Methodological sheet

Prices of post offices and telecommunications

I. Definition and content
Post office and telecommunications services price index is calculated from average contractual (realization) prices, exclusive of value-added tax. The prices involved are the prices of post office and telecommunications services (performances) designed for the domestic market.

II. Sources and methodology of ascertainment
The prices are ascertained by the Czech Statistical Office in selected reporting units on the statement Communications prices 1-12.
The prices are monitored through the mediation of 44 permanent representatives which fall within Section 64 of the Standard Classification of Production (SKP).

III. Break-down
The indices published in the database are the following:

Period: 1994 - 2000	Period: 2001 - 2005
a) December 1993	December 1999
b) same period of last year = 100	same period of last year = 100
c) previous month = 100	previous month = 100
d) 1994 average = 100	2000 average = 100

Break-down of the index:
      1   Post office and telecommunications services - total
     11   State post office services
    111   Postal and delivery services
    112   Financial and commissioning services
     12   Services connected with data transfer
    121   Telephone traffic
    122   Telegraph traffic
    123   Leasing of telecommunication circuits
    124   Mobile telephone services
     13   Other telecommunication services
    131   Broadcasting
    132   Television broadcasting

IV. Method of calculation
The post office and telecommunication services price indices are calculated as selection indices, i.e. from the prices of selected representatives.
The average prices of the individual performances of post offices and telecommunications (of the representatives) are calculated as a non-weighted arithmetical average from the prices ascertained in the individual representatives.
The calculation of the aggregated indices is carried out according to a Laspeyres-type formula:

$$I = \frac{\sum \frac{p_1}{p_0}.p_0.q_0}{\sum p_0.q_0} . 100$$

p_1 - price in the period under review

p_0 - price in the basic period

p_0q_0 - constant weight - value indicator of the basic period (revenues in the year 1993 or 1999)

A constant weighting pattern is designed for the calculation of the total price indices. This weighting pattern is determined on the basis of the annual revenues for the year 1993 or 1999. The basic price period is December 1993 or December 1999.

V. Changes in methodology
- Revisions of the price indices were carried out, with the determination of the following years as the basic, "zero", years:
  - 1993
  - 1999
- Apart from the revisions, no significant changes are carried out.

V. Reporting entities
The reporting entities are selected telecommunications institutions and the state post.