

Development of a quality adjusted labour productivity index in the European Union – Example of the employment embodied in European exports

Topic: 716Z Special session: International Trade Data Analysis in the Framework of Supply, Use and Input-Output Tables

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The paper will introduce the methodology for the Quality Adjusted Labour Index (QALI) in the European Union which combines macro-data from National Accounts (which are the benchmarked data) and micro-data from the EU statistics of the Labour Force survey (LFS) and the Structural Earnings Survey (SES).

The Quality Adjusted Labour Input is constructed for the EU-28, EA-19 and each EU MS, whenever data are available, for the full time series from 2002 to 2013, with possible extension to 2014. Survey-based data of hours worked and earnings for 2002-2007 are converted from NACE Rev.1.1 to NACE Rev.2. The QALI values by EU Member State are weighted by skills, by age and by combinations of skill and age groups. The industry breakdown varies depending on countries due to reliability/confidentiality constraints of the survey data: 21 industries (A21) for some countries, EU28 and EA19; 10 industries (A10); and the total economy.

Connected to the decomposition of the volume by type of workers (by age and by skill), the results will give interesting insights on what kind of employment is supported by European exports in terms of age, qualifications, and in which industrial activities. The results will be based on the European consolidated Supply, Use and Input-Output Tables produced annually by Eurostat.