

Productivity and Competitiveness Indicators 1990 to 1998

Introduction

This issue of the Economic and Social Indicators presents indices on productivity and competitiveness over the period 1990 to 1998. Three sets of data are presented: the total economy, the Manufacturing sector as a whole, and the Export Processing Zone. The Export Processing Zone has been further sub-divided into two sub-sectors: Textile and Non-textile.

2. Concepts and definitions

Labour productivity is conventionally measured as the ratio of real output to labour input. In the absence of data on total man hours, total number of persons engaged has been used. Capital productivity is the ratio of real output to the amount of fixed capital used in the production process. Multifactor productivity, which measures the contribution of qualitative factors such as improved management, technology, training and better quality products, which are not directly measurable, is obtained as the ratio of output to a weighted combination of labour and capital inputs.

Unit labour cost (ULC) is the remuneration of labour to produce one unit of output. It is computed as compensation of employees in nominal terms divided by real output or as the ratio of average compensation per worker and labour productivity.

A detailed description of some concepts and definitions pertinent to the measurement of productivity and competitiveness is given on pages 9 and 10.

3. Indicators for the total economy

The following table summarises the growth rate of various productivity and competitiveness indices for the whole economy.

Indicator		Growth rate (%)		
		1990 - 1998	1997	1998
1	Output (GDP)	5.4	5.3	5.2
2	Labour input	1.9	2.3	2.5
3	Capital input	6.4	5.1	4.0
4	Labour productivity	3.5	2.9	2.6
5	Capital productivity	-0.9	0.2	1.2
6	Multifactor productivity	0.9	1.0	2.1
7	Average compensation	10.4	6.8	12.1
8	Unit labour cost (Mauritian Rupees)	6.7	3.7	9.4
9	Unit labour cost (U.S. Dollars)	0.5	-2.9	-4.0

3.1 Gross Domestic Product per capita

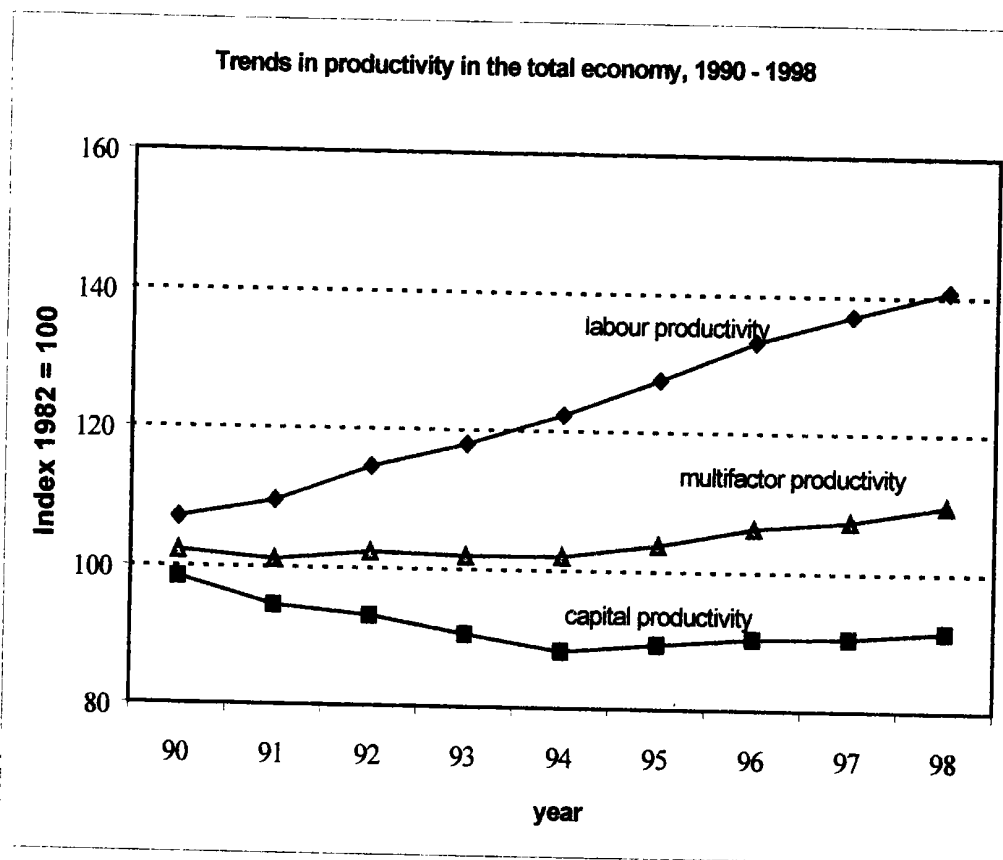
The total value of goods and services produced in the country in a year is given by the Gross Domestic Product (GDP), and growth in GDP per capita is commonly used as an indicator of improvement in the standard of living. Between 1990 and 1998, GDP in real terms grew on average by 5.4% per year. During this period, population increased at the rate of 1.1% per annum, so that GDP per capita improved by 4.2% per annum.

3.2 Contribution to growth

During 1990 -1998, GDP in real terms grew by 5.4% per annum, labour by 1.9% and capital by 6.4% (Table 1.1). Growth accounting, which enables an analysis of the contribution of different factors to economic growth, shows that the growth in GDP was driven by capital, which accounted for 62% of growth while labour contributed 17%. The remaining 21% represents the contribution of other factors also referred to as Multifactor productivity which includes qualitative factors such as training and management which are not directly measurable.

3.3 Trends in productivity

The chart below compares trends in labour, capital and multifactor productivity in the total economy during 1990 to 1998.



3.3.1 Labour productivity

Labour productivity for the total economy has been increasing continuously during the period 1990 to 1998 growing at an annual average rate of 3.5%. The last two years however, witnessed a slight slackening with a rate of 2.9% in 1997 and 2.6% for 1998 (Table 1.2). The 2.6% increase in 1998 was the result of a 5.2% growth in real GDP and 2.5% in employment.

3.3.2 Capital productivity

During the period 1990 to 1998, the capital productivity index dropped from 98.4 to 91.5 showing an average decline of 0.9% per annum. The first five years are characterised by a general declining trend with the index dropping to 88.3 in 1994. Thereafter, the index seems to have picked up and attained 91.5 in 1998. It should be noted that capital investment usually has a lagged effect and the decline between 1990 and 1994, followed by an upturn since 1995, could be an indication of a consolidation phase during the first five years.

3.3.3 Multifactor productivity

The Multifactor productivity index, which was stable at a relatively low level of about 102 during 1990 - 1994, has been increasing continuously since then to attain 109.7 in 1998. The average growth rate for the whole period is 0.9% per annum.

3.4 Unit labour cost (ULC)

ULC is an important measure of international competitiveness. Between 1990 and 1998, compensation per worker increased on average by 10.4% annually. Because of a 3.5% gain per annum in labour productivity, ULC increased at an annual rate of 6.7% in Mauritian rupee (Table 5.1). However, in US dollar terms, the annual growth rate was only 0.5% as a result of the depreciation of around 6% of the Mauritian rupee vis a vis the US dollar (Table 7).

4. Indicators for the Manufacturing Sector

The table below summarises the main indicators for the Manufacturing Sector

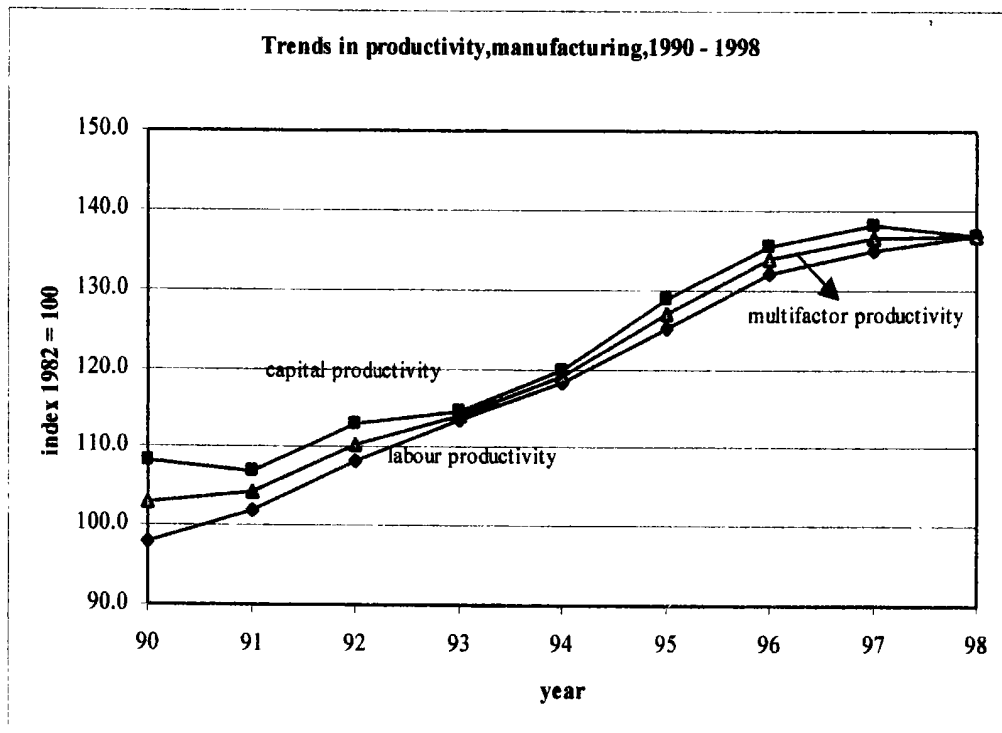
Indicator	Growth rate (%)		
	1990 - 1998	1997	1998
1 Output (GDP)	5.6	5.8	6.3
2 Labour input	1.3	3.4	4.8
3 Capital input	2.6	3.9	7.3
4 Labour productivity	4.3	2.3	1.4
5 Capital productivity	3.0	1.8	-1.0
6 Multifactor productivity	3.6	2.1	0.1
7 Average compensation	10.2	7.0	6.4
8 Unit labour cost (Mauritian Rupees)	5.7	4.6	4.9
9 Unit labour cost (U.S. Dollars)	-0.4	-2.0	-7.9

4.1 Output and inputs

Between 1990 to 1998, manufacturing output on average grew by 5.6% per annum (Table 2.1). This period was marked by relatively low growth in both labour and capital inputs. Employment increased by 1.3% and capital, by 2.6% annually.

4.2 Trends in productivity

The chart below shows trends in productivity in the Manufacturing sector.



The relatively lower growths in the two main inputs, labour and capital coupled with higher growth in output resulted in high labour, capital and multifactor productivity performances. During 1990 - 1998, labour productivity in manufacturing grew by 4.3% per annum, capital productivity by 3.0% and multifactor productivity by 3.6% (Table 2.2).

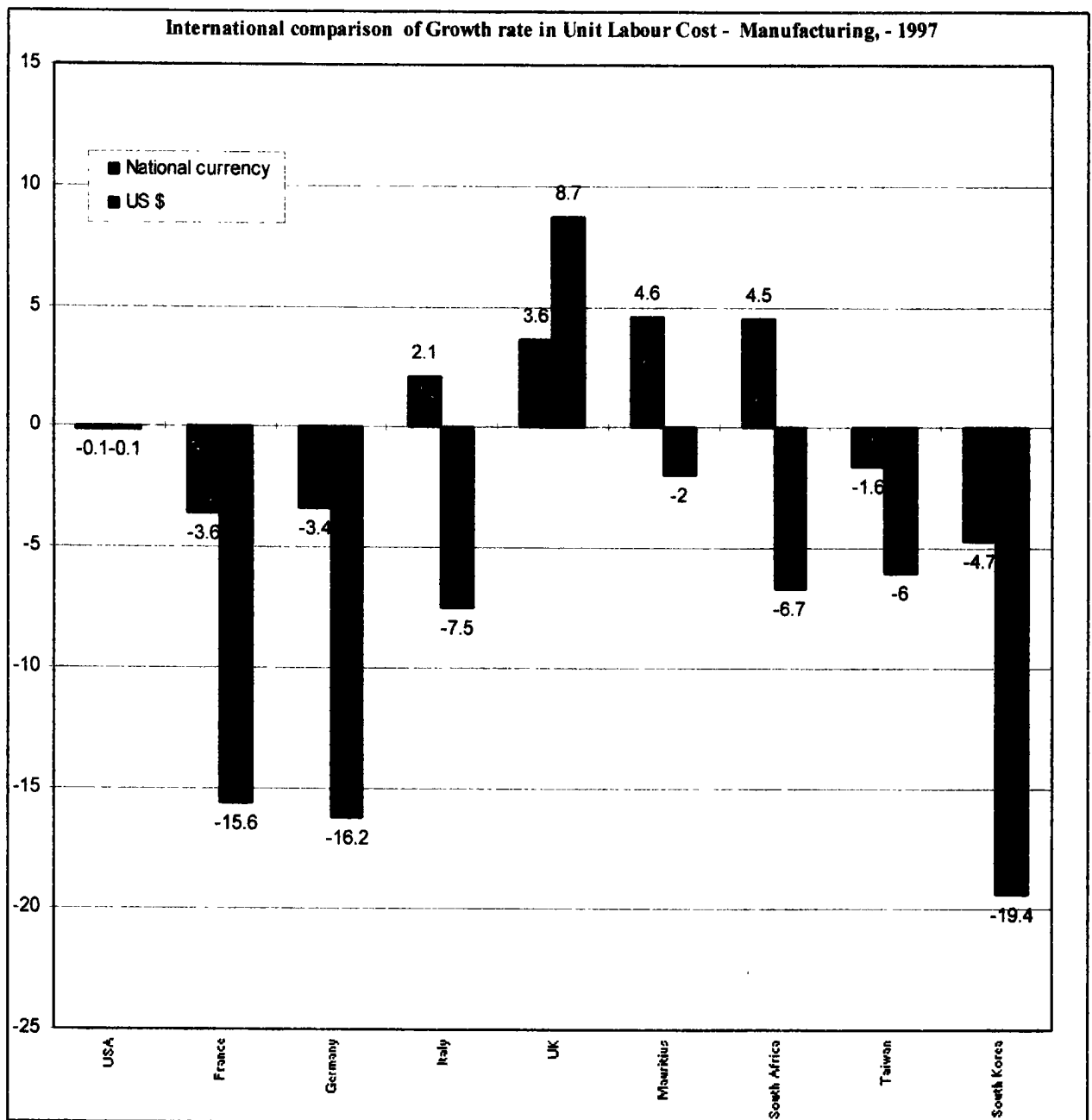
4.3 Unit labour cost (ULC)

During the review period, 1990 to 1998, ULC in national currency grew by an annual average of 5.7%, but in US dollar terms, it in fact decreased by 0.4%. In 1998, ULC in Mauritian rupee, increased by 4.9% but declined by 7.9% in US dollar terms.

4.4 International comparisons of growth in ULC, 1997

An international comparison of growth in ULC in Manufacturing, in 1997, both in national currency and in US dollar is shown in the table and chart below.

Country	USA	France	Germany	Italy	UK	Mauritius	South Africa	Taiwan	South Korea
National currency	-0.1	-3.6	-3.4	2.1	3.6	4.6	4.5	-1.6	-4.7
US \$	-0.1	-15.6	-16.2	-7.5	8.7	-2.0	-6.7	-6.0	-19.4



Source: U.S. Bureau of Labour Statistics.

4.5 International comparison of hourly labour cost, 1997

Another measure of international competitiveness pertinent to the Manufacturing sector is the hourly labour cost. The table below shows comparative hourly cost of labour in the manufacturing sector for the year 1997.

Hourly compensation for Mauritius has been worked out from the October 1997 Survey of employment, earnings and hours of work conducted by this office. Data for other countries are those published by the US Bureau of Labour Statistics.

Country	USA	France	Germany	Italy	UK	Mauritius	South Africa	Taiwan	South Korea
US \$	18.24	17.97	28.28	16.74	15.47	1.20	4.30	5.90	7.22

Exchange rate: 1US\$ = MUR21.05

Table 6 shows comparative hourly labour cost in the textile industry for Mauritius and selected countries obtained from Werner International.

5. Indicators for the Export Processing Zone (EPZ)

The main indicators for the EPZ sector are summarised below.

Indicator	Growth rate (%)		
	1990 - 1998	1997	1998
1 Output (GDP)	5.8	6.0	7.0
2 Labour input	-0.4	3.7	3.2
3 Capital input	-1.7	-0.8	0.9
4 Labour productivity	6.2	2.2	3.7
5 Capital productivity	7.6	6.8	6.0
6 Multifactor productivity	6.6	4.5	4.7
7 Average compensation	11.9	6.9	8.2
8 Unit labour cost (Mauritian Rupees)	5.4	4.6	4.4
9 Unit labour cost (U.S. Dollars)	-0.7	-2.1	-8.3

5.1 Output and inputs

The EPZ sector (Table 3.1) has been sub-divided into two main sub-sectors namely textile and non-textile (Table 4.1). Value added of the textile sub-sector accounts for around 85% and "non-textile", the remaining 15%. The non-textile sub-sector comprises production of a variety of goods including canned tuna, watches and precious stones.

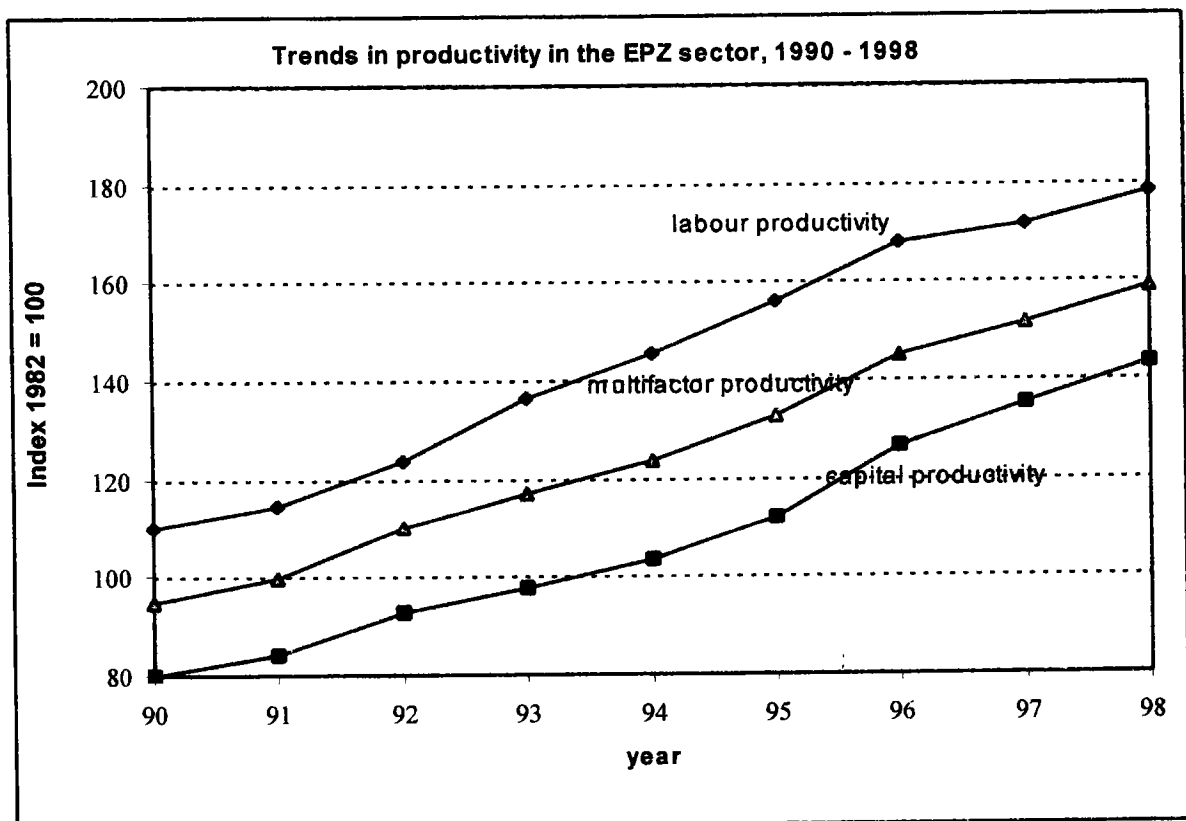
Between 1990 and 1998, output in the EPZ sector grew at an annual average rate of 5.8% with a figure of 6.1% for the textile sub-sector and 3.5% for non-textile.

Employment in the EPZ declined continuously from 1991 up to 1996 but as from 1997, the trend was reversed with growths of 3.7% in 1997 and 3.2% in 1998. The same trend is observed in the textile sub-sector. However, the non-textile sub-sector followed an oscillating pattern over the period 1990 to 1998.

Capital inputs have also followed a general declining trend of about 1.7% annually although a slight increase of 0.9% was noted in 1998.

5.2 Trends in productivity

The chart below shows trends in productivity indicators in the EPZ sector.



The consequence of the decline in labour and capital inputs coupled with the growth in output, resulted in high productivity growths in the EPZ. Between 1990 and 1998, labour productivity increased at an annual average rate of 6.2%, capital productivity, 7.6% and multifactor productivity, 6.6% (Table 3.2). Such productivity gains, which occurred in both the textile and non-textile industries (Table 4.2), are a clear indication of better utilisation of capacity by EPZ enterprises.

5.3 Unit Labour Cost (ULC)

During the period 1990 to 1998, ULC in EPZ enterprises grew by an annual average of 5.4% in Mauritian rupee but due to the continuous depreciation of the national currency vis a vis the U.S.Dollar, ULC, in fact, declined by 0.7% annually in dollar terms.

Central Statistical Office

Ministry of Economic Development, Productivity and Regional Development

Port Louis

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Concepts and definitions

1. **Real output** is given by value added at constant prices.

$$\text{Output index} = \frac{\text{Value added (constant price), year } n}{\text{Value added in base year}} \times 100$$

2. **Labour input**

Labour refers to the total number of persons engaged, that is employers, self employed, contributing family workers and employees in any type of economic activity. Employment for year n is the average number of persons engaged in June of year (n) and year (n+1).

$$\text{Employment index} = \frac{\text{Employment year } n}{\text{Employment in base year}} \times 100$$

3. **Capital input**

Capital refers to the net stock of investment in reproducible fixed assets. Reproducible fixed assets are investments in residential and non-residential building (excluding land), infrastructural work, machinery and equipment.

$$\text{Capital input index} = \frac{\text{Stock of fixed capital year } n}{\text{Stock of capital in base year}} \times 100$$

4. **Labour Productivity**

Labour productivity index shows the rate of change in output per person engaged.

$$\text{Labour Productivity Index} = \frac{\text{Output index}}{\text{Employment index}} \times 100$$

5. **Capital productivity**

The capital productivity index shows the rate of change in output per unit of capital.

$$\text{Capital Productivity Index} = \frac{\text{Output index}}{\text{Capital input index}} \times 100$$

6. Multifactor productivity

The limitation of partial productivity measures such as labour and capital productivity indices is that they attribute to one factor of production, changes in efficiency that are attributable to other factors including qualitative factors such as better management, improved quality of inputs through training and technology as well as higher quality products and economies of scale. A measure of growth in efficiency which takes account of changes in the most important factors, labour and capital is given by the MFP growth. MFP index is calculated as the ratio of output to a weighted combination of labour and capital inputs.

Multifactor productivity index

$$\text{MFP index} = \frac{\text{Output index}}{\text{Multifactor input index}} \times 100$$

$$A(t) = \frac{Q(t)}{\{WL(t) \times L(t)\} + \{WK(t) \times K(t)\}} \times 100$$

$WL(t)$ = Labour's input share in time t (ratio of compensation of employees to value added)

$L(t)$ = Labour input index in time t

$WK(t)$ = Capital share in time t (ratio of gross operating surplus to value added)

$K(t)$ = Capital input index in time t

$$WL(t) + WK(t) = 1$$

7. Unit Labour Cost Index (ULC)

Unit labour cost is the remuneration of labour to produce one unit of output. It is computed as the ratio of the labour cost index to an index of production. The index shows the rate of change in labour cost per unit of output.

$$\text{Unit Labour Cost} = \frac{\text{Labour Cost Index}}{\text{Output Index}} \times 100$$

8. Hourly compensation cost

Hourly compensation cost is the ratio of compensation to total hours worked. Compensation cost comprises wages & salaries in cash and in kind, bonus, overtime and social contribution incurred by employers. Data on earnings, obtained from the annual Employment & Earnings survey (carried out in March), has been adjusted to work out compensation cost. Data source for total hours worked, inclusive of overtime, is the 1997 October survey of employment, earnings and hours of work conducted by this office.

Table 1.1 Trends in real output and inputs -Total economy, 1990 - 1998
(Index 1982 = 100)

Year	Real output		Labour input		Capital input	
	Index	Growth rate (%)	Index	Growth rate (%)	Index	Growth rate (%)
1990	158.1	7.3	147.8	2.8	160.8	10.4
1991	165.1	4.4	150.8	2.0	175.0	8.9
1992	176.1	6.7	153.7	1.9	189.3	8.2
1993	184.9	5.0	156.6	1.9	204.1	7.8
1994	194.6	5.2	159.1	1.6	220.2	7.9
1995	205.5	5.6	161.1	1.2	230.2	4.5
1996	218.2	6.1	163.7	1.6	241.7	5.0
1997	229.8	5.3	167.4	2.3	254.0	5.1
1998	241.7	5.2	171.7	2.5	264.1	4.0
Average growth rate (%) 1990-1998		5.4	1.9		6.4	

Table 1.2 Trends in Productivity -Total economy, 1990 - 1998
(Index 1982 = 100)

Year	Labour productivity		Capital productivity		Multifactor productivity	
	Index	Growth rate (%)	Index	Growth rate (%)	Index	Growth rate (%)
1990	107.0	4.3	98.4	-2.8	102.2	0.4
1991	109.5	2.3	94.3	-4.1	101.1	-1.1
1992	114.6	4.7	93.0	-1.4	102.3	1.2
1993	118.1	3.0	90.6	-2.6	102.0	-0.3
1994	122.3	3.5	88.3	-2.5	102.0	0.0
1995	127.6	4.3	89.3	1.2	103.8	1.8
1996	133.3	4.5	90.3	1.1	106.3	2.4
1997	137.2	2.9	90.5	0.2	107.4	1.0
1998	140.8	2.6	91.5	1.2	109.7	2.1
Average growth rate (%) 1990-1998		3.5	-0.9		0.9	

Table 2.1 Trends in real output and inputs - Manufacturing sector, 1990 - 1998
(Index 1982 = 100)

Year	Real output		Labour input		Capital input	
	Index	Growth rate (%)	Index	Growth rate (%)	Index	Growth rate (%)
1990	219.6	7.7	224.4	1.2	202.7	7.1
1991	229.7	4.6	225.6	0.5	215.1	6.1
1992	244.6	6.5	226.0	0.2	216.6	0.7
1993	256.4	4.8	226.1	0.0	223.6	3.2
1994	268.2	4.6	226.9	0.4	223.8	0.1
1995	284.0	5.9	226.9	0.0	220.3	-1.6
1996	301.6	6.2	228.6	0.7	222.5	1.0
1997	319.1	5.8	236.5	3.4	231.2	3.9
1998	339.2	6.3	247.9	4.8	248.1	7.3
Average growth rate (%) 1990-1998		5.6	1.3		2.6	

Table 2.2 Trends in productivity - Manufacturing sector, 1990 - 1998
(Index 1982 = 100)

Year	Labour productivity		Capital productivity		Multifactor productivity	
	Index	Growth rate (%)	Index	Growth rate (%)	Index	Growth rate (%)
1990	97.9	6.4	108.3	0.5	102.9	3.3
1991	101.8	4.1	106.8	-1.4	104.2	1.2
1992	108.2	6.3	112.9	5.7	110.4	6.0
1993	113.4	4.8	114.7	1.5	114.0	3.3
1994	118.2	4.2	119.8	4.5	119.0	4.4
1995	125.1	5.9	128.9	7.6	127.1	6.8
1996	131.9	5.4	135.5	5.2	133.9	5.4
1997	134.9	2.3	138.0	1.8	136.6	2.1
1998	136.8	1.4	136.7	-1.0	136.8	0.1
Average growth rate (%) 1990-1998		4.3	3.0		3.6	

Table 3.1 Trends in real output and inputs -Export Processing Zone (EPZ), 1990 - 1998
(Index 1982 = 100)

Year	Real output		Labour input		Capital input	
	Index	Growth rate (%)	Index	Growth rate (%)	Index	Growth rate (%)
1990	393.3	7.0	357.5	-0.3	492.6	3.7
1991	413.0	5.0	360.0	0.7	491.6	-0.2
1992	437.8	6.0	354.1	-1.6	472.1	-4.0
1993	464.1	6.0	340.2	-3.9	474.7	0.6
1994	483.6	4.2	332.8	-2.2	467.7	-1.5
1995	507.7	5.0	325.2	-2.3	453.5	-3.0
1996	543.3	7.0	323.1	-0.6	429.9	-5.2
1997	575.9	6.0	335.2	3.7	426.6	-0.8
1998	616.2	7.0	345.9	3.2	430.7	0.9
Average growth rate (%) 1990-1998		5.8	-0.4		-1.7	

Table 3.2 Trends in Productivity -Export Processing Zone (EPZ) , 1990 - 1998
(Index 1982 = 100)

Year	Labour productivity		Capital productivity		Multifactor productivity	
	Index	Growth rate (%)	Index	Growth rate (%)	Index	Growth rate (%)
1990	110.0	7.4	79.8	3.2	94.9	6.4
1991	114.7	4.3	84.0	5.2	99.8	5.1
1992	123.6	7.7	92.7	10.4	109.8	10.0
1993	136.4	10.3	97.8	5.4	117.0	6.6
1994	145.3	6.5	103.4	5.8	123.7	5.8
1995	156.2	7.5	112.0	8.3	132.8	7.4
1996	168.1	7.7	126.4	12.9	145.1	9.2
1997	171.8	2.2	135.0	6.8	151.6	4.5
1998	178.2	3.7	143.1	6.0	158.7	4.7
Average growth rate (%) 1990-1998		6.2	7.6		6.6	

Table 4.1 Trends in Real Output and Inputs in the textile and non textile subsectors of the Export Processing Zone (EPZ), 1990 - 1998
(Index 1982 = 100)

Year	EPZ Output		EPZ Labour Input		EPZ Capital Input				
	Total	Textiles	Non-textiles	Total	Textiles	Non-textiles	Total	Textiles	Non-textiles
1990	393.3	424.9	240.0	357.5	374.6	254.3	492.6	494.9	477.8
1991	413.0	449.6	239.9	360.0	377.4	254.0	491.6	494.1	476.3
1992	437.8	475.5	257.8	354.1	370.9	251.0	472.1	474.6	456.1
1993	464.1	500.5	288.2	340.2	355.1	250.1	474.7	477.2	459.2
1994	483.6	526.2	283.3	332.8	343.6	265.0	467.7	470.1	452.4
1995	507.7	550.7	304.9	325.2	331.3	284.5	453.5	455.9	438.4
1996	543.3	596.4	296.0	323.1	330.0	278.4	429.9	432.3	414.3
1997	575.9	634.6	304.9	335.2	344.7	274.6	426.6	429.2	410.8
1998	616.2	680.9	317.0	345.9	357.3	274.2	430.7	433.4	413.7
Average annual growth rate (%)									
1990-98	5.8	6.1	3.5	-0.4	-0.6	0.9	-1.7	-1.6	-1.8
1996-97	6.0	6.4	3.0	3.7	4.5	-1.4	-0.8	-0.7	-0.8
1997-98	7.0	7.3	4.0	3.2	3.7	-0.1	1.0	1.0	0.7

Table 4.2 Trends in Productivity in the textile and non textile subsectors of the Export Processing Zone (EPZ), 1990 - 1998
(Index 1982 = 100)

Year	Labour Productivity			Capital Productivity			Multifactor Productivity		
	Total	Textiles	Non-textiles	Total	Textiles	Non-textiles	Total	Textiles	Non-textiles
1990	110.0	113.4	94.4	79.8	85.9	50.2	94.9	98.8	62.9
1991	114.7	119.1	94.5	84.0	91.0	50.4	99.8	104.5	63.7
1992	123.6	128.2	102.7	92.7	100.2	56.5	109.8	116.2	75.2
1993	136.4	141.0	115.2	97.8	104.9	62.8	117.0	123.3	83.9
1994	145.3	153.2	106.9	103.4	111.9	62.6	123.7	132.4	80.7
1995	156.2	166.2	107.2	112.0	120.8	69.6	132.8	142.7	84.8
1996	168.1	180.7	106.3	126.4	137.9	71.4	145.1	157.1	87.5
1997	171.8	184.1	111.0	135.0	147.9	74.2	151.6	164.5	91.2
1998	178.2	190.6	115.6	143.1	157.1	76.6	158.7	172.7	94.5

Average annual growth rate (%)

1990-98	6.2	6.7	2.6	7.6	7.8	5.4	6.6	7.2	5.2
1996-97	2.2	1.9	4.4	6.8	7.3	3.9	4.5	4.7	4.2
1997-98	3.7	3.5	4.1	6.0	6.2	3.2	4.7	5.0	3.6

**Table 5.1 Average compensation, Unit Labour Cost and Labour productivity -
Total Economy , 1990 - 1998**

(Index 1982 = 100)

Year	Average Compensation		Unit Labour Cost		Labour Productivity	
	Index	Growth Rate (%)	Index	Growth Rate (%)	Index	Growth Rate (%)
1990	211.2	13.6	197.5	8.9	107.0	4.3
1991	242.4	14.8	221.4	12.1	109.5	2.3
1992	266.2	9.8	232.3	4.9	114.6	4.7
1993	295.7	11.1	250.4	7.8	118.0	3.0
1994	331.5	12.1	271.1	8.3	122.3	3.6
1995	353.9	6.8	277.5	2.4	127.6	4.3
1996	390.1	10.2	292.7	5.5	133.3	4.5
1997	416.7	6.8	303.6	3.7	137.2	2.9
1998	467.3	12.1	332.0	9.4	140.8	2.6
Average growth rate (%) 1990-1998		10.4			6.7	3.5

**Table 5.2 Average compensation, Unit Labour Cost and Labour productivity -
Manufacturing sector, 1990 to 1998**

(Index 1982 = 100)

Year	Average Compensation		Unit Labour Cost		Labour Productivity	
	Index	Growth Rate (%)	Index	Growth Rate (%)	Index	Growth Rate (%)
1990	225.2	19.1	230.2	11.9	97.9	6.4
1991	268.4	19.2	263.6	14.5	101.8	4.1
1992	309.7	15.4	286.1	8.5	108.2	6.3
1993	328.6	6.1	289.8	1.3	113.4	4.8
1994	366.9	11.7	310.4	7.1	118.2	4.2
1995	404.7	10.3	323.3	4.2	125.1	5.9
1996	430.8	6.4	326.5	1.0	131.9	5.4
1997	461.0	7.0	341.6	4.6	134.9	2.3
1998	490.3	6.4	358.3	4.9	136.8	1.4
Average growth rate (%) 1990-1998		10.2			5.7	4.3

Table 5.3 Average Compensation, Unit Labour Cost and Labour Productivity in the textile and non textile subsectors of the Export Processing Zone (EPZ), 1990 - 1998 (Index 1982 = 100)

Year	Average Compensation		Unit Labour Cost		Labour Productivity					
	Total	Textiles	Non-textiles	Total	Textiles	Non-textiles				
1990	287.6	278.9	277.9	261.4	245.9	294.5	110.0	113.4	94.4	
1991	337.5	315.0	304.5	294.2	264.5	322.4	114.7	119.1	94.5	
1992	410.6	434.3	339.5	332.1	338.7	330.5	123.6	128.2	102.7	
1993	453.9	472.0	427.0	332.7	334.8	370.6	136.4	141.0	115.2	
1994	510.2	534.7	453.5	351.1	349.1	424.3	145.3	153.2	106.9	
1995	566.1	595.4	489.7	362.6	358.2	456.9	156.2	166.2	107.2	
1996	612.9	652.9	483.8	364.5	361.2	455.1	168.1	180.7	106.3	
1997	655.2	665.0	521.9	381.4	361.2	470.1	171.8	184.1	111.0	
1998	709.3	688.5	560.9	398.1	361.2	485.0	178.2	190.6	115.6	
Average annual growth rate (%)										
1990-98	11.9	12.0	9.2	5.4	4.9	6.4	6.2	6.7	2.6	
1996-97	6.9	1.9	7.9	4.6	0.0	3.3	2.2	1.9	4.4	
1997-98	8.3	3.5	7.5	4.4	0.0	3.2	3.7	3.5	4.1	

Table 6 - International Comparison of Hourly Labour Cost in the textile industry - Year 1998

Country	Hourly labour cost (US\$)	Country	Hourly labour cost (US\$)
Indonesia	0.24	Portugal	4.51
Pakistan	0.40	Taiwan	5.85
Madagascar	0.41	New Zealand	6.49
Bangladesh	0.43	Israel	6.98
Kenya	0.46	Greece	7.99
Zambia	0.48	Spain	8.49
Sri Lanka	0.49	Ireland	10.76
India	0.60	Australia	11.39
China	0.62	USA	12.97
Thailand	1.09	UK	13.58
Phillipines	1.12	Canada	13.93
Mauritius	1.41	France	14.16
Tunisia	1.76	Italy	15.81
South Africa	2.05	Sweden	19.41
Chile	3.16	Japan	20.70
Venezuela	3.30	Germany	21.48
South Korea	3.63	Denmark	23.10
Brazil	4.05		

Source: Werner International

Table 7 - Nominal Exchange Rate and Unit Labour Cost for total economy

Base : 1990 = 100

Year	Exchange Rate	Nominal Exchange Rate		Unit Labour Cost (MUR)	
	MUR/US \$	Index	(%)*	Index	Growth rate (%)
1990	14.89	100.0	-	100.0	-
1991	15.71	105.5	+5.5	112.1	12.1
1992	15.58	104.6	-0.9	117.6	4.9
1993	17.70	118.9	+13.7	126.8	7.8
1994	18.08	121.4	+2.1	137.3	8.3
1995	17.80	119.5	-1.6	140.6	2.4
1996	19.71	132.4	+10.8	148.3	5.5
1997	21.05	141.4	+6.8	153.7	3.7
1998	23.86	160.2	+13.3	168.1	9.4

*: + depreciation ; - appreciation.

