

METHODOLOGIES OF COMPILING CONSUMER PRICE INDICES

2012 ILO Survey of country practices

Sources and Methods: Labour Statistics, Volume 1

Preliminary results

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Introduction

The International Labour Organization's (ILO) Department of Statistics publishes the series *Sources and Methods: Labour Statistics* which contains information on the scope of the statistics, their definitions and the methods used by the national statistical services in establishing the statistics published. These *Sources and Methods* publications describe the methodologies of a range of labour statistics and, to date, ten such volumes have been produced. Volume 1 of *Sources and Methods: Labour Statistics* presents methodological information on national series on consumer price indices. The corresponding statistical series are available online in the ILO Department of Statistics' statistical database LABORSTA (see http://laborsta.ilo.org/applv8/data/SSM1_NEW/E/SSM1.html).

The purpose of the survey used to update this volume is twofold: (i) to provide basic information on the sources and methods used in each country in compiling the CPI published by the ILO, so as to enhance their usefulness for different purposes; and (ii) to indicate the differences between the national series with regard to their coverage, definitions, methods of measurement, methods of data collection, reference periods, etc. Volume 1 has been updated four times, the last time in 1992. The 2012 exercise has been done jointly with the FAO.

This paper presents common characteristics of the national practices used in the collection of CPI across countries, and points out similarities and differences in the way countries estimate their CPIs.

Method and structure of the questionnaire

In order to compile Volume 3 of *Sources and Methods: Labour Statistics*, each ILO member state received a request to complete a methodological questionnaire with information about the most important features of the CPI compiled in their country. Close to 70 countries completed the methodological questionnaire and questionnaires of approximately 100 countries were completed by the ILO on the basis of information published on the respective websites of the National Statistical Offices (NSO) or the International Monetary Fund's (IMF) Special Data Dissemination Standard. The distribution by continent is as follows.

- Asia 41
- Africa 43
- Europe 39

- America 33
- Oceania 13

The methodological questionnaire was designed to provide a synthesized picture of the country practices in estimating CPI, while at the same time, allowing for comparisons between the practices of how countries compile CPI.

The questionnaire is divided into nine different sections.

- A. Identification
- B. Coverage
- C. Concepts, definitions, classifications and weights
- D. Sample design
- E. Data collection
- F. Computations
- G. Editing and validation procedures
- H. Dissemination
- I. Other information

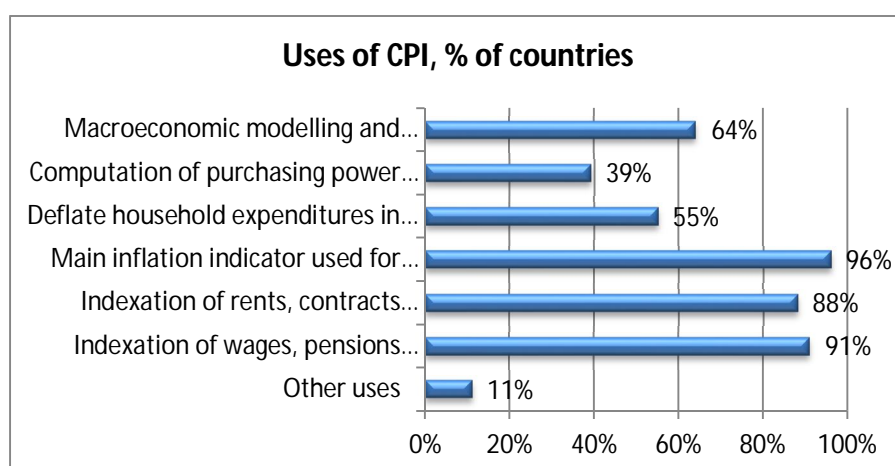
Each of these sections provides different questions with pre-defined answer options as well as space for additional comments to allow for a general overview of the commonly used approaches to estimate CPI in each country, region or territory.

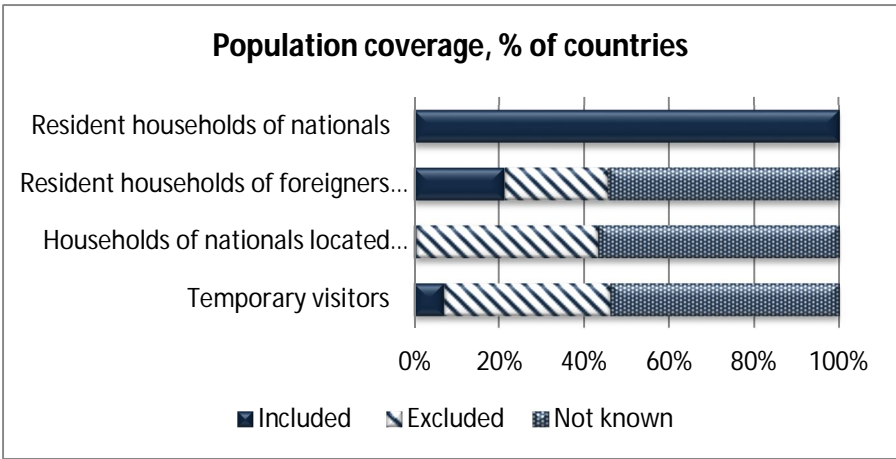
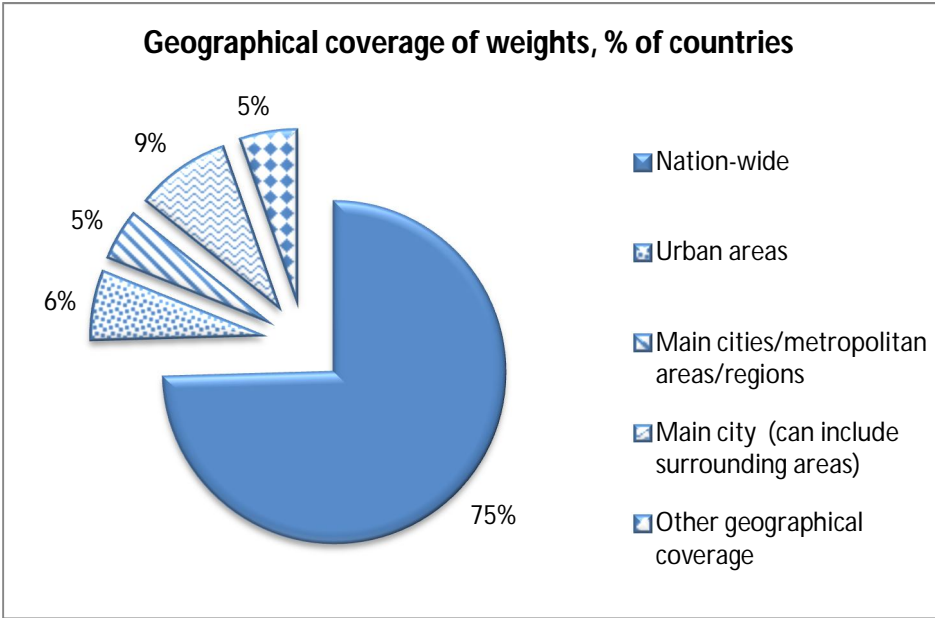
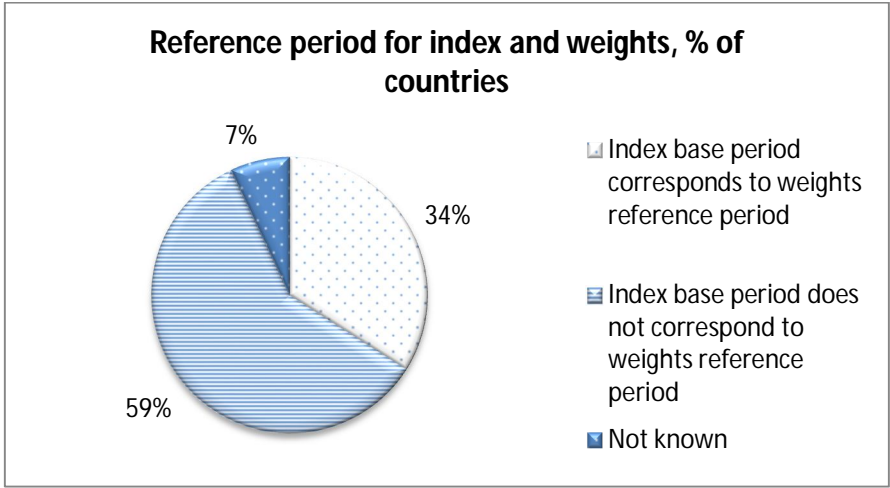
Results of the survey and analysis

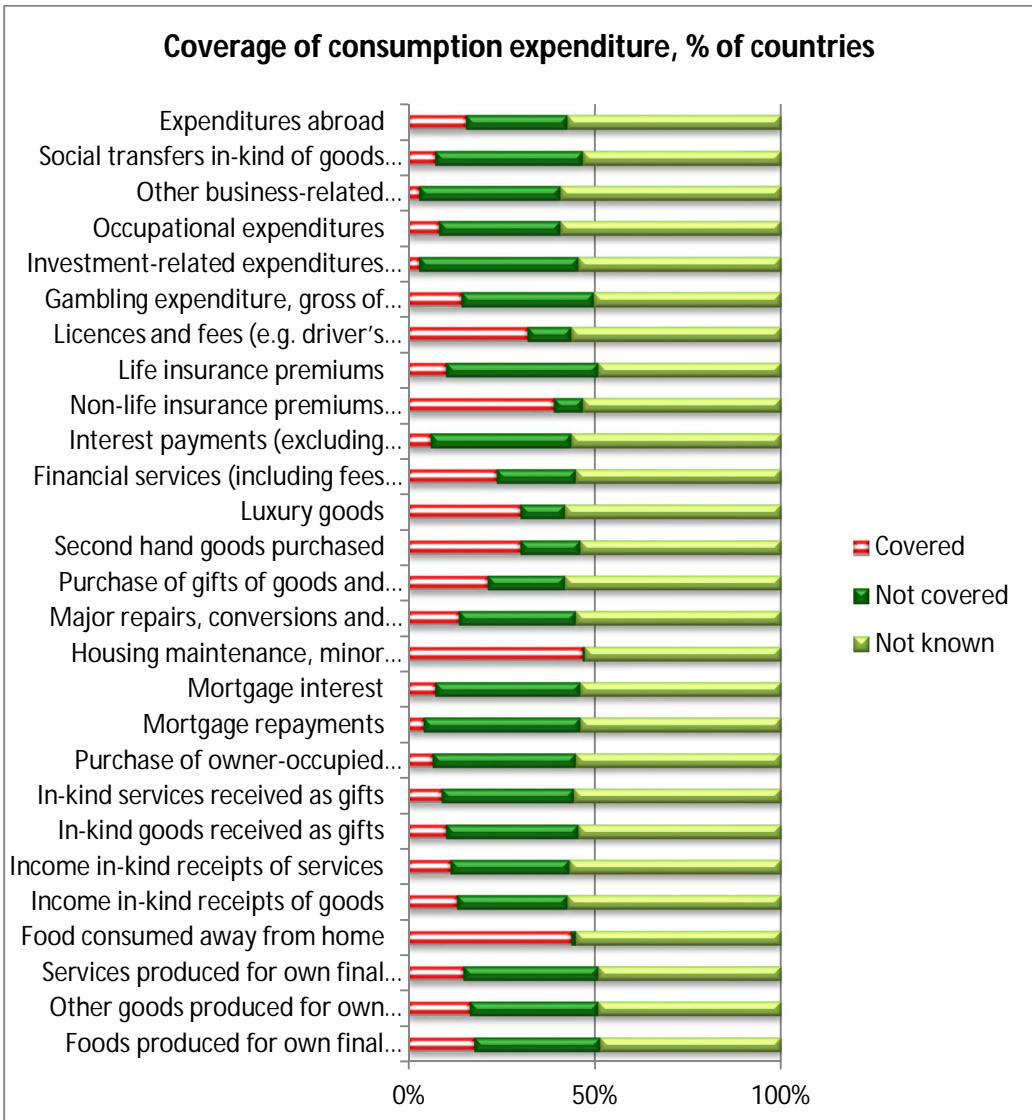
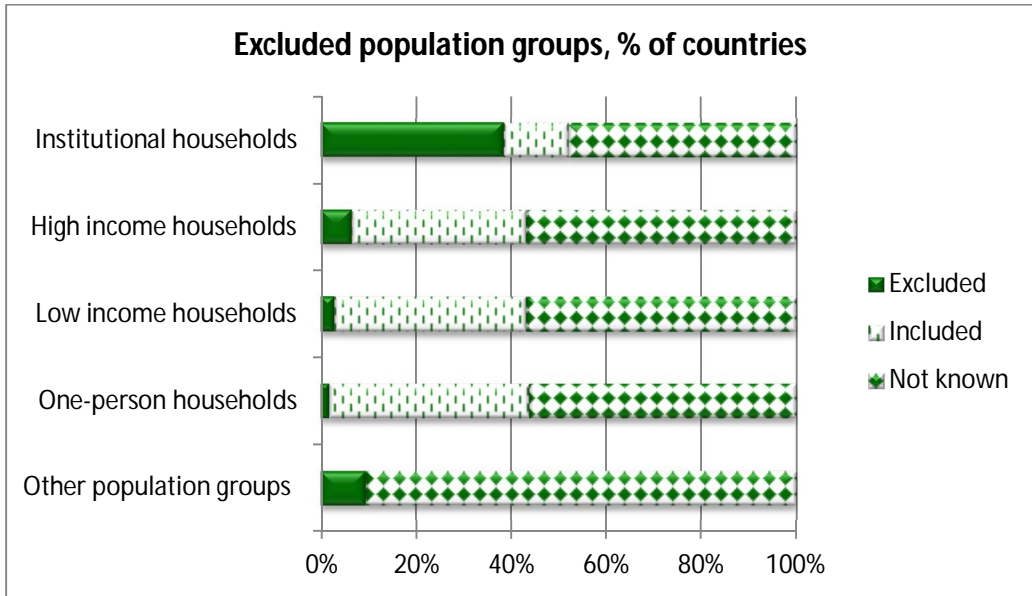
This section reviews the quantitative and qualitative results of the survey. The analysis is not an exhaustive list of all results of the methodological questionnaires on CPI; rather, it is a careful selection of the most important similarities, differences and interesting facts. It thus focuses primarily on the following key topics and areas:

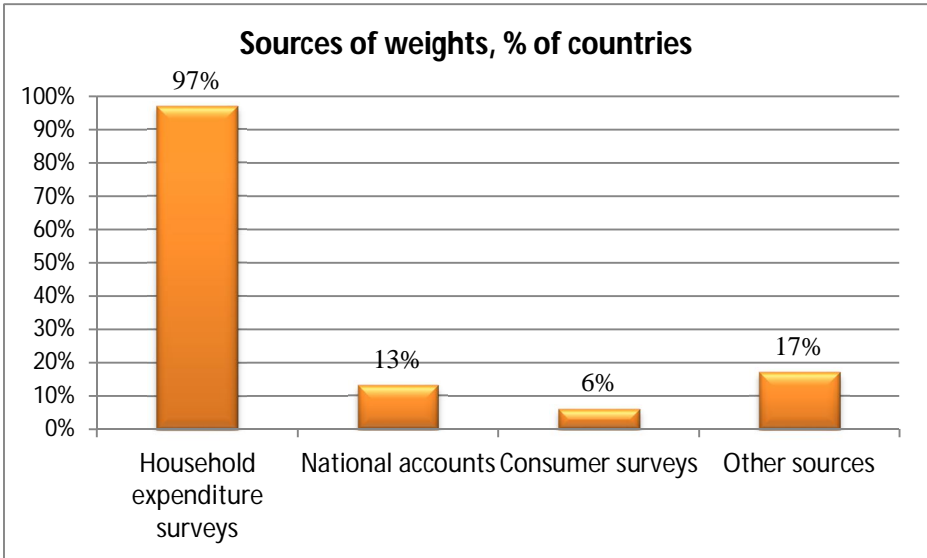
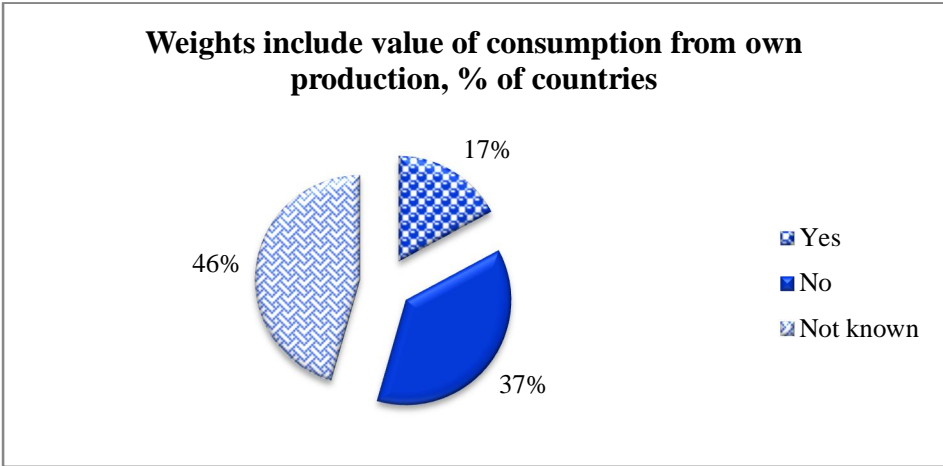
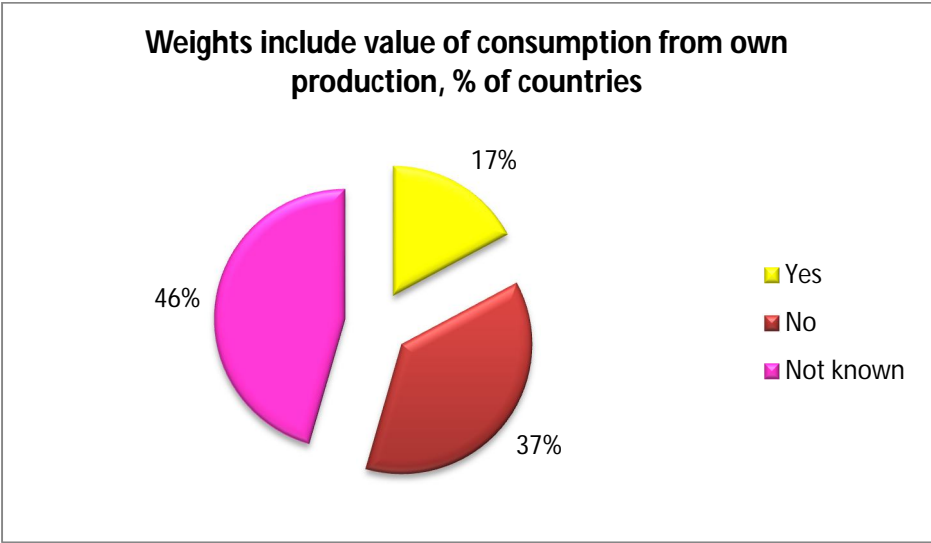
Periodicity of dissemination

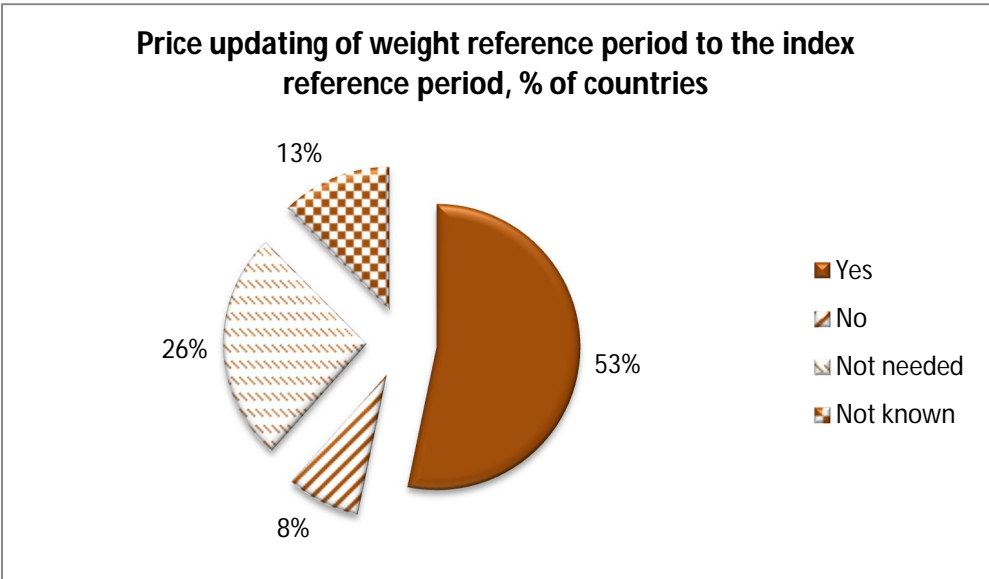
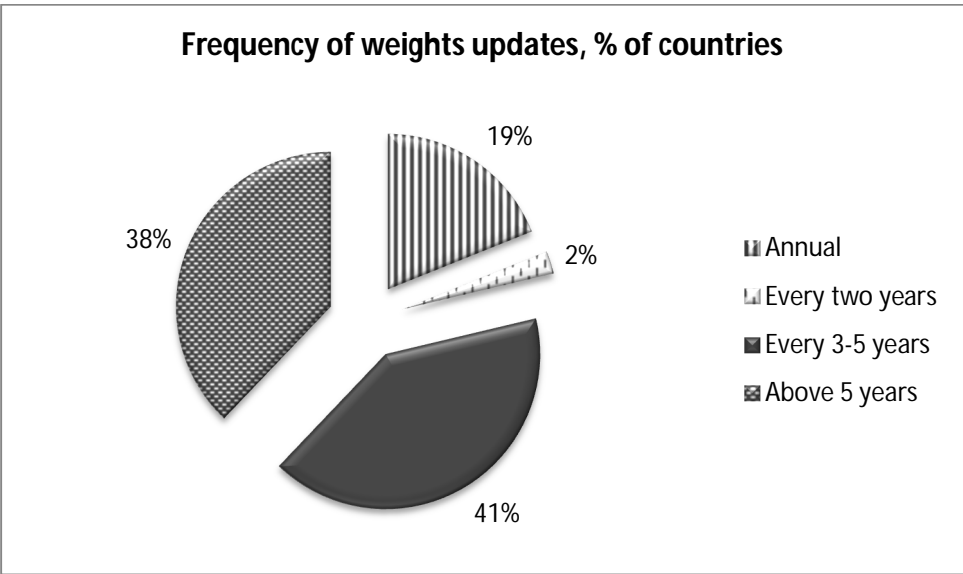
Out of 169 countries, only 17 disseminate the index quarterly and 1 country disseminates the all-items index quarterly with monthly periodicity for food CPI only. The rest of the countries disseminate the index with a monthly periodicity.



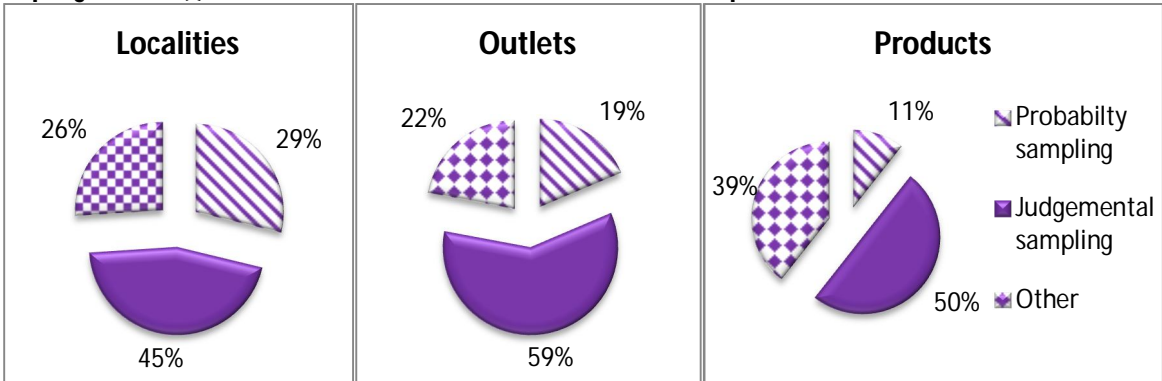


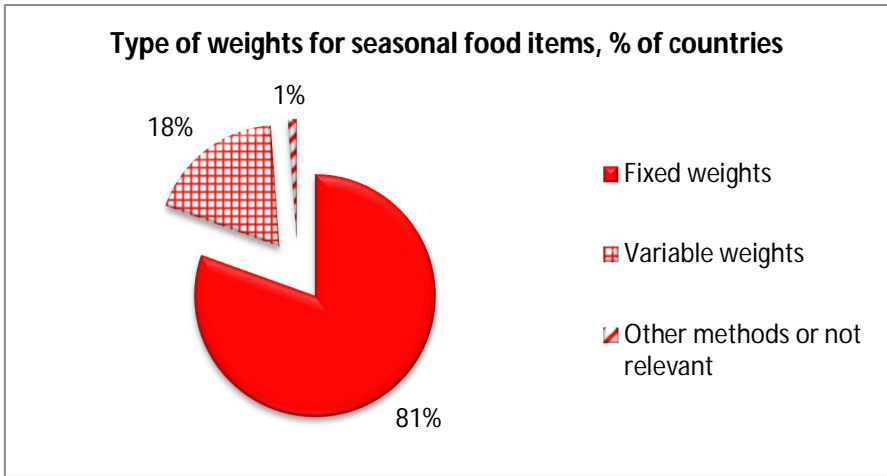
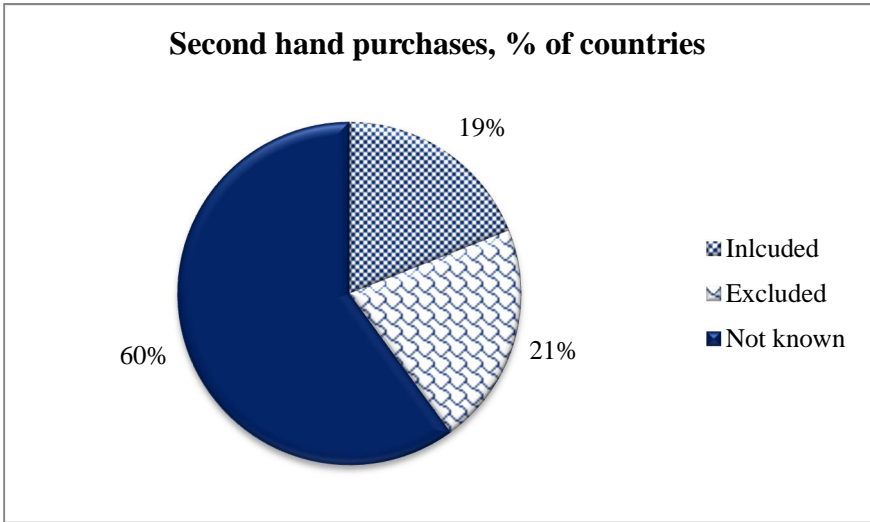
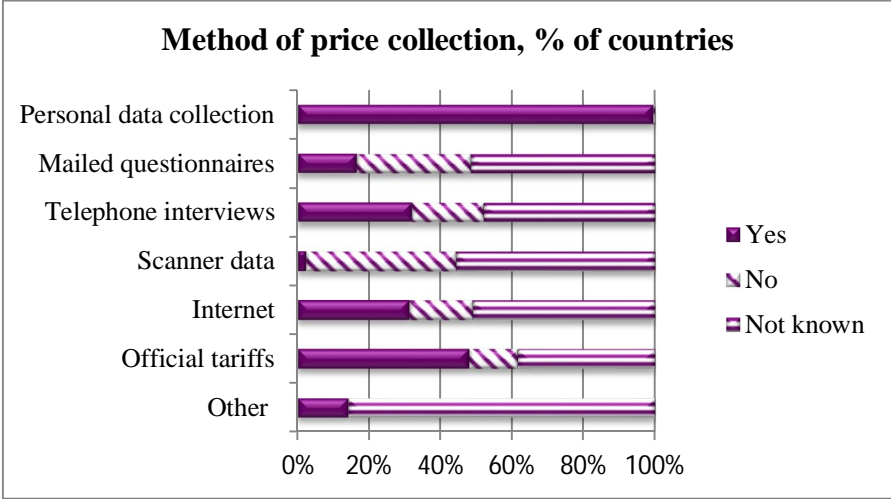




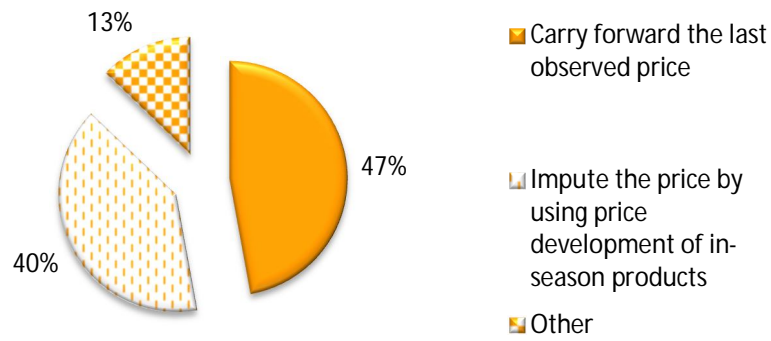


Sampling method(s) used for the selection of localities, outlets and products, % of countries

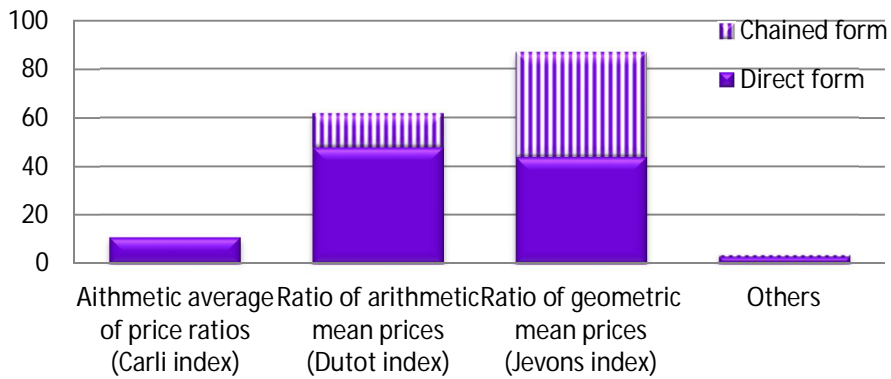




Method of imputation for out-of season periods (for those that do not use variable weights), % of countries



Formula used for the calculation of elementary indices, no. of countries



Average prices calculated and disseminated, % of countries

