

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 BA pilot

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.:

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.:

Of the current indices, we prefer RPI. However, if RPI is now deemed unsuitable as a national statistic we would welcome the development of a Household Inflation Inde

3. Should its production be governed by legislation?

No

Why? Please provide comments.:

independent

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.:

We need a better measure of the cost of living than the CPI

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

Using a payments-based approach.

Why? Please provide comments.:

Section three: The RPI

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

RPI pensioner indices

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

Our BA pension is contractually linked to the RPI and the Trustees are being stopped by BA from honouring the pension we bought.

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

Why? Please provide comments.:

The issue for BA (and probably other) pensioners is that RPI is currently rising about 1.0 percentage points a year higher than CPI. We accept RPI is probably flawed but have not seen CPI shown to be better. This increase in the average gap between CPI and RPI annually now being 1.0 percentage points, the reason for this gap being mostly the changes in the method of collecting clothing data, and this gap generally being bigger in UK than in most other countries, leads us to argue both RPI and CPI/CPIH should be discontinued to be replaced by an index that better addresses these accuracy problems.

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

Yes

Why? Please provide comments.:

If RPI is flawed, it should not be used. We are not convinced it is flawed; there remain strong academic arguments in favour of RPI, over CPI, from Dr Mark Courtney and others. As RPI's use is embedded by legislation (eg for gilts), then either it should be replaced by a less flawed index (RPIJ, CPIH) or its methodology should be changed to remove the flaws

Section four: Evolving consumer price statistics

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

No

Why? Please provide comments.:

We need an index, for example a Household Inflation Index, which better measures our inflation. In the meantime work should concentrate on reducing the "formula effect" difference between RPI and CPI

10 Should ONS include council tax in the CPIH?

Yes

Why? Please provide comments.:

Council Tax does not depend on income, so it should be included in CPIH

Additional information

Do you have any further comments relevant to this consultation?

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

There has to be public confidence in the creation of the Indices so it must be independent and transparent

User satisfaction

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

Neither satisfied or dissatisfied

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