

Updated CPI-U-RS, All Items and All items less food and energy, 1978-2010

BLS Statement on the Use of the CPI-U-RS

The Bureau of Labor Statistics (BLS) has made numerous improvements to the Consumer Price Index (CPI) over the past thirty-plus years. While these improvements make the present and future CPI more accurate, historical price index series are not adjusted to reflect the improvements. Many researchers, however, expressed an interest in having a historical series that was measured consistently over the entire period. Accordingly, the Consumer Price Index research series using current methods (CPI-U-RS) presents an estimate of the CPI for all Urban Consumers (CPI-U) from 1978 to present that incorporates most of the improvements made over that time span into the entire series.

The CPI-U-RS is in some ways an extension of the CPI-U-X1, an experimental series that shows what the inflation rate in the CPI-U might have been, if the current rental equivalence method of measuring the cost of homeownership had been in place prior to 1983.

The CPI-U-RS has some limitations. First, most estimates are based on BLS research covering a short period of time and extrapolated to a longer period. Therefore, there is considerable uncertainty surrounding the magnitude of the adjustments. Second, there have been several improvements in the CPI not incorporated into the CPI-U-RS, either because they do not represent changes in methodology, because they had negligible impacts on the CPI's growth rate, or because it was impossible to systematically estimate the impacts of the new methods in past years.

Nonetheless, the CPI-U-RS can serve as a valuable proxy for researchers needing a historical estimate of inflation using current methods. The direct adjustment of individual CPI index series makes this the most detailed and systematic estimate available of a consistent CPI series.