From: HMT

Sent: 11 January 2018 15:34

To: 'Moskalenko, Eduard' <eduard.moskalenko@ons.gov.uk>

@hmtreasury.gsi.gov.uk>; Smith, Roger Cc: HMT

<roger.smith@ons.gov.uk>; Oguz, Sebnem <sebnem.oguz@ons.gov.uk>; HMT

@HMTreasury.gsi.gov.uk>; Chandler, Mark W <<u>Mark.W.Chandler@ons.gov.uk</u>>; Palmer, Ed <Ed.Palmer@ons.gov.uk>

Subject: RE: ONS Analysis of Public and Private Pay

Dear Ed,

This sounds wonderful, we would very much like to discuss with you, test ideas, etc.

I was not aware of the ONS-GAD-HMT-DWP-DWP-OBR costing project on pensions, which sounds very interesting. We have been using the ASHE pension contributions data in our internal regression analysis, though as you imply in your email this does not necessarily reflect the precise actuarial value of pension entitlements.

Very keen to discuss further!

All the best,

From: Moskalenko, Eduard [mailto:eduard.moskalenko@ons.gov.uk]

Sent: 11 January 2018 08:19							
То:	- HMT <	@HMTreasury.gsi.gov.uk>					
Cc:	HMT <	<pre>@hmtreasury.gsi.gov.uk>; Smith, Roger</pre>					
< <u>roger.smith@ons.gov.uk</u> >; Oguz, Sebnem < <u>sebnem.oguz@ons.gov.uk</u> >; HMT							
@HMTreasury.gsi.gov.uk>; Chandler, Mark W < <u>Mark.W.Chandler@ons.gov.uk</u> >; Palmer, Ed							
< <u>Ed.Palmer@ons.gov.uk</u> >							
Subject: RE: ONS Analysis of Public and Private Pay							

Subject: RE: UNS Analysis of Public and Private Pay

Dear

Happy New Year to you too! I apologise for the delay in getting back to you, I have only just returned from leave.

I can confirm that we will be expanding the analysis and will be looking to include pensions. You raised an interesting point about the structural difference between the DC and the DB schemes. Indeed, we would need to consider how the actual cost of pensions could be reflected in the latter case.

You may be aware ONS are working with colleagues from GAD, HMT, OBR, DWP and the Pension Regulator on measuring the value of both private and public pensions at an aggregated, economic sector level. We will attempt to employ a consistent approach here as much as possible, however particularly in the case of the DB schemes, actuarial data is not something that is generally available at a micro level. Hence, there is a possibility that the analysis of pensions would have to be relatively simple compared to some of our other publications.

If you are happy, we would be most keen to discuss the ideas with you in some detail once we have advanced further in our analysis.

Many thanks,

Ed

Eduard Moskalenko

Economic Advice & Analysis | Room 1.127 | Office for National Statistics | Cardiff Road | Newport | Wales | NP10 8XG

Phone: | Email: <u>Eduard.Moskalenko@ons.gsi.gov.uk</u>

From:	HM	T [<u>mailto</u> :	@HMTreasury.gs	i.gov.uk]			
Sent: 09 January	2018 13:10						
To: Moskalenko, Eduard < <u>eduard.moskalenko@ons.gov.uk</u> >							
Cc:	HMT <	@hmtreasury	<u>/.gsi.gov.uk</u> >; Smith, Roger				
< <u>roger.smith@ons.gov.uk</u> >; Oguz, Sebnem < <u>sebnem.oguz@ons.gov.uk</u> >; HMT							
<u>@</u> H	MTreasury.gsi.g	<u>ov.uk</u> >					
Subject: DE: ONS	Applycic of Dub	lic and Drivato Day					

Subject: RE: ONS Analysis of Public and Private Pay

Dear Ed,

I hope you had a good Christmas and have started the New Year well.

I was wondering whether you had some thoughts on the points below and your project to include pension contributions in your expanded analysis?

Best wishes,

 From:
 - HMT

 Sent: 28 December 2017 12:06

 To:
 - HMT < @hmtreasury.gsi.gov.uk</td>

 eduard.moskalenko@ons.gov.uk

 Cc: Smith, Roger < roger.smith@ons.gov.uk</td>

 Subject: RE: ONS Analysis of Public and Private Pay

Thanks and happy Christmas!

Dear **Ed**, I hope you are having a great Christmas. I am familiar with your regular publication, and would be very supportive of an expansion to your analysis to incorporate pension differences; as it is a very significant element of total remuneration, this would lead to more complete results.

Additionally, the long-term decline of Defined Benefit pensions in the private sector (in contrast to their continuation in the public sector) means there is a growing structural difference in how private and public sector employers apportion total remuneration (pay vs. pensions). Therefore, analysis which more effectively captures total remuneration will be a great contribution from the ONS to greater analytical transparency in this area.

I would be very happy to discuss this in further detail,

From: - HMT Sent: 21 December 2017 14:13 To: Moskalenko, Eduard <<u>eduard.moskalenko@ons.gov.uk</u>> Cc: Smith, Roger <<u>roger.smith@ons.gov.uk</u>>; Oguz, Sebnem <<u>sebnem.oguz@ons.gov.uk</u>>; HMT @HMTreasury.gsi.gov.uk Subject: RE: ONS Analysis of Public and Private Pay

Hi Ed,

Apologies for the delay in getting back to you on this. I think as you may already be aware the Treasury has previously undertaken analysis looking at the differences in public and private sector pay taking pensions into account, and so I think we would be generally supportive of this change, even if it does delay the publication a bit (which I can see is necessary given you will need the pensions data in ASHE to undertake the work). However, here (cc'd) her

Thanks for getting in touch on this, and have a good Christmas,



Hi

Roger Smith from the Labour Force Survey team suggested that you might be able to help. We have had a number of requests for various pieces of labour market analysis and the views of the key stakeholders would certainly help informing the scope and the release dates for some of these forthcoming publications.

One specific question where we would appreciate your input is the <u>analysis of public vs private pay</u>. Until now, the focus of the analysis has been on bonus-adjusted earnings (wages and salaries). Although the focus on just earnings does not necessarily produce the same headline story as the overall 'compensation of employees' would, our less experienced users and media seem to be often interpreting them as total remuneration. We are therefore looking to extend the model and also include other elements, most importantly pensions as by far the largest non-wage form of remuneration (potentially, though this is also subject to a discussion, still keeping the original model too to facilitate comparisons with the previous years).

A downside of this proposal is that the release date will be moved to March (provisionally) from late January. Will this potential delay cause any major inconvenience to you or others in HMT? I would be most grateful if we could have your views before Christmas.

Many thanks, Ed

Eduard Moskalenko

Head of Labour Market Analysis | Economic Advice & Analysis | Room 1.127 | Office for National Statistics | Cardiff Road | Newport | Wales | NP10 8XG Phone: Eduard.Moskalenko@ons.gsi.gov.uk

From: Moskalenko, Eduard Sent: 06 December 2017 11:39 To: @HMTreasury.gsi.gov.uk' <

@HMTreasury.gsi.gov.uk>

Cc: Oguz, Sebnem <<u>sebnem.oguz@ons.gov.uk</u>>

Subject: RE: ONS Average Weekly Earnings Bonus Adjustment Files for STATA



Here at ONS we are considering various options for producing the 2017 edition of ONS' <u>Analysis of</u> <u>factors affecting earnings</u>. In its present form, the analysis has been focused on bonus-adjusted wages. We are exploring the possibility of covering other forms of remuneration, most notably pensions.

Can I check with you if there are any immediate pressures from yourself or others in HMT to obtain an update from us, that would still exclude pensions? We are seeing multiple benefit in extending the analysis but that would mean publishing in March (say) rather than the end of January. What's HMT's view on that?

Many thanks, Ed

Eduard Moskalenko

Economic Advice & Analysis | Room 1.127 | Office for National Statistics | Cardiff Road | Newport | Wales | NP10 8XG

| Email: Eduard.Moskalenko@ons.gsi.gov.uk

From:

Phone:

Sent: 06 November 2017 17:39

To: - HMT' <u>@HMTreasury.gsi.gov.uk</u>>

Cc: Chandler, Mark W <<u>Mark.W.Chandler@ons.gov.uk</u>>; Oguz, Sebnem <<u>sebnem.oguz@ons.gov.uk</u>>; Foxton, Fred <<u>fred.foxton@ons.gov.uk</u>>

Subject: RE: ONS Average Weekly Earnings Bonus Adjustment Files for STATA

Hi

We have yet to create the latest bonus adjusted file and paper but attached are the files for 2014,2015 and 2016. I am on leave for the next two weeks now but if you have any questions it is Mark and Sebnem who will be taking this work forward. If you have questions about previous analysis Fred maybe able to help you (although he no longer officially works in this area).

Kind regards,

Microdata Analysis and Coordination Team | Productivity Economic Statistics Strategy, Research and Architecture Room 1.163, Office for National Statistics, Cardiff Road, Newport, NP10 8XG Phone: | Email: @ons.gov.uk - HMT [mailto: @HMTreasury.gsi.gov.uk] From: Sent: 06 November 2017 10:04 @ons.gov.uk> To: Subject: ONS Average Weekly Earnings Bonus Adjustment Files for STATA

Hi

I work in the Workforce Pay and Pensions team within HMT and conduct analysis on the public private remuneration differential. I read in my handover on this analysis (handed over by and) that I can acquire Bonus Adjustment files for the current and previous year from ONS based on Average Weekly Earnings data.

Are you able to help me with this or can you point me in the right direction to obtain this?

Many thanks



| Workforce, Pay and Pensions | Public Spending HM Treasury, 2 Red, 1 Horse Guards Road, London, SW1A 2HQ www.gov.uk/hm-treasury

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