
Chair of the UK Statistics Authority, Sir Andrew Dilnot CBE

Jack Doyle
Daily Mail
By email

27 May 2016

Dear Mr Doyle

Thank you for your query about how HM Treasury has estimated the impact on UK households if the UK were to leave the European Union.

The Treasury's analysis was published on 18 April 2016, in a report entitled *HM Treasury analysis: the long-term economic impact of EU membership and the alternatives*. This report presented the Treasury's analysis of the potential impact of the UK leaving the European Union based on different assumptions. As such, we do not consider the report to constitute official statistics and so formally it falls outside of our statutory remit. The analysis does however make use of official statistics.

While we would not expect the report to comply fully with all of the principles and practices in the Code of Practice for Official Statistics, because it is not publishing official statistics, we do expect any numerical analysis disseminated by Government to comply with the Code's core principles. In particular, we expect clear explanations of assumptions and methodologies and that statistics are disseminated in an accessible manner for all users. We therefore consider that it is appropriate for us to consider the question you raise.

You asked about whether 2030 immigration and population growth figures should be used in the Treasury's estimate of impacts on GDP per household^[1]. We understand that HM Treasury has calculated these projections by estimating the annual impact of leaving the EU after 15 years (compared to being in the EU).

HM Treasury has presented these results in a range of ways including the impact on GDP per household. This is expressed in terms of 2015 GDP in 2015 prices, using the population estimates for 2015.

There are a number of ways analyses of the economic impact of leaving the European Union can, and have been conducted, which might produce different results. In general it is not unreasonable to base both the denominator and numerator on the same reference year, in this case 2015, if 2030 population projections were used rather than 2015 population figures, it would also be appropriate to use projections for GDP in 2030, rather than 2015 figures.

^[1]https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/517415/treasury_analysis_economic_impact_of_eu_membership_web.pdf

Given the high level of public interest in the EU referendum debate it is vital that official statistics and related analyses are used accurately, with important caveats and limitations explained.

Yours sincerely,

A handwritten signature in black ink that reads "Andrew Dilnot". The signature is written in a cursive style with a large initial 'A' and 'D'.

Sir Andrew Dilnot CBE