. The figures are volatile year to year, but in 2010 54% of PLT arrivals were on work visas compared with 67% in 2025. Work visa holders are likely to work, but are less likely to remain in New Zealand long term, particularly with Accredited Employer Work Visa (AEWV) holders now required to leave New Zealand for at least twelve months after reaching their maximum continuous stay (usually 3 to 5

[12] The latest recorded population figure available.

years). It therefore remains to be seen whether the recent surge in Indian work visa holders will contribute to sustained growth in the Kiwi Indian population and workforce.

Migrants are increasing their contribution to key sectors and roles

Indian migrants are helping address skill shortages. Of the top 20 occupations with the highest number of Indian migrant arrivals from 2015 to 2025, five are on the Immigration New Zealand Green List[13] (registered nurse (medical), registered nurse (aged care), telecommunications technician, software engineer, and dairy cattle farmer) (Chart 20). Other occupations in the top 20 are based in the retail, hospitality and transport industries in which Kiwi Indians already make a significant contribution to the workforce. See *Kiwi Indians jobs are shifting to a broader range of industries*, p19, for more details. This suggests Indian migrants are contributing not only to industries with established Kiwi Indian workforces, but also occupations facing persistent national shortages.

[13] The New Zealand Green List is an immigration pathway designed to attract highly skilled workers for roles with severe, ongoing skill shortages. It allows eligible applicants to either apply for immediate residency (Tier 1) or work toward residency after two years (Tier 2).

Indians contribute to critical skill shortages

Indian work visa arrivals for visas where an occupation was specified, 2015-25

Chart 20

Retail Manager (General)

Retail Supervisor

% of all arrivals with an occupation specified

Chef

Cafe or Restaurant Manager

Truck Driver (General)
Registered Nurse (Aged Care)
Personal Care Assistant
Cook
Telecommunications Technician
Software Engineer
Dairy Cattle Farm Worker
Aged or Disabled Carer
ICT Customer Support Officer
ICT Support Technicians nec
Dairy Cattle Farmer
Baker
Office Manager
Registered Nurse (Medical)
Sales Assistant (General)
Commercial Cleaner

0% 1% 2% 3% 4% 5% 6% 7% 8%

Source: MBIE Migration Data Explorer, Infometrics

Consistency can create vulnerabilities

Over time, Indian migrants are remarkably consistent in terms of the types of roles they fill. Comparing the top 20 occupations based on Indian work visa arrivals in 2025 with the top 20 based on 2015-25 arrivals, 15 are on both lists. This consistency can be advantageous, with migrants entering jobs where there is an existing network of Indian workers. However, many of the retail, hospitality and transport roles are relatively low skilled and relatively low paid. Furthermore, this narrow range of industries also means new Indian migrants are more vulnerable to economic shocks than they would be if they were working in a broader range of industries.

For example, the retail and hospitality industries have struggled in recent years as high interest rates have prompted consumers to cut back on discretionary spending. More recently, the transport industry is highly exposed to fuel price spikes resulting from conflict in the Middle East.

Indian visitors' spending is growing

Indian visitors make an economic contribution to New Zealand through their spending on products and services while they are here. New Zealand has experienced a surge in visitors in recent years and, while India remains outside the top group of source countries, Indian visitors' contribution to the New Zealand tourism sector is growing. Moreover, with a large proportion of Indian visitors here to visit friends and relatives, the Kiwi Indian community in New Zealand is playing a key part in this growth.

India is becoming increasingly important to the NZ tourism sector

Pent up demand saw Indian visitor arrivals quickly surpass their pre-pandemic peak when borders reopened with 85,000 arrivals in 2023, before they normalised at 81,000 arrivals in 2025 – 19% above their pre-COVID peak (Chart 21). That speedy post-pandemic recovery has taken Indian visitor arrivals from 1.8% of total visitor arrivals in 2018 to 2.3% in 2025. India is now the fifth largest source country for visitors, some way behind Australia, the USA, China and the UK, and slightly ahead of several other Asian countries such as Japan and South Korea.

Chart 21

Indian visitor arrivals surge post-pandemic

100,000

Annual Indian (by country of residence) visitor arrivals

80,000
60,000
40,000
20,000
0

79 81 83 85 87 89 91 93 95 97 99 01 03 05 07 09 11 13 15 17 19 21 23 25

Source: Stats NZ, Infometrics

Not only are more Indians visiting New Zealand, but they are also becoming an increasingly important source of revenue for the tourism sector with Indians' share of total visitor spending increasing post pandemic. Indian visitor spend has increased 27% from a pre-pandemic peak of $265m in 2018 to $336m in 2025.[14] During this time, India's contribution to total visitor spend rose from 2.3% to 2.7%.

[14] Based on Stats NZ, Business travel and Other personal travel service exports to India.

The post-pandemic recovery has been driven by visits to friends and relatives

The Kiwi Indian community is playing an important role in the post-pandemic visitor recovery which bodes well for future growth. Even before the pandemic, visiting friends and relatives was a bigger draw for Indian visitors than for visitors as a whole. In 2018, when pre-pandemic Indian visitor arrivals peaked, 35% of Indian visitor arrivals came to New Zealand to visit friends and relatives compared with 28% of all visitor arrivals. Tourism was also key. In 2018, 45% of Indian visitor arrivals came here for a holiday, but this was lower than the 52% of all visitor arrivals here for a holiday.

Post-pandemic, Indian visitors coming to visit friends and family has been the key driver, making up 49% of Indian arrivals in 2025 (Chart 22) compared with just 31% of all arrivals. Indian visitors here for a holiday made up 32% of arrivals in 2025.

Chart 22

Visits to friends/relatives drives post-pandemic recovery

Annual Indian (by country of residence) visitor arrivals

100,000
80,000
60,000
40,000
20,000

Other
Business
Holiday
Visit Friends/Relatives

0

79 81 83 85 87 89 91 93 95 97 99 01 03 05 07 09 11 13 15 17 19 21 23 25

Source: Stats NZ, Infometrics

Even compared with other Asian countries, the Kiwi Indian community's capacity for attracting visitors is high. In 2025, the 49% of Indian visitor arrivals here to visit friends and relatives is much higher than the 14% of Chinese visitor arrivals, the 15% of Japanese arrivals and 13% of South Korean arrivals. Only Filipino arrivals can match Indians: 46% of Filipino visitors came here to visit friends and relatives in 2025.

The Kiwi Indian community's position as a draw for Indian visitors arguably makes continued growth in visitor numbers more sustainable because decisions to visit friends and relatives are less affected by fluctuations in travel costs and New Zealand faces less competition from other countries. In contrast, visitors choosing New Zealand purely for a vacation are more likely to consider a broader range of (through exchange rate fluctuations).

countries as well as the financial implications of changing flight costs and in-country spending

Indian international student spending has recovered

Indian international students make a significant contribution to the New Zealand economy through tuition fees and living expenditure. India is New Zealand's second largest source country for international students and, although student numbers are still below pre pandemic levels, the economic contribution of Indian students has recovered strongly. Indian students are increasingly enrolling in longer, higher-level programmes, resulting in more equivalent full-time study (EFTS) and higher spending per student. Looking forward, there are encouraging signs that the growth in student spending will continue.

Recovery driven by higher-level courses

The post-pandemic recovery in Indian international education differs from the pre-pandemic model. Although enrolments remain below 2019 levels, EFTS have surpassed pre-pandemic levels because students are enrolling in longer programmes. Indian enrolments in 2025 are still 12% below 2019 levels, but EFTS are 5.6% higher because Indian international students are enrolling in courses with higher EFTS.

Universities have led the recovery, with both enrolments and EFTS substantially above 2019 levels (Chart 23). Indian student enrolments at universities were 42% higher in 2025 than they were in 2019, but EFTS were 50% higher. A similar pattern can be seen at polytechnics and PTEs – EFTS growing more than enrolments. PTEs have surpassed pre-pandemic levels, but polytechnic EFTS are well down on pre-pandemic levels due to them undergoing structural downsizing in preparation for the disestablishment of Te Pūkenga.

10,000
8,000
6,000
4,000
2,000
PTEs
Polytechnics Universities

Chart 23

Universities lead the recovery

Indian (by country of citizenship) international student EFTS 12,000

0

2016 2017 2018 2019 2020 2021 2022 2023 2024 2025

Source: Stats NZ, Infometrics

Growth is increasingly concentrated in higher-level qualifications with higher EFTS – especially master's degrees - rather than shorter vocational programmes. Indian EFTS in master's degrees were 228% higher in 2025 than they were in 2019, making up 46% of all Indian EFTS in 2025 compared with 2025, making up 24% of all Indian EFTS in 2025 compared with 11% in 2019 and 6.2% in 2016. Much

15% in 2019 and just 4.5% in 2016. Indian EFTS in bachelor's degrees rose 137% between 2019 and

of the growth in master's degree EFTS has occurred at universities whereas much of the growth in bachelor's degree has been at polytechnics.

In contrast, Indian EFTS in level 5-7 certificates/diplomas fell 48% between 2019 and 2025. Indian EFTS in graduate certificates/diplomas were down 76%, and level 8 honours & postgrad certificates/diplomas were down 80%.

Pre-pandemic decline

The extent and characteristics of the post-pandemic recovery are all the more significant because Indian international student enrolments and EFTS were on a downward trajectory pre-pandemic while enrolments from China and other countries grew. Between 2016 (the most recent peak in international student enrolments and earliest data available) and 2019, Indian enrolments fell 16% and EFTS fell 22%. In contrast, non-Indian international student enrolments rose 1.6% and EFTS rose 4.8% during this time. Chinese enrolments (the biggest source country) rose 5.4% and EFTS rose 10%. India's decline was due to increased Indian student visa refusal rates by Immigration New Zealand (INZ) as well as broader student immigration policy changes that discouraged lower-level courses which many Indian students favoured.

Longer courses mean more spending

When students enrol in higher EFTS courses, their courses are longer, they stay longer in New Zealand and therefore they spend more. Spending by Indian international students on fees and living expenses was 17% higher in 2025 than it was in 2019, although spending has some way to go before it reaches levels seen in earlier years (Chart 24).

Chart 24

Indian international student spending follows EFTS

Education related travel exports to India

1,200
1,000
800
600
400
200
0

2016 2017 2018 2019 2020 2021 2022 2023 2024 2025

Source: Stats NZ, Infometrics

Will the recovery continue?

There are encouraging signs that the current growth in Indian student spending will continue.

Policy settings

The Coalition Government has set a target of 119,000 total international student enrolments by 2034. the target date nears.

With India being the second largest source market, increasing enrolments from India will be a focus as

In-study and post-study work rights have been codified within the New Zealand-India Free Trade Agreement (FTA) providing Indians with greater certainty that immigration rules won't be changed during their stay in New Zealand. The FTA also prevents New Zealand imposing enrolment caps on India, and it facilitates career pathways for Indian graduates into high-demand, high-pay fields such as ICT, engineering and specialised healthcare.

Immigration policies are a key influence on New Zealand's attractiveness. Here the picture is mixed. In its *International Education Going for Growth Plan*, the Government has loosened in-study part-time work hours rules to make it easier for international students to fund their stay in New Zealand with part-time work. However, conditions around post-study work rights and family sponsorship remain tight and incentivise higher-level study.

Much depends on the attractiveness of New Zealand as a destination compared with other popular destinations such as the US, Canada, Australia, and the UK. Student visa policies in New Zealand have become more accommodating compared with these other destinations.

Education level and student preferences

Indian student visa decline rates have fallen post-pandemic. That the recovery in Indian international students is being led by universities, suggests there has been a sustainable shift towards higher-level studies. However, PTEs are not far behind universities in the post-pandemic recovery. Enrolments at PTE providers tend to be more sensitive to visa policy settings.

Economic competitiveness

Economic considerations also play a key role in Indian students' choice of country. The value of the Indian Rupee (INR) against the New Zealand Dollar (NZD) is key to the cost of tuition and living fees. In 2025, the Rupee weakened against the dollar, which makes studying in New Zealand more expensive.

Appendix: methodology

Economic impact methodology

We used input-output (IO) multiplier analysis to examine the economic impact of Indian businesses and other businesses that benefit from spending by Indian households, visitors and students. Our IO model is based on inter-industry relationships within the New Zealand economy, enabling us to quantify how economic activity in one industry flows through to other industries and ultimately households.

Our IO model uses multipliers estimated by Infometrics for the New Zealand economy. The multipliers are derived from the official 2020 New Zealand Input-Output tables from Stats NZ – the latest tables available from the publishers. The model is based on the 104 New Zealand Standard Industrial Output Categories (NZSIOC) industry classification used in the IO tables by Stats NZ. Our economic impact analysis is based on the year to March 2025.

Direct, indirect, and induced effects

The IO model enables us to simulate how the additional revenue created across different industries creates direct, indirect, and induced economic activity and supports employment.

Direct effect -This is the effect associated with Indian businesses, other businesses where Indian households, visitors and students spend money, and their immediate suppliers. So, when an Indian business sells goods or services, or an Indian household buys goods or services, economic activity (GDP) is created. Additional jobs are also supported.

Indirect effect. The indirect effects are the further rounds of economic effects associated with the direct effect. For example, workers employed by the upstream suppliers of Indian businesses represent an indirect effect on employment. The indirect effect captures impacts on the suppliers to suppliers, and their suppliers and so on.

Induced effect. The induced effect arises from additional spending by staff at businesses where direct and indirect GDP is being created. For example, when staff employed by Indian businesses spend some of their earnings at local restaurants, the economic activity at local restaurants represents an induced effect.

Total effect. The total effect is the sum of direct, indirect, and induced effects.

The various effects outlined above are measured in terms of value added (or GDP) in 2025 prices and employment (full-time equivalents or FTE). GDP is the increase in the value added generated by sectors producing more goods and services in the New Zealand economy.

Indian businesses' economic contribution was measured for the year to March 2024, then expressed in year to March 2025 prices. Indian households' economic contribution was measured for the year to March 2024, then expressed in year to March 2025 prices. Indian Visitor and student spending for the year to December 2025 was deflated to year to March 2025 prices to produce measures of economic contribution for the year to March 2025. We chose to use the most up to date estimates of visitor and student spending because the two series were still recovering to pre-pandemic levels in recent years. Using earlier estimates would therefore have understated the full extent of visitor and student spending expected in a typical year.

Double counting has been estimated then removed. Double counting occurs when Indian households, visitors or students spend money at Indian businesses, and when Indian employees at Indian businesses earn wages that are spent in Indian household consumption.

Data availability

We use the most up to date data available. For the descriptive analysis of the Indian population, we are largely dependent on data from the 2018 and 2023 Census of Population and Dwellings. This is because Indians are specified at Level 3 of Stats NZ's ethnicity classification. Level 3 of the ethnicity classification provides a detailed breakdown of population groups enabling identification of Indians within the broader Asian ethnic group. Aside from the Census and the Administrative Population Census, there is a dearth of statistics at level 3 of the ethnicity classification. In Census data used in this report, ethnicity is based on grouped total responses, which means individuals can identify as being part of multiple ethnicities, and are classified to each ethnicity accordingly.

Our descriptive analysis of Indian visitors, migrants and international students uses annual migration data up to the end of the 2025 calendar year. Indian visitor and student spending data is based on service exports to India data up to the end of the 2025 calendar year. We use the *Business travel* and *Other personal travel* service export categories for Indian visitors, and the *Education related travel* category for Indian students.

Indian business data was extracted from the Integrated Data Infrastructure (IDI). The most reliable data was available for the year to March 2024.

Definitions

Indian businesses are defined as businesses where either the sole trader identifies as Indian, the majority of income went to partners or shareholders who identify as Indian, or 100% of the business earnings go to employees who identify as Indian.

Indian households are defined as any household where at least one resident identifies as Indian.