

Meeting the challenge of measuring the economy through the Covid-19 pandemic

Jonathan Athow

ESCoE COVID-19

ECONOMIC MEASUREMENT WEBINARS

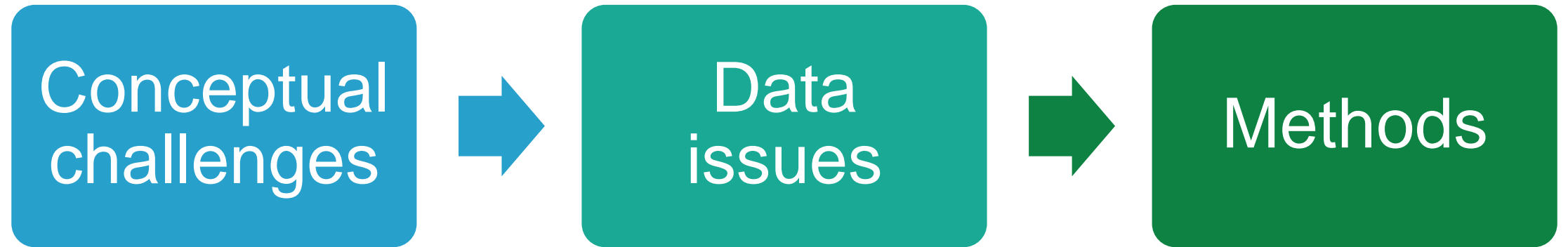
Economic statistics

In the time of Covid-19

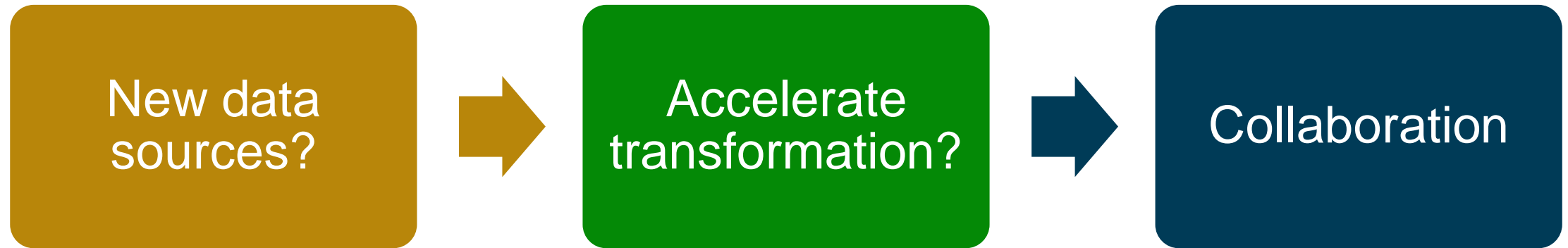
“The shutting down of large parts of the economy was not anticipated in the construction of our economic statistics”

Professor Tara Sinclair, George Washington University

The challenges...



The opportunities



Effects on core economic statistics

Prices	High	<ul style="list-style-type: none">• Previous collection method not viable• Smaller sample size• Some goods/service unavailable
Labour market	High	<ul style="list-style-type: none">• Correctly capturing furloughed workers• Low response rates (household surveys)
GDP	High	<ul style="list-style-type: none">• Conceptual challenges e.g. job retention scheme• Low response rates (business surveys)• Imputation
Public sector	High	<ul style="list-style-type: none">• Govt output (education & health)• Classifying c30 new Govt schemes• Correctly accruing receipts data
Trade	Low/medium	<ul style="list-style-type: none">• Travel and tourism difficult to measure

Conceptual issues

Job Retention Scheme

- Benefit or Subsidy?
- Not employed or employed?
- GDP(O) & GDP(I)

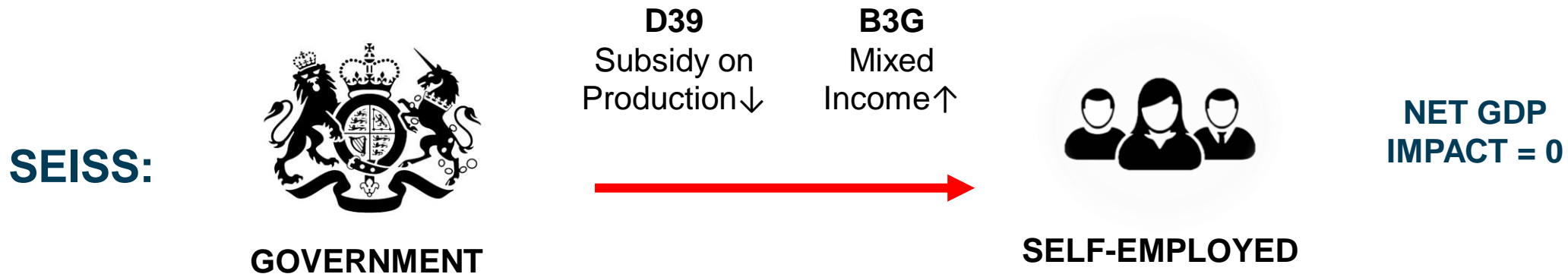
CPIH/CPI

- Fixed basket
- Missing goods & services

Education output

- Output = pupils hours in school
- But most schools closed

Coronavirus Job Retention Scheme



Missing goods/services in CPI/CPIH

- What is CPI/CPIH trying to measure/what is its value?
 - Consistency over time
 - Measuring prices 'here and now'
- Normally met with one index, but now less clear
- Keep CPI/CPIH focused on long-term & consistency
- Innovate with supplementary indices?

Education output

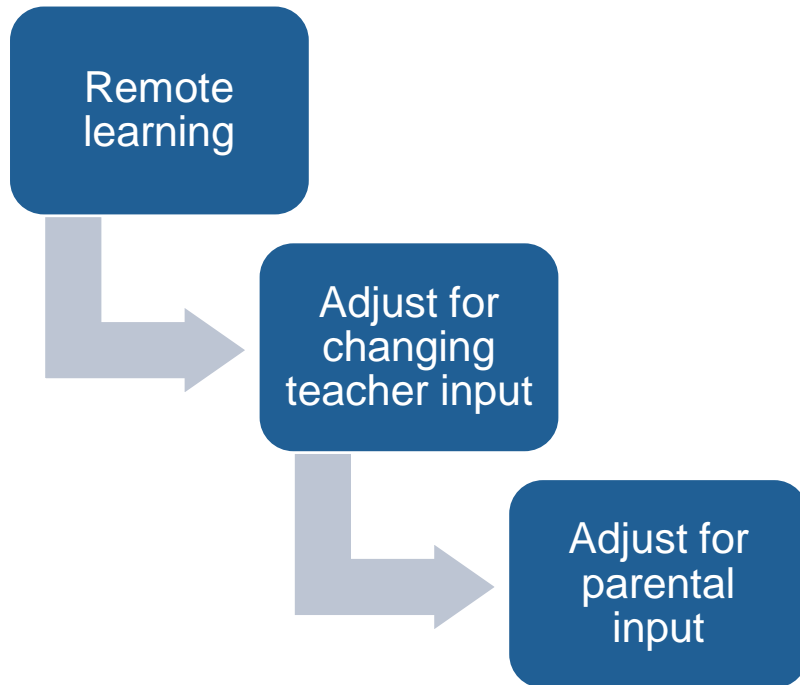
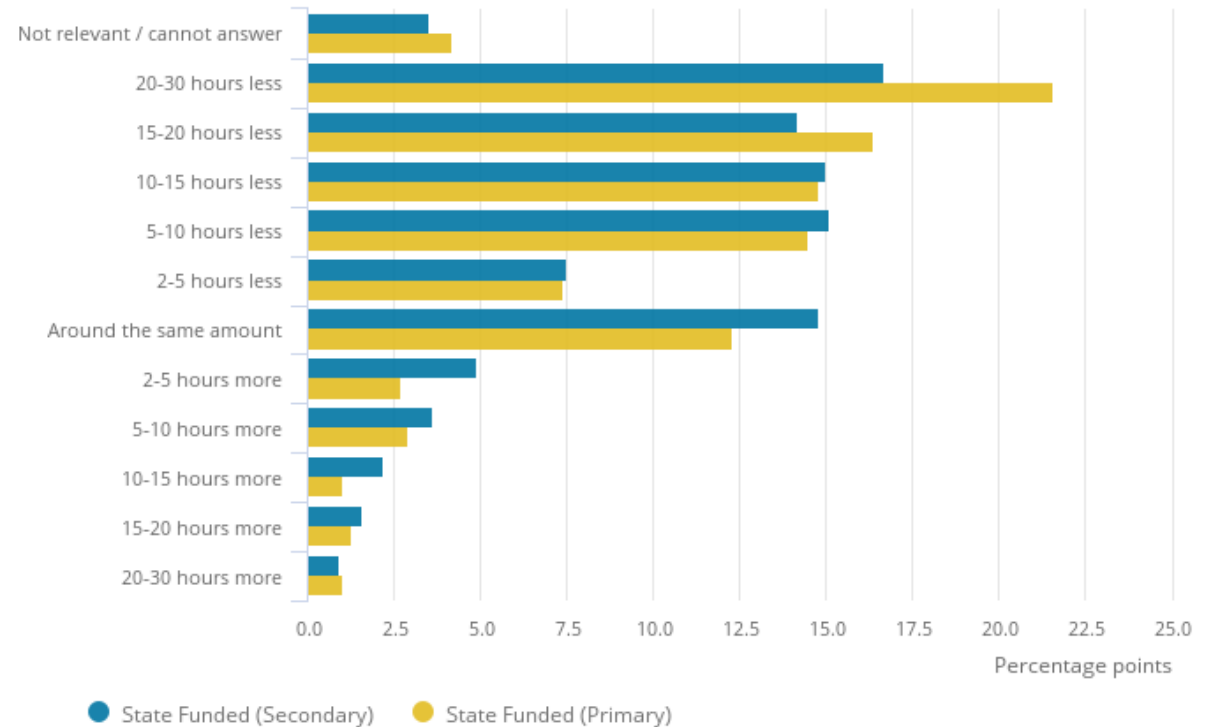


Figure 2: Question two: "Over the past week, how much more or less did you work compared to an ordinary week in school? (Please exclude any commuting time and include all teaching, planning, marking and meeting time)"

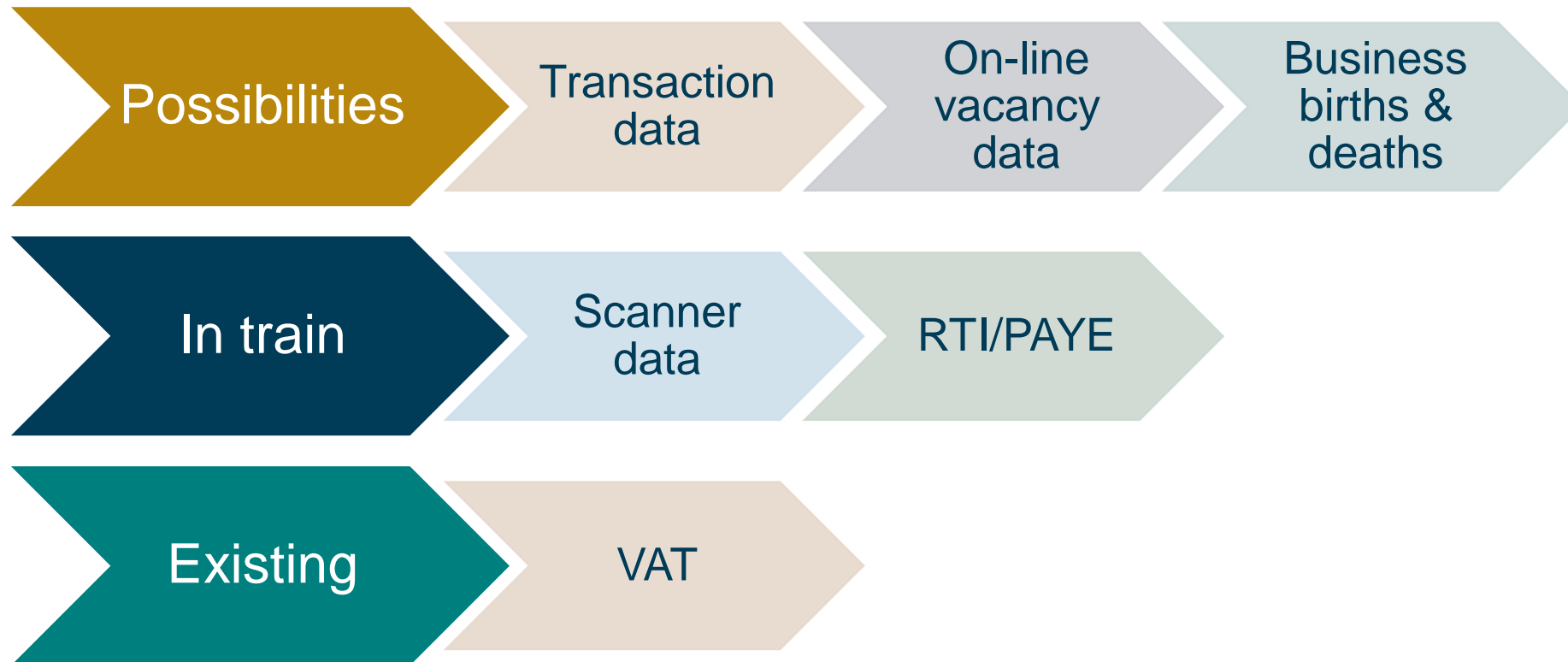
Number of hours worked compared with an ordinary week in school, state-funded primary and secondary schools, UK, week commencing 20 April 2020



Data & methods

- Low response rates:
 - Business surveys (e.g. construction)
 - Household surveys (e.g. Labour Force Survey)
- Changed mode:
 - No 'in shop' price collection
 - No face-to-face interviews
- Risk of mode effects or non-response bias?

New data sources



Accelerate transformation

- Since March, in addition to new data sources:
 - New business survey
 - New opinion survey
 - Launched on-line Labour Market Survey
- Also delivered new Covid Infection Study
- Had to stop or pause some outputs
- Go back or go forward?

Where does all this leave us? research issues

