

## Background

Please confirm you have read and understood this important background information.

Yes, I have read and understood the information on this page.

## About you

### 1 What is your name?

Name:

### 2 What is your email address?

Email:

### 3 What is your organisation?

Organisation:

Private individual

## Section one: Measuring prices across the economy

### 1 Should ONS identify a main measure of price change across the economy?

Yes

**Why? Please provide comments.:**

There will never be a single index correct for all applications but it is better to choose a single main measure, to know its strengths and weaknesses and to use it intelligently than to have a confusing selection breeding abuse and distrust.

### 2 If you answered 'yes' to question 1a, then what should this measure be?

Other (please provide details).

**Why? Please provide comments.:**

Indices other than the RPI can use means such as geometric and harmonic. This was introduced by the EU to mask the inherent instability caused by different fiscal policies which were, in turn, enforced differently. It was intentionally sophisticated to hide the sophistry, or fallacious arguments. These means can be used to advantage by engineers to dampen oscillations of many forms. This ability to dampen oscillations was hijacked by politicians to induce a false sense of harmony by preventing rogue economies from destabilising the other economies. A move which has since cost us dearly.

The RPI, for all its faults, uses an arithmetic mean which more correctly reflects the actual changes. However, if wages were notionally tied to RPI then actual costs would rise faster due to local 'arrangements'. This would be unstable and unsustainable nationally so potentially difficult political decisions have to be made. We cannot simply rely on a 'formula effect' to mask the truth.

### 3. Should its production be governed by legislation?

No

**Why? Please provide comments.:**

Legislation is the tool of the Government which only receives feedback every 5 years. Its production should be governed independently by a body answerable to the public in a comprehensible manner.

## Section two: Measuring consumer price inflation for different household types

### 4 Should ONS seek to measure changes in prices as experienced by different households?

Yes

**Why? How often? Please provide comments.:**

I agree with the words, 'should' and 'seek'. Initially, we need an index free from unnecessary 'formula effect'. After that the weighting of differing baskets of goods and services should be undertaken with common sense rather than ignoring vast sections such as house ownership because it is too difficult.

### 5 If yes, how should ONS seek to do so?

Using a payments-based approach.

**Why? Please provide comments.:**

I am a pensioner so, for me, a payments based approach is probably more realistic. It may not be reasonable for a younger generation or those out of work.

### Section three: The RPI

**6 Do you use the following indices? (Please select those that you use)**

Any other RPI index

**If yes, for what purposes? Please provide comments.:**

My National Savings investments are indexed to RPI. My pension should be indexed to RPI but the Trustees have been thwarted in the execution of their legal duties by a belligerent employer, British Airways plc and IAG, their owner.

**7 Do you agree that the following indices should be discontinued? (Please select those that you suggest should be discontinued)**

**Why? Please provide comments.:**

Some probably should but I am not qualified to know the accuracy or demand for these indices.

**8 Do you have any views on what 'freezing' changes to the RPI should mean in practice?**

Yes

**Why? Please provide comments.:**

It is not rational to freeze any system if a resolvable fault has been identified. I am not convinced that the RPI is seriously flawed. It is not a flaw to not agree with International Standards if those standards are flawed. It may be more expensive to run two different systems but the one big advantage is one of safety. I worked in the aerospace and airline industries all my working life and am very comfortable with a reasonable degree of redundancy. There is no reason why any two methods should arrive at the same numerical value but the publishers and users should always know why they differ.

### Section four: Evolving consumer price statistics

**9 Are the priorities identified by ONS in its forward work plan appropriate?**

No

**Why? Please provide comments.:**

I suspect that the CPI was considered to be innovative and efficient in its masking of fiscal instability between European nations. These are not necessarily worthy priorities. It is far better to address the simple and obvious flaws around council tax, formula effect, house ownership, clothing and the like before embarking on specific, free market indices tailored to individual clients. Trawling vast data sweeps from the internet could, perhaps, be automated and far reaching but do you believe everything you read on the internet? This is open to lucrative fraud and manipulation on a vast scale.

**10 Should ONS include council tax in the CPIH?**

Yes

**Why? Please provide comments.:**

It is a very common householder expense and is not negotiable so should not be subject to a formula effect.

### Additional information

**Do you have any further comments relevant to this consultation?**

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Honesty and simplicity are far more important than the minutiae of specific indices.

### User satisfaction

**Overall, how satisfied were you with this online consultation service today?**

Very satisfied

**Please tell us if there are any specific areas for improvement, or if you have any other comments.:**

I was satisfied in being able to respond to the questions asked but nothing suggests that it will account for anything.