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Mr J Hibbert, CSO
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WBM

TAX AND PRICE INDEX

You will have already seen the briefing provided by the Secretary of State for Employment about the implementation of improvements to the Retail Prices Index in the index for February, to be released on Friday 20 March. These improvements stem from recommendations made by the RPI Advisory Committee.

You will wish to be aware that the Tax and Price Index to be released on the same day is to be re-referenced with January 1987 taken as 100, in line with the RPI. Otherwise the TPI is largely unaffected by the recommendations on the RPI made by the Advisory Committee. The only change follows from the RPI now measuring housing costs gross of housing benefit; the income base for the TPI will now include that part of housing benefit received by taxpayers. This will have a negligible impact on the index.

M. J. Erritt

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Division III
Central Statistical Office

12 March 1987

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