

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:

Retired

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.:

The plethora of different indices can cause confusion and can be misused in a 'pic and mix' fashion both to update the cost of different products and services e.g. rail fares, NS&I savings certificates interest rate, and payments out e.g. private, state, and public service pensions. Politicians pick and mix the indices for their own political ends e.g. "rail fares will increase below (RPI) inflation", "earnings are rising above (CPI) inflation". A main measure is needed to help restore public confidence in official statistics.

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

Other (please provide details).

Why? Please provide comments.:

An index based on the arithmetic mean e.g. RPI, RPIJ or the Household Inflation Index proposed by the Royal Statistical Society.

The CPI is deeply flawed, and the CPIH is flawed because it also uses the geometric mean.

3. Should its production be governed by legislation?

No

Why? Please provide comments.:

Because statistical construction and society changes and develops over time.

However production should be governed by something, e.g. a framework agreement, a contract, a code of practice, heads of agreement, which could be reviewed from time to time.

Section two: Measuring consumer price inflation for different household types

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

No

Why? How often? Please provide comments.:

The fewer indices the better, more indices will lead to misuse of those indices, and further distrust of official statistics.

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

Not Answered

Why? Please provide comments.:

N/A

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.:

I use the main RPI to check interest rates on my NS&I savings, to check the real rise in the cost of living, and likely rail fare increases, and how much money I'm losing on my public sector pension since the switch from RPI to CPI as a measure of inflation for public sector pensions.

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

Any other RPI index

Why? Please provide comments.:

For the reasons I've outlined above. The main RPI should be kept and developed as it has been in the past e.g. to reflect changes in the 'basket of goods and services'. Other indices if kept should not be given any greater prominence than in the past.

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

Yes

Why? Please provide comments.:

Yes if frozen the RPI would be discredited because it would not evolve.

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.:

I don't have any detailed views on this. The ONS should work with the RSS to try to restore public confidence in official statistics, in particular the cost of living index. As the RSS succinctly put it 'public confidence in any index used for uprating is more crucial than for most statistics since it has a direct effect on people's incomes and spending...An index is needed which has a clear relation to actual household costs including those of owner occupiers.'

10 Should ONS include council tax in the CPIH?

No

Why? Please provide comments.:

The CPI was designed for international comparison and macroeconomic purposes and, with the notable exception of owner occupier housing costs, fulfils this purpose well. It was not designed for uprating purposes and the Johnson Report provided no real justification for the use of CPIH in this regard.

Additional information

Do you have any further comments relevant to this consultation?

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

This questionnaire appears to be designed to fit in with the recommendations of the Johnson Report, I don't agree with the main findings I adoption of the CPIH as the main cost of living index. I have answered the question to reflect my views. I hope you will work closely with and take account of their proposals for a Household Inflation Index.

User satisfaction

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

Dissatisfied

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

Too much bias in the questions towards the recommendations of the Johnson Report.