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

1. Update chapters reflecting comments from outside review
2. Formal consultation of countries
3. Final approval from IWGPS
4. 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
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
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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