

WAGE RATE INDEX - 2000

Introduction

This is the eighth issue of the wage rate index published annually by the Central Statistical Office since 1993. This index, having the year 1992 as base, is computed from wage data collected through the Survey of Employment, Earnings and Hours of work, carried out each year in September among a sample of establishments employing 10 or more persons.

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

Current estimates are subject to revision in later issues, as additional information becomes available.

2. Changes in the index

Between September 1999 and September 2000, the wage index has risen by 8.4 points, from 191.0 to 199.4. The corresponding rise between September 1998 and September 1999 was 13.5 points. Table 1 gives the subindices for all major industry groups for years 1999 and 2000. A general upward movement of the index is noted for all industry groups. The values of the subindices range between 174.3 in 'Wholesale, retail trade, restaurants and hotels' and 270.2 in 'Transport, storage & communication'. Subindices for 'Manufacturing, mining & quarrying' and 'Community, social and personal services', which have a strong effect on the overall index because of their important weights, were 180.0 and 202.3 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. Industry groups which contribute most to the increase of 8.4 points in the overall index were (i) 'Community, social and personal services', 2.1 points (ii) 'Agriculture & fishing', 1.9 points and (iii) 'Manufacturing, mining & quarrying', 1.5 points. 'Electricity & water' and 'Transport, storage & communication' brought small contributions of 0.1 and 0.2 point respectively to the change in the index. The contributions of the remaining sectors range between 0.7 and 1.1 points.

4. Change in wage rates by industry

For the period September 1999 to September 2000, the overall wage rate index increased by 4.4%. The increase between September 1998 and September 1999 was 7.6%.

Table 3 shows the changes in the wage rates by industry group. The highest increase, of the order of 10.5%, was noted in the 'Agricultural & fishing' sector.

Increases of 7% to 8% were registered in the three following sectors : 'Construction', 'Wholesale, retail trade, restaurants and hotels' and 'Financing, insurance, real estate and business services'. The 'Manufacturing, mining & quarrying' and 'Electricity and water' sectors showed changes of 2.7% each. The smallest change, 1.1%, was observed in 'Transport, storage & communication'

5. Limitations

Ideally 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. Since this is practically impossible, 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 noted even with this approach:

- (i) 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.
- (ii) wage adjustments resulting from changes in the tasks associated with a particular occupation, which cannot be separated from pure price changes.
- (iii) it is difficult to separate the effects of productivity from the overall change.

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Table 1 - Wage index by industry group, 1999 - 2000
(Base: September 1992 = 100)

Industry group	Weights	Index 1999	Index 2000
Agriculture and fishing	93	189.0	208.8
Manufacturing, mining & quarrying	313	175.3	180.0
Electricity and water	23	181.7	186.6
Construction	54	208.4	223.0
Wholesale, retail trade, restaurants and hotels	88	161.7	174.3
Transport, storage & communication	68	267.3	270.2
Financing, insurance, real estate and business services	48	198.5	212.4
Community, social and personal services	313	195.5	202.3
<i>of which Government services</i>	<i>(257)</i>	<i>(192.7)</i>	<i>(199.4)</i>
<i>Other services</i>	<i>(56)</i>	<i>(208.4)</i>	<i>(215.6)</i>
All sectors	1,000	191.0	199.4

Table 2 - Contribution of industry groups to change in index , 1998 - 1999 and 1999 - 2000

Industry group	1998 - 99	1999 - 00
Agriculture and fishing	0.0	1.9
Manufacturing, mining & quarrying	3.2	1.5
Electricity and water	0.4	0.1
Construction	1.4	0.8
Wholesale, retail trade, restaurants and hotels	1.2	1.1
Transport, storage & communication	3.1	0.2
Financing, insurance, real estate and business services	0.8	0.7
Community, social and personal services	3.4	2.1
<i>of which Government services</i>	<i>(2.9)</i>	<i>(1.7)</i>
<i>Other services</i>	<i>(0.5)</i>	<i>(0.4)</i>
Total absolute change (points)	13.5	8.4

Table 3 - Annual percentage change in wage rates by industry group, 1998 - 1999 and 1999 - 2000

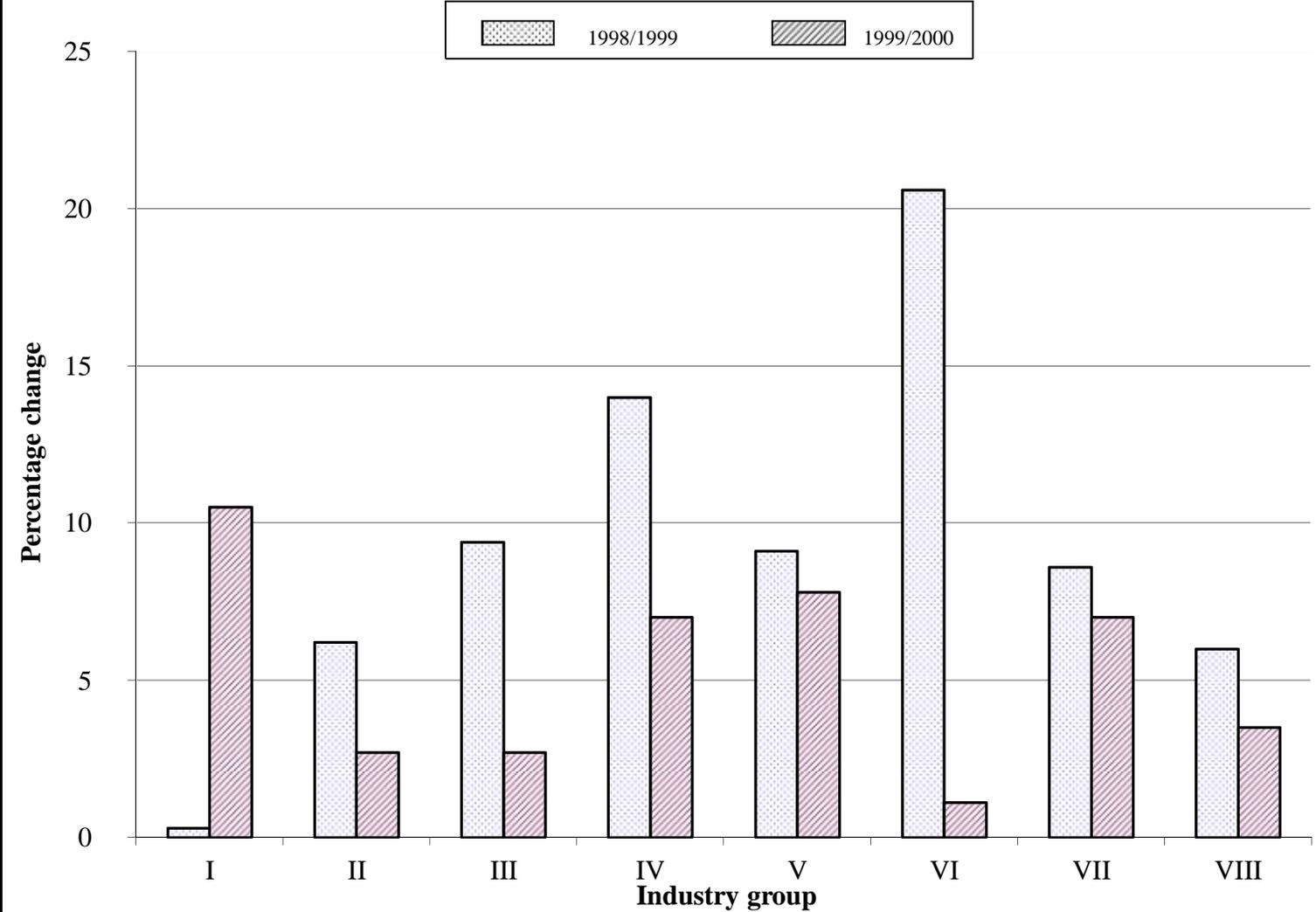
Industry group	Percentage change	
	1998 to 1999	1999 to 2000
I Agriculture and fishing	0.3	10.5
II Manufacturing, mining & quarrying	6.2	2.7
III Electricity and water	9.4	2.7
IV Construction	14.0	7.0
V Wholesale, retail trade, restaurants and hotels	9.1	7.8
VI Transport, storage & communication	20.6	1.1
VII Financing, insurance, real estate and business services	8.6	7.0
VIII Community, social and personal services	6.0	3.5
<i>of which Government services</i>	<i>(6.2)</i>	<i>(3.5)</i>
<i>Other services</i>	<i>(5.1)</i>	<i>(3.5)</i>
Overall percentage change	7.6	4.4

Table 4 - Wage index, 1993 - 2000

(Base: September 1992 = 100)

Year	Wage Rate Index	Annual percentage change
1993	115.5	15.5
1994	127.6	10.5
1995	136.6	7.1
1996	144.0	5.4
1997	160.7	11.6
1998	177.5	10.5
1999	191.0	7.6
2000	199.4	4.4

Fig. 1 - Annual percentage change in wage rates by industry group, 1999 - 2000



**Table 5 - Average wages per hour of selected occupations by industry group
(excluding government), September 1999 - September 2000**

Industry group	Occupation	Average wages ¹ per hour (Rs)		Change(%) 1999 to 2000
		1999	2000	
Agriculture				
Sugarcane plantations	Overseer - Grade I	46.79	52.59	12.4
	Field worker(other than special catego	35.20	39.05	10.9
Tea plantations	Fieldworker	21.35	22.24	4.2
	Sirdar/Gangman	31.02	32.00	3.2
Manufacturing				
Poultry breeding & processing	Farm worker	26.33	29.47	11.9
	Factory worker	23.57	26.24	11.3
Biscuits and confectionery	Machine operator	24.11	24.58	1.9
	Factory worker	14.62	15.64	7.0
Sugar factories	Fitter - Grade I	34.29	39.34	14.7
	Welder Grade I	33.77	37.64	11.5
	Driver (heavy mechanical unit) -Grade	36.43	39.95	9.7
	Factory operator -Grade I	30.02	32.04	6.7
Tea factories	Factory worker	20.80	22.98	10.5
	Factory operator	24.41	25.03	2.5
Soft drinks	Beverage machine operator	31.91	31.10	-2.5
	Driver/Salesman	38.22	41.72	9.2
	Lorry helper	28.81	32.35	12.3
Textiles (excluding wearing apparel)	Factory worker	22.89	23.67	3.4
	Unskilled worker	16.84	16.24	-3.6
	Machine operator	22.52	25.27	12.2
Wearing apparel (except footwear)	Machine operator	19.00	18.58	-2.2
	Weaver/Knitter	19.51	21.81	11.8
	Unskilled worker	17.89	18.87	5.5

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

(excluding government), September 1999 - September 2000

Industry group	Occupation	Average wages ¹ per hour (Rs)		Change(%) 1999 to 2000
		1999	2000	
Manufacture of leather products (except footwear)	Factory worker	16.05	17.11	6.6
Footwear	Shoemaking machine operator	23.85	24.00	0.6
Furniture	Furniture upholsterer - Grade I	33.11	27.80	-16.0
	Varnisher/Cabinet maker -Grade I	30.17	29.33	-2.8
Manufacture of paper products	Machine operator	27.07	30.63	13.2
	Unskilled worker	18.71	21.99	17.5
Printing & publishing	Reporter/Journalist	96.92	107.96	11.4
	Typist/Stenographer	56.11	56.32	0.4
	Printing machine operator	36.14	39.94	10.5
	Binder/Cutter	29.75	31.44	5.7
Chemical products (excluding fertilisers)	Mixing/Blending machine operator	29.25	32.06	9.6
	Unskilled worker	22.13	23.18	4.7
Manufacture of rubber products	Machine operator	23.30	26.23	12.6
Plastic products	Factory operator	25.18	25.42	1.0
	Other factory worker	24.41	25.38	4.0
Iron & steel basic industries	Factory worker	29.30	29.25	-0.2
Manufacture of metal products (except machinery)	Factory worker	28.80	29.04	0.8
Non-electrical machinery	Fitter	33.82	33.82	0.0
	Mechanic	35.94	36.67	2.0

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

**Table 5 (cont'd) - Average wage per hour of selected occupations by industry group
(excluding government), September 1999 - September 2000**

		Average wages ¹	Change(%)
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Industry group	Occupation	per hour (Rs)		1999 to 2000
		1999	2000	
Electrical machinery & appliances	Factory worker	24.40	26.94	10.4
Jewellery & related articles	Diamond cutter/Polisher	23.08	22.46	-2.7
Electricity	Lineman	54.83	56.23	2.6
	Power generating machine operator	55.30	57.61	4.2
Water	Meter reader	54.96	56.91	3.5
	Tradesmen	43.52	44.87	3.1
	Labourer/Unskilled worker	32.63	33.25	1.9
Construction	Mason -Grade 1	54.30	58.00	6.8
	Carpenter - Grade 1	51.00	55.00	7.8
	Labourer/Helper	33.27	35.90	7.9
Wholesale, retail trade, restaurants and hotels				
Wholesale & retail trade	Salesperson	33.87	36.75	8.5
	Sales representative	98.27	112.00	14.0
Hotels	Receptionist	31.52	35.53	12.7
	Waiter	22.93	24.93	8.7
	Cook	33.77	35.02	3.7
	Cleaner	21.59	23.56	9.1
Transport, storage & communication				
Bus transport	Bus driver	33.60	38.69	15.1
	Bus conductor	30.35	34.87	14.9
Docks & stevedoring	Dock worker	93.39	90.00	-3.6
Communication	Telephone installer/Service	55.80	57.39	2.8
	Telephone operator	80.04	84.58	5.7
	Telecommunication technician	88.48	94.96	7.3

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

Table 5 (cont'd) - Average wage per hour of selected occupations by industry group (excluding government), September 1999 - September 2000

Industry group	Occupation	Average wages ¹ per hour (Rs)	Change(%) 1999 to
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		1999	2000	2000
Financing, insurance, real estate and business services				
Banks & other financial institutions				
	Bank teller	66.59	72.06	8.2
	Clerk/Senior clerk	82.68	88.20	6.7
Insurance				
	Insurance clerk	62.59	57.58	-8.0
	Clerk / Senior clerk - General	68.41	68.36	-0.1
Engineering and architectural services				
	Draughtsman	67.38	77.00	14.3
	Engineer	132.13	152.39	15.3
Community, social and personal services				
Sanitary services				
	Office/Building cleaner	18.16	18.12	-0.2
	Scavenger/Street sweeper	18.17	18.69	2.9
Private education services				
	Education Officer	127.40	127.87	0.4
	Lecturer (full-time)	160.36	160.17	-0.1
Private health services				
	Professional Nurse	48.49	56.59	16.7
	Nursing Aid	26.76	27.65	3.3
Repair of motor vehicles				
	Garage mechanic - Grade I	35.22	39.01	10.8
	Panel beater - Grade I	45.15	47.40	5.0
Laundry services				
	Machine operator	24.08	26.00	8.0
	Driver	28.19	29.60	5.0

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

**Table 6 - Average wages/salaries per month of selected occupations in government services,
September 1999 - September 2000**

Occupation	1999 (Rs)	2000 (Rs)	Change (%) 1999 to 2000
Central government			
Medical and Health officer	24,949	25,395	1.8
Education officer	17,312	17,347	0.2
Nursing officer	9,946	10,374	4.3
Teacher/Senior teacher	10,505	10,868	3.5
Clerical officer/Higher clerical officer	8,150	8,368	2.7
Police constable	9,385	9,561	1.9
Mason	7,266	7,481	3.0
Carpenter	7,606	8,096	6.4
Driver	6,954	7,283	4.7
Hospital servant	6,476	6,793	4.9
Labourer	5,765	6,060	5.1
Local government			
Inspector of health	10,740	11,509	7.2
Clerical officer	7,067	7,216	2.1
Gardener	5,689	5,997	5.4
Mason	7,093	7,463	5.2
Carpenter	7,080	7,314	3.3
Driver	6,523	6,937	6.3
Refuse collector	5,653	5,927	4.8
Labourer	5,113	5,479	7.2