

---

**Chair of the UK Statistics Authority, Sir Andrew Dilnot CBE**

Peter Lilley MP  
House of Commons  
London  
SW1A 0AA

10 June 2016

Dear Mr Lilley,

Thank you for your letter of 25 May regarding the analysis in HM Treasury's document entitled *HM Treasury analysis: the long-term economic impact of EU membership and the alternatives*. You asked about assumptions made by HM Treasury on the impact on UK trade of joining the European Union in the 1970s, and how HM Treasury calculated those impacts; and on the impact that leaving the European Union would have on the UK.

In considering any question put to us, we consider first whether it relates to the production, dissemination or use of a statistical output and the extent to which it complies with the Code of Practice for Official Statistics. In the public interest, we adopt a broad approach to this question, and are willing to consider questions about Government publications that the relevant Government department does not formally recognise as official statistics. However, we also recognise a distinction between statistical outputs, and uses of statistics, which relate to descriptions of features of UK demography, society, economic activity and other aspects of life in the UK, and counterfactual analysis of various kinds, which consider alternative scenarios on the basis of models, most typically economic models. For such models, there is no statutory Code of Practice, and it is important to recognise that a feature of such modelling is that different assumptions and scenarios would produce different results.

The points on which you ask for our view relate to the Treasury's economic modelling. We consider that this modelling represents a counterfactual economic analysis, based on a series of assumptions, and therefore this falls outside even our broad approach to our remit. As you state, there are a number of ways analyses of the economic impact of leaving the European Union can, and have been conducted, which produce different results.

Yours sincerely,



**Sir Andrew Dilnot CBE**