Updating the 2004 CPI Manual

MAY 10, 2019

Meeting of the Ottawa Group
Rio de Janeiro, Brazil

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Background

2014 UNECE-ILO CPI Group of Experts Meeting

2014 IWGPS endorsement for updating the CPI manual

Multiple layers of review
- Substantial comments from compilers
- 24 countries
- IWGPS member agencies

Two publications
- *Consumer Price Index: Theory*
Progress to date

- Chapter outlines
- Draft chapters
- Main review
- International consultation of CPI compilers and users.
Progress to date

- Incorporate comments from compilers and users
- IWGPS agency review
- Incorporate comments from IWGPS
- Meeting of IWGPS – October 2018
Progress to date

- Revision of chapters to include IWGPS comments
- Editing for consistency (ongoing)
- Outside review
Next Steps

- Update chapters reflecting comments from outside review
- Formal consultation of countries
- Final approval from IWGPS
- Submission of the final manual for endorsement by the UNSC
Proposed timeline (Manual)

Formal country consultation – July 1 – September 15, 2019

Final draft available – October 1, 2019

Formal editing (IMF) – October 1, 2019 – February 29, 2020

White cover version submitted to UNSC – February 2020

Endorsement by UNSC – March 2020
Manual

Reflect established best practice as of now

Challenge – dynamic nature of compilation methods

*Guidance Notes* to be issued as needed to ensure Manual remains current

- Recognize that methods continue to evolve
- Research drives development of new best practices
  - Research evolves into best practice
- Guidance Notes issued to update relevant chapter in the Manual
Research Agenda

- Identifies topics for further research and discussion
- Foster the development of new methodologies
- Guide the agendas for upcoming meetings of UNECE-ILO CPI Group of Experts and Ottawa Group
Proposed timeline (Theory)

Draft chapters available – August 31, 2019

Review by main reviewers – September 30, 2019

Incorporate comments from reviewers – October 31, 2019

Review by IWGPS – December 31, 2019

Incorporate comments from IWGPS – January 31, 2020

IWGPS discussion on final version – February 29, 2020

Formal editing – May 31, 2020

Theory publication will not be endorsed by the UNSC
Key Changes/Updates

Provide more practical advice wherever possible

Streamline – reduce unnecessary repetition

Increased harmonization with national accounts concepts

Two new chapters
- Scanner data
- Updating weighs and linking index series

Rewrites
- Sampling
  - Focus on multi-stage sampling process in practice
  - Practical realities faced by compilers and availability of sampling frames
- Missing prices and quality adjustment
  - More detailed examples and clearer guidance
Key Changes/Updates

Update and develop new detailed examples
- Missing prices, quality adjustment

Identify and summarize steps needed to develop and maintain a CPI

Streamline and combine chapters on concepts, uses, and classifications

Augment and expand use of national accounts data and alternative data sources to develop weights
Key Changes/Updates

Treatment of internet purchases and collection of on-line prices

Data editing

Innovations in the collection of prices
- Web-scraping
- Hand-held computers/tablets

Theory and concepts
- Treatment of scanner data in the calculation of elementary aggregates
- Quality adjustment methods to deal with scanner data

Comments
Thank you!

Comments welcome

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