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Title: The use of administrative data for Italian private housing rental prices index compilation

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Abstract

Since January 2022, the Italian CPI and HICP indices of housing rentals for private sector are calculated using administrative data. In particular, the new indices are based on the information contained in the database of rents, which the Tax Office has been providing to Istat since 2017.

The database is used for a twofold purpose: firstly, the estimation of the weight for “Existing dwellings new to the household sector” for the Owner Occupied Housing Price index (OOHPI) compilation; secondly, the production of housing rentals consumer price index for private sector (excluding social rents) replacing traditional survey data collection as source of basic information.

The main advantage of using administrative data to replace those coming from survey is the coverage of almost the entire private rental market thanks to the obligation of rent contract registration when the duration is greater than 30 days a year.

This paper gives an overview of steps followed to obtain data useful for index calculation: the removal of buildings not used for housing purposes; the integration with statistical registers (such as the Statistical Register of active Enterprises, ASIA); the identification and treatment of duplicates detected in the same month; the detection of contracts regarding the whole apartment; the removal of outliers in terms of dwelling area and rent per square meter. In addition, the paper focuses on the stratification strategy and strata weight construction.

Finally, method used to calculate rental price indices and the results obtained are reported, also comparing the new indicators with the indices based on the data derived from the traditional data collection.