

**EMBARGO 00.01 hours 10th January 2012**

**For the first time, NIESR researchers use National Insurance registrations by foreign nationals to analyse the impact of immigration on the UK labour market. Results indicate that - even during the recent recession - increased immigration was not associated with increases in claims for Jobseekers Allowance.**

Existing research on the labour market impact of immigration to the UK has generally found little or no impact on average, with at most a generally modest impact on the less skilled. This paper adds to that evidence by using a more comprehensive and reliable data source, and updates the analysis to include the recent recession.

The paper presents initial results on the impact of migration inflows on the claimant count rate using previously unused data on National Insurance number (NINo) registrations of foreign nationals, which we regard as superior in a number of respects to data on migrants from the Labour Force Survey (LFS). In contrast to the LFS, which is a sample survey of the entire population at a point in time, NINo registrations to overseas nationals are complete administrative data on new migrant inflows, largely for employment purposes, giving reliable estimates at much smaller geographies than is possible with the LFS.

Our results, which appear robust to different specifications, different levels of geographic aggregation, and to a number of tests, seem to confirm the lack of any impact of migration on unemployment in aggregate. We find no association between migrant inflows and claimant unemployment. In addition, we test for whether the impact of migration on claimant unemployment varies according to the state of the economic cycle. We find no evidence of a greater negative impact during periods of low growth or the recent recession.

**ENDS**

**Notes for editors:**

The research was carried out by NIESR researchers Paolo Lucchino, Chiara Rosazza Bondibene, and Jonathan Portes. The full paper, **“Examining the relationship between immigration and unemployment using National Insurance Number registration data”**, is attached, and will be freely available on the NIESR website.

Contact:

Jonathan Portes: [j.portes@niesr.ac.uk](mailto:j.portes@niesr.ac.uk) or 077 6644 1148

Paolo Lucchino: [p.lucchini@niesr.ac.uk](mailto:p.lucchini@niesr.ac.uk) or 020 7654 1939