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- 1 ⇨ **WAGE RATE INDEX - 1997**
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MINISTRY OF ECONOMIC DEVELOPMENT AND REGIONAL CO-OPERATION
PORT LOUIS
MAURITIUS

WAGE RATE INDEX - 1997

Introduction

This is the fifth issue of the wage rate index, which is published by the Central Statistical Office as from 1993. This index, having as base 1992, is computed from wage data collected through the Survey of Employment, Earnings and Hours of work, carried out among a sample of large establishments (i.e. in general, those having 10 or more employees) in September of each year.

The hourly wage/salary rates of specific occupations, used in the calculation of the index, are the rates paid for normal time work and comprise basic wages and salaries, cost of living allowances and other guaranteed and regularly paid (at the end of each pay period) allowances. Overtime payments are therefore excluded.

It must be pointed out that the current figures are subject to revision in later issues, as more and better information becomes available. Thus figures for 1996 in this issue have been updated, as indicated by relevant footnotes.

2. Changes in the index

Between 1996 and 1997, wages have gone up by 9.9 % compared to 5.2 % between 1995 and 1996. These increases have caused the overall wage index to rise by 14.3 points, i.e. from 144.0 in September 1996 to 158.3 in September 1997. The corresponding rise of the preceding twelve months, i.e. September 1995 to September 1996, was 7.4 points. Subindices for all major industry groups for 1996 and 1997 are given in table 1, where a general upward movement is obvious. It can be seen that subindices range between 140.4 in 'Wholesale, retail trade, restaurants and hotels' and 170.5 in 'Agriculture and Fishing'. Subindices for 'Manufacturing' and 'Community, social and personal services', which most affect the overall index because of their important weights, were 153.2 and 161.7 respectively.

3. Contribution of the industry groups to the index

'Community, social and personal services' contributed most (5.6 points) to the increase of 14.3 points in the overall index between 1996 and 1997. Other important contributions were 3.4 points, from 'Manufacturing', and 2.0 points from 'Agriculture and fishing'. The contribution of each of the industry groups to the overall index is shown in table 2.

4. Change in wage rates by industry

The highest increases in wage rates were again noted in the sectors 'Agriculture and fishing' (14.7%) and 'Transport, storage and communication' (13.8%) for the period 1996 to 1997. Important rises in wages was also noted in 'Community, social and personal services' (12.5%) mainly due to adjustments in salaries in the public sector following the CSAT award and in 'Electricity and water' (10.6%) due to revision in salary. Increases were also registered

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in the other sectors, ranging between 3% in 'Wholesale, retail trade, restaurants and hotels' and 8% in 'Construction'.

5. Limitations

To show genuine changes in the price of labour, it would be necessary to proceed in the same way as for pricing of commodities for the Consumer Price Index. In other words, wages of specific individual workers at specific establishments, would have to be measured over time. This exercise is practically impossible in any country. The next best approach is to follow changes in the wages of groups of employees performing the same jobs, i.e. changes in wage rates of specific occupations. However, the following limitations have to be faced even in this approach.

For example, any changes in the mix of employees within the selected occupations is bound to affect the calculated rates and hence the corresponding sectoral indices. Such changes can occur, for example, with a new intake of employees in a specific group - when the wages of the new recruits pull down the average wages for the whole group from one period to the next.

Other limitations may arise because of:-

- (i) wage adjustments resulting from changes in the tasks associated with a particular occupation, cannot be separated from pure price changes.
- (ii) the difficulty of separating the effects of productivity from the overall change.

Central Statistical Office
Ministry of Economic Development and Regional Co-operation
PORT-LOUIS

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Table 1 - Wage index by industry group , 1996-1997**(Base:September 1992 = 100)**

Industry group	Weights	Index 96 ¹	Index 97
Agriculture and fishing	93	148.6	170.5
Manufacturing,mining & quarrying	313	142.4	153.2
Electricity and water	23	132.5	146.6
Construction	54	150.4	162.8
Wholesale, retail trade, restaurants and hotels	88	136.2	140.4
Transport, storage & communication	68	148.0	168.4
Financing, insurance, real estate and business services	48	154.4	165.6
Community, social and personal services	313	143.7	161.7
of which Government services	(257)	(140.7)	(158.2)
Other services	(56)	(158.0)	(178.0)
All sectors	1,000	144.0	158.3

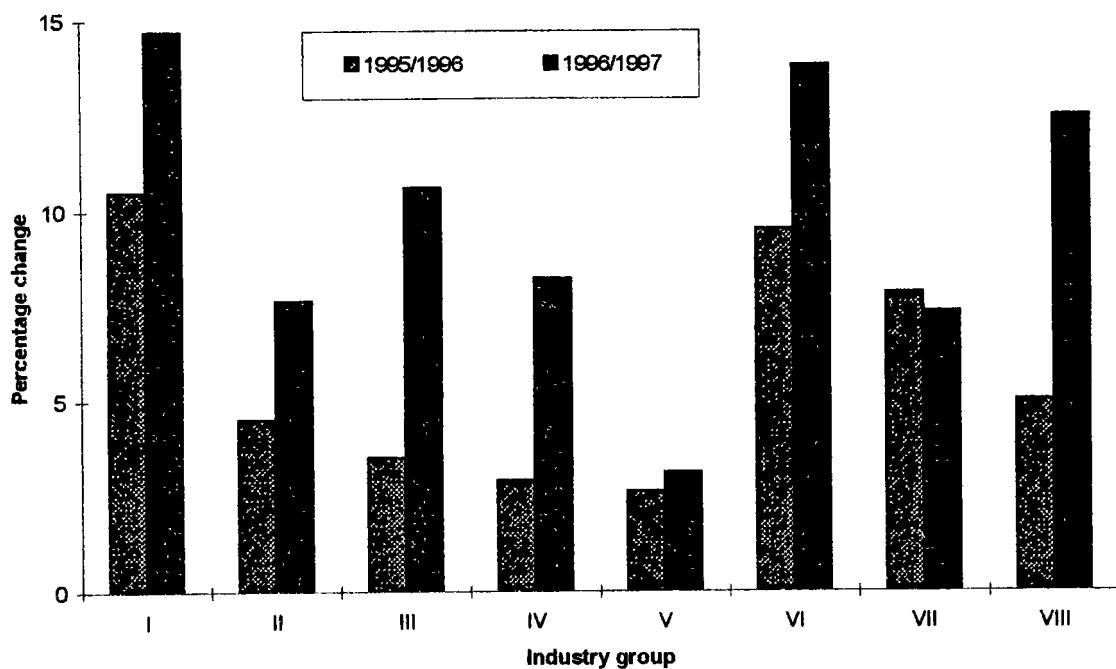
Table 2 - Contribution of industry groups to change in index , 1995-96 and 1996-97

Industry group	1995-96 ¹	1996-97
Agriculture and fishing	1.3	2.0
Manufacturing,mining & quarrying	2.0	3.4
Electricity and water	0.1	0.3
Construction	0.2	0.7
Wholesale, retail trade, restaurants and hotels	0.3	0.4
Transport, storage & communication	0.9	1.4
Financing, insurance, real estate and business services	0.5	0.5
Community, social and personal services	2.1	5.6
of which Government services	(1.8)	(4.5)
Other services	(0.4)	(1.1)
Total absolute change (points)	7.4	14.3

¹ Revised

Table 3 - Annual percentage change in wage rates by industry group, 1995-96 and 1996-97

Industry group	Percentage change	
	1995 to 1996 ¹	1996 to 1997
I Agriculture and fishing	10.5	14.7
II Manufacturing, mining & quarrying	4.5	7.6
III Electricity and water	3.5	10.6
IV Construction	2.9	8.2
V Wholesale, retail trade, restaurants and hotels	2.6	3.1
VI Transport, storage & communication	9.5	13.8
VII Financing, insurance, real estate and business services	7.8	7.3
VIII Community, social and personal services	5.0	12.5
of which Government services	(5.2)	(12.4)
Other services	(4.5)	(12.7)
Overall percentage change	5.2	9.9

¹ Revised**Fig 1 - Annual percentage change in wage rates by industry group, 1996 - 1997**

**Table 4 - Average wages per hour of selected occupations by industry group
(excluding government), September 1996 - September 1997**

Industry group	Occupation	Average wages ¹ per hour (Rs)		Change(%) 1996 to 1997
		1996	1997	
<u>Agriculture</u>				
Sugarcane plantations	Overseer - Grade I	33.81	37.05	9.6
	Field worker(other than special category)	28.01	32.47	15.9
Tea plantations	Fieldworker	17.08	18.91	10.7
	Sirdar/Gangman	26.05	28.61	9.8
<u>Manufacturing</u>				
Poultry breeding & processing	Farm worker	21.98 ²	23.91	8.8
	Factory worker	20.72 ²	22.82	10.1
Biscuits and confectionery	Machine operator	19.92	21.78	9.3
	Factory worker	11.61	12.80	10.2
Sugar factories	Fitter - Grade I	29.26	31.18	6.6
	Welder Grade I	28.33	30.80	8.7
	Driver (heavy mechanical unit) -Grade I	30.56 ²	32.63	6.8
	Factory operator -Grade I	23.42	25.04	6.9
Tea factories	Factory worker	17.42	18.68	7.2
	Factory operator	21.74	23.65	8.8
Soft drinks	Beverage machine operator	25.78	27.61	7.1
	Driver/Salesman	33.03	32.78	-0.8
	Lorry helper	22.81	25.18	10.4
Textiles (excluding wearing apparel)	Factory worker	19.64	20.20	2.9
	Unskilled worker	15.34	15.34	0.0
	Machine operator	18.40	18.69	1.6
Wearing apparel (except footwear)	Machine operator	15.13	16.43	8.6
	Weaver/Knitter	15.55	16.43	5.7
	Unskilled worker	14.50	15.96	10.1

¹ Wages include remuneration for normal time work inclusive of cost of living allowances and other guaranteed and regularly paid allowances

² Revised

Table 4 (cont'd) - Average wage per hour of selected occupations by industry group (excluding government), September 1996 - September 1997

Industry group	Occupation	Average wages ¹		Change(%) 1996 to 1997
		per hour (Rs)		
		1996	1997	
Manufacture of leather products (except footwear)	Factory worker	13.21	14.10	6.7
Footwear	Shoemaking machine operator	19.29	21.35	10.7
Furniture	Furniture upholsterer - Grade I	23.89	28.79	20.5
	Varnisher/Cabinet maker -Grade I	23.56	27.57	17.0
Manufacture of paper products	Machine operator	23.60	26.11	10.6
	Unskilled worker	17.15	17.87	4.2
Printing & publishing	Reporter/Journalist	87.52 ²	94.80	8.3
	Typist/Stenographer	44.24 ²	47.01	6.3
	Printing machine operator	30.70	33.75	9.9
	Binder/Cutter	23.28	26.48	13.7
Chemical products (excluding fertilisers)	Mixing/Blending machine operator	20.05	22.74	13.4
	Unskilled worker	17.85 ²	19.18	7.5
Manufacture of rubber products	Machine operator	21.48	22.98	7.0
Plastic products	Factory operator	21.22 ²	23.09	8.8
	Other fact.worker	23.50 ²	24.06	2.4
Iron & steel basic industries	Factory worker	23.34	22.39	-4.1
Manufacture of metal products (except machinery)	Factory worker	23.44 ²	26.37	12.5
Non-electrical machinery	Fitter	26.06	33.04	26.8
	Mechanic	26.86	30.17	12.3
Electrical machinery & appliances	Factory worker	19.22	21.52	12.0

¹ Wages include remuneration for normal time work inclusive of cost of living allowances and other guaranteed and regularly paid allowances

² Revised

**Table 4 (cont'd) - Average wage per hour of selected occupations by industry group
(excluding government), September 1996 - September 1997**

Industry group	Occupation	Average wages ¹		Change(%) 1996 to		
		per hour (Rs)				
		1996	1997	1997		
Jewellery & related articles	Diamond cutter/Polisher	20.07	22.00	9.6		
Electricity	Lineman	38.20	42.15	10.3		
	Power generating machine operator	38.48	44.59	15.9		
Water	Meter reader	40.56	43.47	7.2		
	Tradesmen	34.19	36.63	7.1		
	Labourer/Unskilled worker		22.85	26.37	15.4	
Construction	Mason -Grade 1	40.07	43.00	7.3		
	Carpenter - Grade 1	35.08	37.18	6.0		
	Labourer/Helper		20.04	24.28	21.2	
Wholesale, retail trade, restaurants and hotels	Wholesale & retail trade	Salesperson	28.29	28.69	1.4	
		Sales representative	83.94	88.94	6.0	
Hotels	Receptionist	29.10	29.10	0.0		
	Waiter	20.80	21.80	4.8		
	Cook	27.13 ²	27.30	0.6		
	Cleaner		17.69	18.88	6.7	
Transport, storage & communication	Bus transport	Bus driver	27.98	28.80	2.9	
		Bus conductor	24.05	25.53	6.2	
		Dock worker	32.53	36.10	11.0	
Docks & stevedoring	Dock worker					
Communication	Telephone installer/Service	42.91	45.36	5.7		
	Telephone operator	58.60	59.50	1.5		
	Telecommunication technician		70.77 ²	72.70	2.7	
Financing, insurance, real estate and business services	Banks & other financial institutions	Bank teller	52.77	57.20	8.4	
		Clerk/Senior clerk		64.38	69.96	8.7

¹ Wages include remuneration for normal time work inclusive of cost of living allowances and other guaranteed and regularly paid allowances

² Revised

**Table 4 (cont'd) - Average wage per hour of selected occupations by industry group
(excluding government), September 1996 - September 1997**

Industry group	Occupation	Average wages ¹		Change(%) 1996 to 1997
		per hour (Rs)		
		1996	1997	
Insurance	Insurance clerk	45.97	52.60	14.4
	Clerk / Senior clerk - General	50.86	52.98	4.2
Engineering and architectural services	Draughtsman	43.51	47.63	9.5
	Engineer	107.80	115.24	6.9
Community, social and personal services Sanitary services	Office/Building cleaner	13.75 ²	14.54	5.7
	Scavenger/Street sweeper	13.89	16.11	16.0
Private education services	Education Officer	96.25	108.87	13.1
	Lecturer (full-time)	119.05	119.69	0.5
Private health services	Professional Nurse	40.53 ²	42.99	6.1
	Nursing Aid	23.90 ²	26.70	11.7
Repair of motor vehicles	Garage mechanic - Grade I	27.45	29.84	8.7
	Panel beater - Grade I	39.12	41.75	6.7
Laundry services	Machine operator	18.55	19.76	6.5
	Driver	21.84	21.89	0.2

¹ Wages include remuneration for normal time work inclusive of cost of living allowances and other guaranteed and regularly paid allowances

² Revised

Table 5 - Average wages/salaries per month of selected occupations in government services, September 1996 - September 1997

Occupation	1996 (Rs)	1997 (Rs)	Change (%) 1996 to 1997
Central government			
Education officer	13,873	15,673	13.0
Nursing officer	7,096	8,064	13.6
Teacher/Senior teacher	7,523 ¹	8,817	17.2
Clerical officer/Higher clerical officer	5,952	6,795	14.2
Police constable	6,596	7,581	14.9
Mason	5,716	6,491	13.6
Carpenter	5,795	6,561	13.2
Driver	5,148	5,924	15.1
Hospital servant	4,808	5,435	13.0
Labourer	4,183	4,790	14.5
Local government			
Inspector of health	8,040	9,350	16.3
Clerical officer	5,497	6,100	11.0
Gardener	4,472	5,028	12.4
Mason	5,475	6,235	13.9
Carpenter	5,373	5,930	10.4
Driver	5,131	5,909	15.2
Refuse collector	4,270	4,902	14.8
Labourer	4,060	4,624	13.9

¹ Revised