

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:

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.:

It is useful as broad measure for the nation as a whole

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

the CPIH, as recommended in the Johnson review. The CPIH includes owner-occupiers' housing costs. It does not currently hold the National statistics designation (although its reassessment is due to commence shortly). The index is a UK measure, designed by ONS to meet UK needs.

Why? Please provide comments.:

3. Should its production be governed by legislation?

Yes

Why? Please provide comments.:

If an index figure is to be used for uprating of pensions & benefits; and as a political argument to support or denounce the government's handling of and the opposition's proposals for the economy then the electorate must be confident that the statistics quoted have been arrived at by a universally agreed and policed measure.

Otherwise different government departments will manipulate statistics to suit themselves, and recipients of pensions and benefits will feel they are being underhandedly short-changed. Trade unions etc will come up with their own index surveys, and it will be a recipe for more discontent and strikes.

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.:

Everyday necessary expenditure varies by household type. To use a "one size fits all" index to determine benefits and pensions upratings is unfair.

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

Via another means (please provide details)

Why? Please provide comments.:

The overall basic CPI is fine as a starting point. Items rarely applicable to certain household types should then be removed, and items largely relevant to certain

household types should be added and the index recalculated. Extra weighting should then be added to items bought by that type of household in above average amounts than average.

For example pensions should be uprated by a pensioner household index. This should exclude things like season tickets, prescription charges, nappies, pop music download subscriptions, techno items bought mostly by teenagers or working adults, children's clothes, ultra cheap clothes of the type sold by Primark, etc which are bought predominantly by teenagers and young adults, junk food aimed at children, cheap "throwaway" furniture. Children's items are irrelevant to pensioners except as birthday gifts etc, clothing suitable for older people tends not to be sold by cheap chains, and older people are not constantly moving or changing furniture according to fashion.

Added items for a pensioners' index should include care home charges, home help, taxis, chiropody, clothing from outlets which sell appropriate designs, tradesmen costs as pensioners are less able to do their own decorating etc than younger adults do.

Extra weighting should be given to gas, electric and water charges. Pensioners spend more on these items than other households. They are at home during the working day, so need to heat their houses during working hours, and they are using water at home to flush the toilet when younger adults use the toilet at work. Extra weighting should also be given to food costs as pensioners live in one or two person households and can only buy small quantities. They are unable to take advantage of the pro rata cheaper prices of mega packs; or special offers which generally require the purchase of large quantities that they can neither consume in time, and if in pensioner accommodation will probably not have anywhere to store.

An index for households with children should include child care costs, nappies, prams, children's clothes and shoes, school associated costs, technology items used by children etc, running a family sized car, but should exclude taxis which they would use far less than average, pensioner services.

An index for working age adults only households should exclude all items relevant mostly to pensioners and households with children, but include season tickets, work style clothing. Food costs should have extra weight given to healthy ready meals.

Section three: The RPI

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

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

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

Why? Please provide comments.:

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

Not Answered

Why? Please provide comments.:

Section four: Evolving consumer price statistics

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

Not Answered

Why? Please provide comments.:

10 Should ONS include council tax in the CPIH?

Yes

Why? Please provide comments.:

Council tax is an unavoidable cost to all households, and one over which they have no control. Due to the banding system the cost per household to ordinary people in poor areas is generally higher than in wealthy areas, where there are more wealthy households to share the load.

Council tax causes much hardship to low income households - benefits notwithstanding. It is surely a matter of fairness that this everyday cost is included in the index of household spending. Exclusion cannot possibly be justified.

Additional information

Do you have any further comments relevant to this consultation?

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The RPI/CPI or whatever has always seemed to me to be varied by politicians whenever it suits them as a reason to reduce benefits and pensions. Items soaring in price are conveniently removed - eg council tax some years ago.

Even for people not on benefits who are trying to plan ahead and be self-sufficient, the current system is misleading, and can skew calculation when trying to decide between say a level annuity or escalating one. With a level version how much will one have to set aside to give oneself pay rises in years ahead.

It doesn't matter what the Index is called. What is needed is a straightforward honest calculation of inflation of the everyday things that people NEED to purchase - excluding luxury discretionary items at one end (eg expensive specialist foods,cruises), and unnecessary cheap tat (eg junk food, trashy jewellery) at the other. Rents, Household maintenance costs, Council tax, TV licences, car tax, season tickets, petrol, gas, electric, water, healthy fresh, and good but standard quality packed food should be the core. Core items should be weighted to reflect whether they are purchased in lesser or greater quantities than average by households with children, working adults only, or pensioners.

Other items outside the core relevant to the three household types should then be added, to produce separate indexes reflecting a realistic picture of the household types.

This would be understandable by everyone, and is really the only index the general public needs. If benefits and pensions were based on the index relevant for the claimant household it would be felt to be fair.

These

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.: