Shortcuts:

\( w_t \) = Average yearly nominal wage payments per employee in period \( t \)

\( L_t \) = Number of employees in period \( t \).

\( Y_t \) = Real GDP in period \( t \)

\( P_t \) = Price level of GDP in period \( t \)

\( P_T \) = Price level of GDP in base year \( T \)