

Price and Volume Measurement for R&D in German National Accounts

Topic: Supply, Use and IO Tables: Previous Year Prices

Author: Liane Ritter

For scientific research and development services (R&D) price measurement is difficult, because these services are unique by nature. Therefore an input-method can be used for price and volume measurement of R&D. This means, that deflators of inputs (intermediate consumption, compensation of employees and consumption of fixed capital) are calculated and weighted to derive deflators for output of R&D.

In German national accounts use tables are a main source for calculating deflators of intermediate consumption in different R&D producing industries. Deflators for compensation of employees are based on data about gross hourly earnings differentiated by occupational skills.

The deflators for R&D are used to calculate output and gross fixed capital formation of R&D at previous year's prices.