



MAURITIUS

Economic and Social Indicators

An Occasional Paper

ISSUE NO. 294

7 May 1999

- 1 ⇨ **WAGE RATE INDEX - 1998**
- 2 ⇨ **PRODUCER PRICE INDEX – AGRICULTURE (PPI-A)**
(4TH Quarter 1998)

<http://ncb.intnet.mu/medrc.htm>

Rs 20.-

MINISTRY OF ECONOMIC DEVELOPMENT, PRODUCTIVITY
AND REGIONAL DEVELOPMENT

PORT LOUIS
MAURITIUS

WAGE RATE INDEX - 1998

Introduction

This is the sixth 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 1997 in this issue have been updated, as indicated by relevant footnotes.

2. Changes in the index

Between September 1997 and September 1998, the wage index has risen by 16.5 points, i.e. from 158.3 to 174.8. The corresponding rise of the preceding twelve months was slightly smaller, at 14.3 points. Table 1 gives the subindices for all major industry groups for years 1997 and 1998, where a general upward movement is noted. The value of the subindices range between 148.2 in 'Wholesale, retail trade, restaurants and hotels' and 188.5 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 165.0 and 184.5 respectively.

3. Contribution of the industry groups to the index

The contribution of each industry group to the overall index is shown in Table 2. 'Community, social and personal services' contributed most (7.1 points) to the increase of 16.5 points in the overall index between 1997 and 1998. It should be noted that the 6.0 points in the 7.1 points rise was due to increases in the salaries of government employees following the implementation of the PRB report. Other important contributions were 3.7 points from 'Manufacturing', and 1.7 points from 'Agriculture and Fishing'.

4. Change in wage rates by industry

For the period September 1997 to September 1998, the largest increase in wage rates (14.1%) was observed in the sector 'Community, social and personal services', as a result of an increase of 14.7% in the Government sector. Employees of the sector 'Electricity and Water' also benefited from an increase of 13.3% in the wage rates following the implementation of the PRB report. Important rises in wages were also noted in 'Construction' (12.3%), 'Agriculture and Fishing' (10.6%) and 'Financing, insurance, real estate and business services' (10.4%). The remaining sectors registered increases ranging between 6% and 8%. Table 3 display the changes in the wage rates by industry group.

5. Limitations

To show genuine changes in the price of labour, it would be necessary for wages of specific individual workers at specific establishments to be measured over time. This exercise is practically impossible. In this present exercise, the next best approach has been adopted, that is, to follow changes in the wages of groups of employees performing the same jobs. This gives a measure of 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, Productivity and Regional Development
Port Louis

May 1999

Table 1 - Wage index by industry group , 1997-1998**(Base:September 1992 = 100)**

Industry group	Weights	Index 97	Index 98
Agriculture and fishing	93	170.5	188.5
Manufacturing,mining & quarrying	313	153.2	165.0
Electricity and water	23	146.6	166.1
Construction	54	162.8	182.8
Wholesale, retail trade, restaurants and hotels	88	140.4	148.2
Transport, storage & communication	68	168.4	181.3
Financing, insurance, real estate and business services	48	165.6	182.8
Community, social and personal services	313	161.7	184.5
of which Government services	(257)	(158.2)	(181.5)
Other services	(56)	(178.0)	(198.3)
All sectors	1,000	158.3	174.8

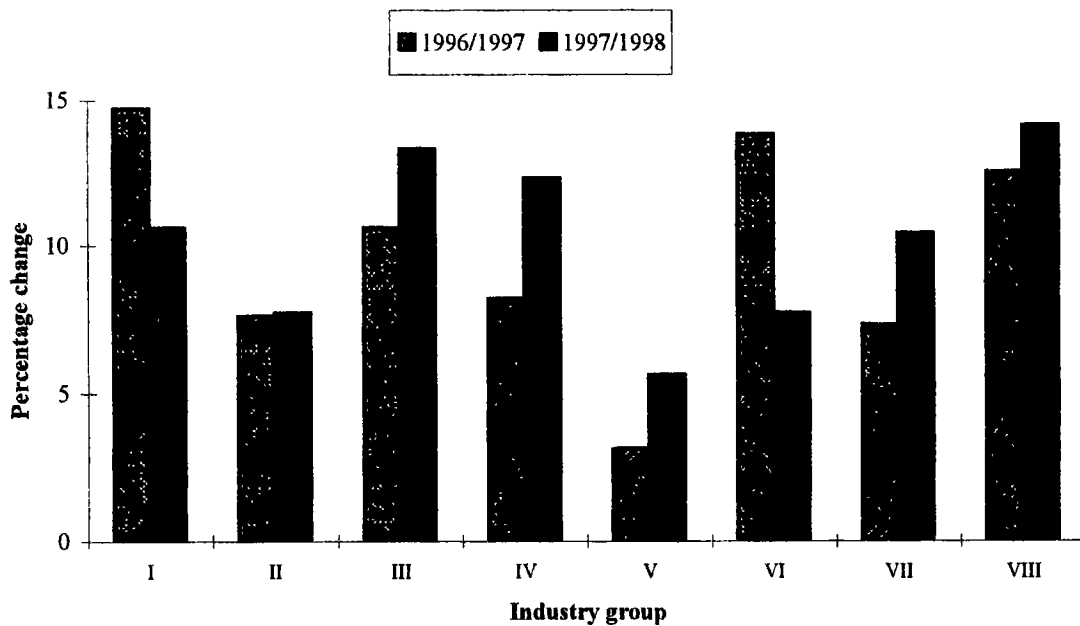
Table 2 - Contribution of industry groups to change in index , 1996-97 and 1997-98

Industry group	1996-97	1997-98
Agriculture and fishing	2.0	1.7
Manufacturing,mining & quarrying	3.4	3.7
Electricity and water	0.3	0.4
Construction	0.7	1.1
Wholesale, retail trade, restaurants and hotels	0.4	0.7
Transport, storage & communication	1.4	0.9
Financing, insurance, real estate and business services	0.5	0.8
Community, social and personal services	5.6	7.1
of which Government services	(4.5)	(6.0)
Other services	(1.1)	(1.1)
Total absolute change (points)	14.3	16.5

Table 3 - Annual percentage change in wage rates by industry group, 1996-1997 and 1997-1998

Industry group	Percentage change	
	1996 to 1997	1997 to 1998
I Agriculture and fishing	14.7	10.6
II Manufacturing, mining & quarrying	7.6	7.7
III Electricity and water	10.6	13.3
IV Construction	8.2	12.3
V Wholesale, retail trade, restaurants and hotels	3.1	5.6
VI Transport, storage & communication	13.8	7.7
VII Financing, insurance, real estate and business services	7.3	10.4
VIII Community, social and personal services	12.5	14.1
of which Government services	(12.4)	(14.7)
Other services	(12.7)	(11.4)
Overall percentage change	9.9	10.4

Fig. 1 - Annual percentage change in wage rates by industry group, 1997 - 1998



**Table 4 - Average wages per hour of selected occupations by industry group
(excluding government), September 1997 - September 1998**

Industry group	Occupation	Average wages per hour (Rs)		Change(%) 1997 to 1998
		1997	1998	
<u>Agriculture</u>				
Sugarcane plantations	Overseer - Grade I	37.05	42.69	15.2
	Field worker(other than special category)	32.47	36.03	11.0
Tea plantations	Fieldworker	18.91	19.16	1.3
	Sirdar/Gangman	28.61	29.75	4.0
<u>Manufacturing</u>				
Poultry breeding & processing	Farm worker	23.91	25.44	6.4
	Factory worker	22.82	23.41	2.6
Biscuits and confectionery	Machine operator	21.78	22.17	1.8
	Factory worker	12.80	13.78	7.7
Sugar factories	Filter - Grade I	31.18	32.50	4.2
	Welder Grade I	30.80	31.43	2.0
	Driver (heavy mechanical unit) -Grade I	32.63	37.71	15.6
	Factory operator -Grade I	25.04	27.27	8.9
Tea factories	Factory worker	18.68	19.84	6.2
	Factory operator	23.65	23.96	1.3
Soft drinks	Beverage machine operator	27.61	29.82	8.0
	Driver/Salesman	32.78	38.32	16.9
	Lorry helper	25.18	26.50	5.2
Textiles (excluding wearing apparel)	Factory worker	20.20	21.89	8.4
	Unskilled worker	15.34	16.94	10.4
	Machine operator	18.69	20.86	11.6
Wearing apparel (except footwear)	Machine operator	16.43	17.90	8.9
	Weaver/Knitter	16.43	17.43	6.1
	Unskilled worker	15.96	16.49	3.3

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

**Table 4 (cont'd) - Average wage per hour of selected occupations by industry group
(excluding government), September 1997 - September 1998**

Industry group	Occupation	Average wages per hour (Rs)		Change(%) 1997 to 1998
		1997	1998	
Manufacture of leather products (except footwear)	Factory worker	14.10	14.94	6.0
	Footwear			
	Shoemaking machine operator	21.35	22.50	5.4
Furniture	Furniture upholsterer - Grade I	28.79	30.83	7.1
	Varnisher/Cabinet maker -Grade I	27.57	28.48	3.3
Manufacture of paper products	Machine operator	26.11	26.96	3.3
	Unskilled worker	17.87	19.59	9.6
Printing & publishing	Reporter/Journalist	94.80	97.02	2.3
	Typist/Stenographer	47.01	51.17	8.8
	Printing machine operator	33.75	32.52	-3.6
	Binder/Cutter	26.48	28.73	8.5
Chemical products (excluding fertilisers)	Mixing/Blending machine operator	22.74	24.06	5.8
	Unskilled worker	19.18	20.53	7.0
Manufacture of rubber products	Machine operator	22.98	23.50	2.3
Plastic products	Factory operator	23.09	22.60	-2.1
	Other factory worker	24.06	22.94	-4.7
Iron & steel basic industries	Factory worker	22.39	24.98	11.6
Manufacture of metal products (except machinery)	Factory worker	26.37	26.62	0.9
Non-electrical machinery	Fitter	33.04	34.71	5.1
	Mechanic	30.17	34.61	14.7
Electrical machinery & appliances	Factory worker	21.52	21.43	-0.4

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

Table 4 (cont'd) - Average wage per hour of selected occupations by industry group
(excluding government), September 1997 - September 1998

Industry group	Occupation	Average wages		Change(%) 1997 to 1998
		per hour (Rs)		
		1997	1998	
Jewellery & related articles	Diamond cutter/Polisher	22.00	21.72	-1.3
Electricity	Lineman	42.15	48.37	14.8
	Power generating machine operator	44.59	49.32	10.6
Water	Meter reader	43.47	54.11	24.5
	Tradesmen	36.63	41.02	12.0
	Labourer/Unskilled worker	26.37	29.45	11.7
Construction	Mason -Grade 1	43.00	48.16	12.0
	Carpenter - Grade 1	37.18	41.64	12.0
	Labourer/Helper	24.28	28.16	16.0
Wholesale, retail trade, restaurants and hotels				
Wholesale & retail trade	Salesperson	28.69	30.41	6.0
	Sales representative	88.94	97.28	9.4
Hotels	Receptionist	29.10	30.14	3.6
	Waiter	21.80	21.28	-2.4
	Cook	27.30	29.76	9.0
	Cleaner	18.88	20.92	10.8
Transport, storage & communication				
Bus transport	Bus driver	28.80	29.66	3.0
	Bus conductor	25.53	26.30	3.0
Docks & stevedoring	Dock worker	36.10	43.32	20.0
Communication	Telephone installer/Service	45.36	47.54	4.8
	Telephone operator	59.50	65.18	9.5
	Telecommunication technician	72.70	72.01	-0.9
Financing, insurance, real estate and business services				
Banks & other financial institutions	Bank teller	57.20	61.48	7.5
	Clerk/Senior clerk	69.96	75.63	8.1

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

**Table 4 (cont'd) - Average wage per hour of selected occupations by industry group
(excluding government), September 1997 - September 1998**

Industry group	Occupation	Average wages per hour (Rs)		Change(%) 1997 to 1998
		1997	1998	
Insurance	Insurance clerk	52.60	61.57	17.1
	Clerk / Senior clerk - General	52.98	64.44	21.6
Engineering and architectural services	Draughtsman	47.63	55.23	16.0
	Engineer	115.24	127.45	10.6
Community, social and personal services Sanitary services	Office/Building cleaner	14.54	15.15	4.2
	Scavenger/Street sweeper	16.11	17.18	6.6
Private education services	Education Officer	108.87	124.00	13.9
	Lecturer (full-time)	119.69	123.40	3.1
Private health services	Professional Nurse	42.99	45.91	6.8
	Nursing Aid	26.70	24.32	-8.9
Repair of motor vehicles	Garage mechanic - Grade I	29.84	32.82	10.0
	Panel beater - Grade I	41.75	43.00	3.0
Laundry services	Machine operator	19.76	20.75	5.0
	Driver	21.89	22.98	5.0

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

Table 5 - Average wages/salaries per month of selected occupations in government services, September 1997 - September 1998

Occupation	1997 (Rs)	1998 (Rs)	Change (%) 1997 to 1998
Central government			
Medical and Health officer	19,313	21,943	13.6
Education officer	15,673	16,698	6.5
Nursing officer	8,064	9,631	19.4
Teacher/Senior teacher	8,817	9,935	12.7
Clerical officer/Higher clerical officer	6,795	7,671	12.9
Police constable	7,581	8,836	16.6
Mason	6,491	7,195	10.8
Carpenter	6,561	7,230	10.2
Driver	5,924	6,605	11.5
Hospital servant	5,435	6,070	11.7
Labourer	4,790	5,290	10.4
Local government			
Inspector of health	9,350	10,583	13.2
Clerical officer	6,100	6,800	11.5
Gardener	5,028	5,522	9.8
Mason	5,903 ¹	6,809	15.3
Carpenter	5,930	6,802	14.7
Driver	5,909	6,413	8.5
Refuse collector	4,902	5,389	9.9
Labourer	4,624	5,112	10.6

¹ Revised