

***CORPORATE SERVICES PRICE INDICES:  
FITNESS FOR USE AS DEFLATORS***

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**Producer Price Indices – Session 3**

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# Aims

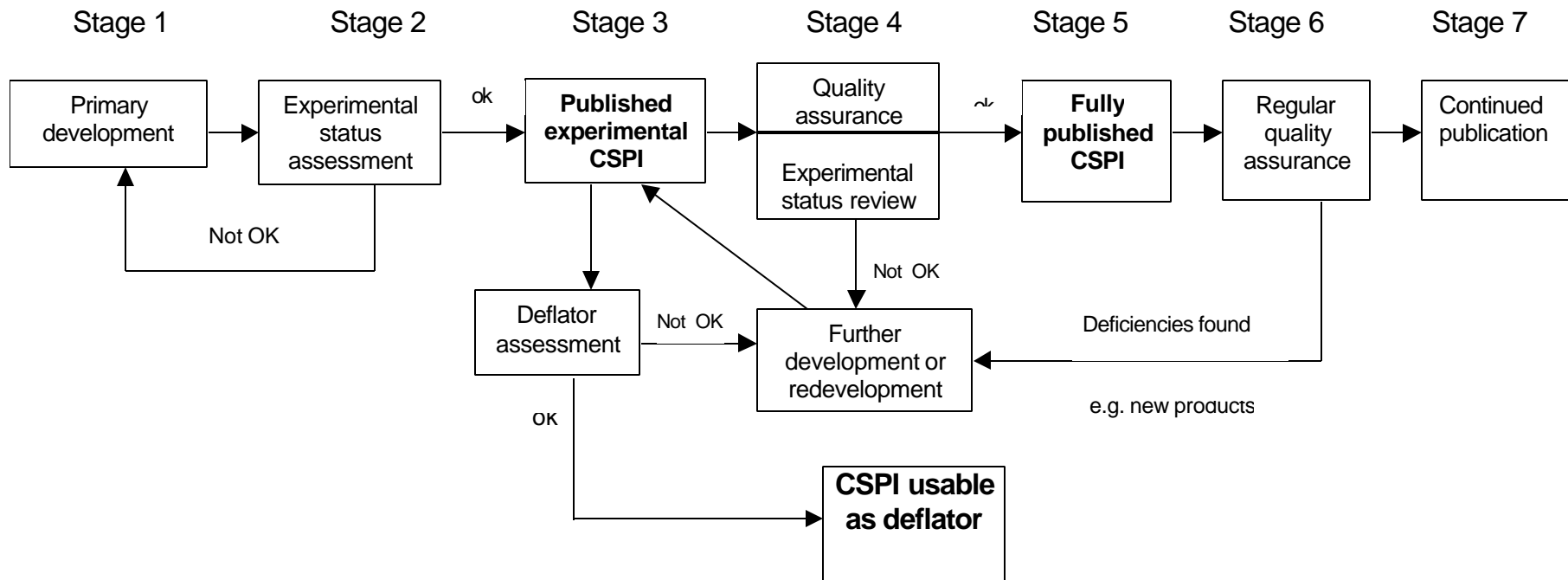
**Two main aims of CSPI review and evaluation process:**

- **To assess fitness for use as a deflator**
- **To assess publication status**

# Publication status

- **Not publishable**
- **Experimental**
- **Fully publishable**

# CSPI: Development Process



# **FITNESS FOR USE AS DEFLATORS**

## **Absolute criteria:**

- **Representative sample**
- **Optimal sample design (in accordance with established procedures)**
- **Clear weighting structure**
- **Sample suitable for measuring changes over time**
- **Complementing the consumer price index, where relevant**
- **Compatibility of questionnaires with National Accounts' business inquiry definitions**
- **Clear explanations where definitional difficulties exist**
- **Thorough examination and documentation of external sources**
- **Timeliness of data**
- **Periodicity compatible with national accounts, where possible**

# **FITNESS FOR USE AS DEFLATORS**

## **Absolute criteria (continued):**

- **Explanation of changes in the service products being priced**
- **Minimum 3 years of good quality data**
- **All erratic movements explained**
- **Systematic reviews of collection and calculation**
- **All assessment information to be publicly available**

# **FITNESS FOR USE AS DEFLATORS**

## **Relative criteria:**

**Comparisons with deflators currently in use, including:**

- **subjecting existing deflators to the absolute criteria above and comparing outcomes;**
- **comparing time series, assessing relative volatility and robustness**

# Assessment as Deflators: Proposed Process

