Productivity and Competitiveness Indicators
(1993 - 2003)

Introduction

This issue of the Economic and Social Indicator presents separate series of comparable indices on productivity and competitiveness for the total economy, the manufacturing sector and the Export Processing Zone (EPZ). The figures for 1993 to 2000 are final; those for 2001 and 2002 have been revised while figures for 2003 are provisional.

A description of concepts, definitions and the methodology adopted are given in the technical notes. Tables 1.1 to 1.4 present indices for the total economy, tables 2.1 to 2.5 for the manufacturing sector and tables 3.1 to 3.6 for the EPZ and its sub-sectors (textile and non-textile).

2. Indicators for the total economy

The table below presents the growth rates of the productivity, unit labour cost and other competitiveness related indices for the total economy.

Indicator		Growth rate (%)		
		Average annual 1993-2003	2002	2003
1	Output (GDP at basic prices)	5.1	1.8	4.6
2	GDP at market prices	5.1	1.9	4.5
3	GDP per capita (market prices)	4.0	1.0	3.4
4	Labour input	1.0	0.4	0.9
5	Capital input	5.8	4.6	4.8
6	Capital - Output ratio	0.6	2.7	0.2
7	Capital - Labour ratio	4.7	4.1	3.9
8	Labour productivity	4.1	1.3	3.7
9	Capital productivity	-0.6	-2.6	-0.2
10	Multifactor productivity	0.8	-1.3	0.9
11	Average compensation	8.5	6.8	9.3
12	Unit Labour Cost (Mauritian Rupees)	4.3	5.3	5.4
13	Unit Labour Cost (US Dollars)	-0.6	2.2	11.3

2.1 Gross Domestic Product (output)

Output, as measured by the Gross Domestic Product (GDP), is the total value of goods and services produced within a country in a given year. Between 1993 and 2003, GDP in real terms grew on average by 5.1% per annum. It witnessed a higher growth of 4.6% in 2003 compared to 1.8% in 2002.

The GDP per capita at market prices is used as an indicator for measuring the standard of living of the population. With an annual increase of 1.1% in population compared to an annual increase of 5.1% in GDP during the period 1993 – 2003, GDP per capita grew by 4.0% per annum.

2.2 Labour and capital inputs

Between 1993 and 2003, whilst GDP in real terms increased by 5.1% per annum, the two main inputs required for production, namely labour and capital grew by 1.0% and 5.8% respectively. During the same period, the capital - labour ratio which gives the proportion of stock of fixed capital to labour inputs grew by 4.7%, showing that capital deepening is taking place. (Table 1.1)

2.3 Productivity trends

Chart 1 : Trends in productivity indices – Total economy, 1993-2003
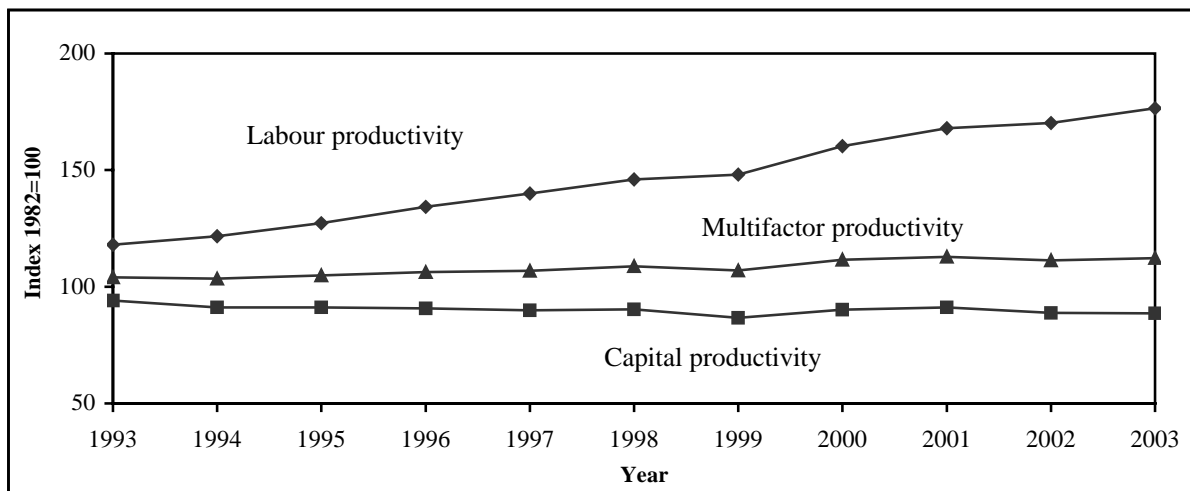
2.3.1 Labour productivity

During the period under review, 1993 - 2003, labour productivity, that is, GDP per worker, witnessed an annual increase of 4.1%. An analysis of the trend in labour productivity shows positive growth with the index improving from 118.0 in 1993 to 176.5 in 2003.

In 2002, due to low growths in both labour (0.4%) and GDP (1.8%), an increase of only 1.3% was registered in labour productivity. However, in 2003, labour productivity grew by 3.7% following increases of 4.6% in GDP and 0.9% in labour input. (Table 1.2)

2.3.2 Capital productivity

An annual decline of 0.6% is observed in capital productivity from 1993 to 2003 with the index dropping from 94.1 to 88.6. In 2003, it further declined by 0.2% due to a slightly higher growth of 4.8% in capital input against a rise of 4.6% in real output. (Table 1.2)

2.3.3 Multifactor productivity (MFP)

MFP reflects many influences in addition to labour and capital inputs and includes qualitative factors such as better management and improved quality of inputs through training and technology. The MFP index shows the rate of change in "productive efficiency". During the period under study, the annual growth of MFP works out to 0.8%. In 2003, MFP witnessed a rise of 0.9% against a fall of 1.3% in 2002. (Table 1.2)

2.4 Growth accounting

The contribution of different factors to economic growth is determined by the growth accounting technique. Between 1993 and 2003, the contribution of labour to the 5.1% growth in GDP works out to 11% and that of capital, 76%. The remaining 13% represents the contribution of 'Total Factor Productivity' (TFP), which includes qualitative factors such as training, management and technology.

Chart 2: Contribution of labour, capital and TFP to GDP growth, 1993 – 2003.
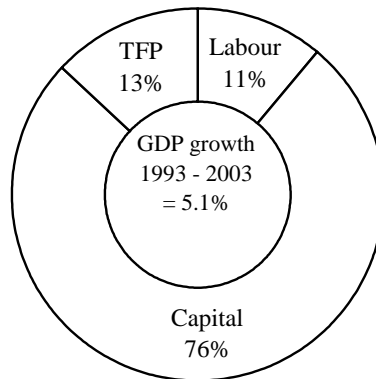
2.5 Unit Labour Cost (ULC)

Chart 3 : Trends in Unit Labour Cost - Total economy, 1993 – 2003
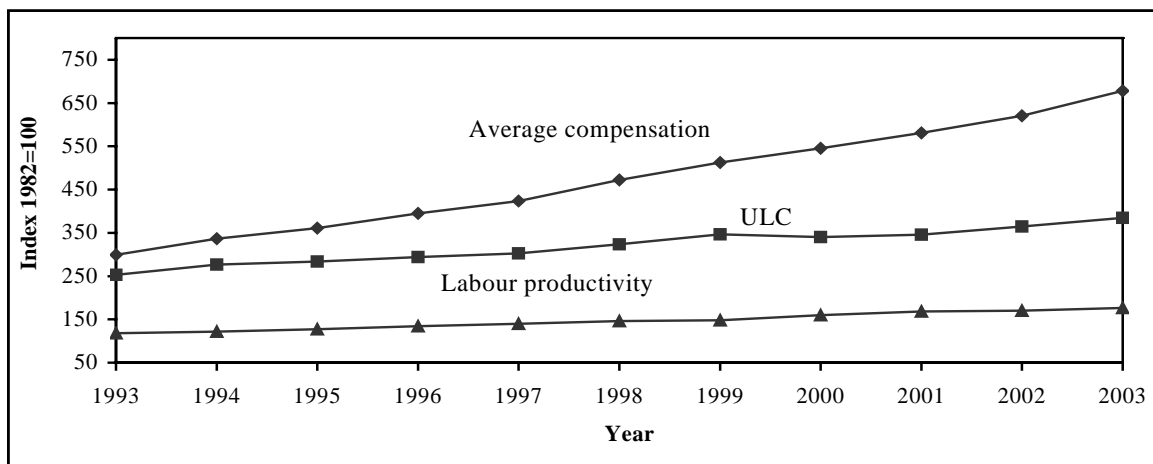
During the period 1993 - 2003, an annual growth of 8.5% was registered in average compensation whilst labour productivity grew by 4.1% annually. The higher growth in average compensation compared to that of labour productivity resulted in an annual growth of 4.3% in ULC, that is, the remuneration of labour per unit of output. (Table 1.3)

To compare changes in competitiveness across economies, the impact of exchange rate fluctuations have to be taken into account. When a national currency appreciates against the US Dollar, more Dollars must be paid in exchange for each national currency unit. On the other hand, when a national currency depreciates against the US Dollar, less Dollars are paid in exchange for each national currency unit. Between 1993 and 2003, ULC in Mauritian Rupees rose by 4.3%, whereas in Dollar terms, ULC declined by 0.6% annually, a result of the depreciation of the Mauritian Rupee (4.8% annually) vis-à-vis the US Dollar. However, following the appreciation of the Rupee since end 2002, the tendency for the ULC in Dollar terms is on the rise with increases of 2.2% in 2002 and 11.3% in 2003. (Table 1.4)

3. Indicators for the Manufacturing sector

The table given below summarises the main indicators for the Manufacturing sector.

	Indicator	Growth rate (%)		
		Average annual	2002	2003
		1993-2003		
1	Output (GDP at basic prices)	4.2	-2.4	1.0
2	Labour input	-0.1	-3.2	-3.1
3	Capital input	2.9	4.1	3.1
4	Capital - Output ratio	-1.2	6.6	2.1
5	Capital - Labour ratio	3.0	7.5	6.4
6	Labour productivity	4.3	0.9	4.2
7	Capital productivity	1.2	-6.2	-2.1
8	Multifactor productivity	2.3	-3.6	-0.1
9	Average compensation	8.3	8.2	6.6
10	Unit Labour Cost (Mauritian Rupees)	3.9	7.3	2.3
11	Unit Labour Cost (US Dollars)	-0.9	4.1	8.0

3.1 Output and inputs

Between 1993 and 2003, output in the manufacturing sector grew on average by 4.2% annually. In 2002, the sector witnessed a fall of 2.4% mainly due to poor performances of both sugar milling and EPZ enterprises whilst in 2003, a slight increase of 1.0% was registered.

During the same period, capital input grew at an annual rate of 2.9% whilst labour input declined by 0.1% annually.

In 2002, capital input witnessed a rise of 4.1% followed by a slower growth of 3.1% in 2003. On the other hand, decreases of 3.2% and 3.1% were registered in labour input in 2002 and 2003 respectively. (Table 2.1)

3.2 Productivity trends

Chart 4: Trends in productivity indices – Manufacturing sector, 1993- 2003.
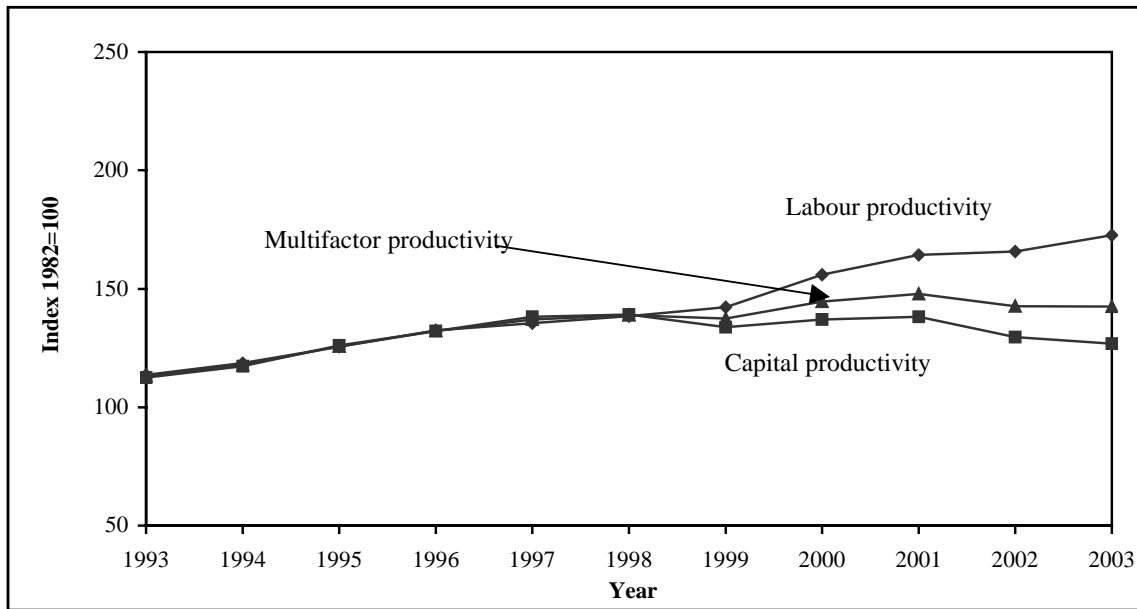
Between 1993 and 2003, labour productivity in the manufacturing sector grew at an annual rate of 4.3%, capital productivity by 1.2% and multifactor productivity by 2.3%. This performance can be explained by a high growth in output (4.2%) against a low growth in capital input (2.9%) and a decline in labour input (-0.1%). (Table 2.2)

3.3 Unit Labour Cost (ULC)

Chart 5: Trends in Unit Labour Cost – Manufacturing sector, 1993 – 2003.
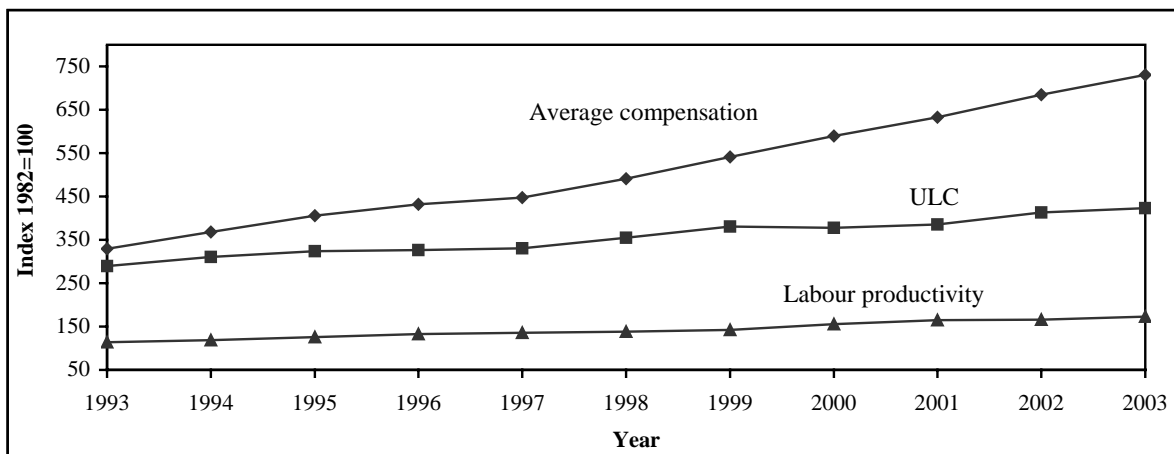
Between 1993 and 2003, ULC in Mauritian Rupees grew on average by 3.9% annually, mainly due to higher growth in average compensation (8.3%) compared to that of labour productivity (4.3%). During the same period, ULC in Dollar terms declined at an annual rate of 0.9% as a result of the depreciation of the Mauritian Rupee (4.8% annually) vis-à-vis the US Dollar. In 2003, ULC (MUR) grew at a lower rate of 2.3% compared to 7.3% in 2002 whereas in Dollar terms, the increase was higher in 2003 (8.0%) compared to 2002 (4.1%). This is explained by the appreciation of the Mauritian Rupee in 2003. (Table 2.4)

3.4 International comparison of Unit Labour Costs in Manufacturing – 2002

An international comparison of growth in ULC in the manufacturing sector for the year 2002 both in national currency and in the US Dollar is given in the table and chart below.

Country	USA	France	Germany	Italy	UK	**Mauritius**	Taiwan	Korea
National currency	-4.1	0.5	0.0	3.9	2.4	**7.3**	-6.1	5.4
US $	-4.1	6.2	5.6	9.7	6.9	**4.1**	-8.0	8.9

Chart 6: International comparison of ULC in Manufacturing - Growth rate (%) 2002.
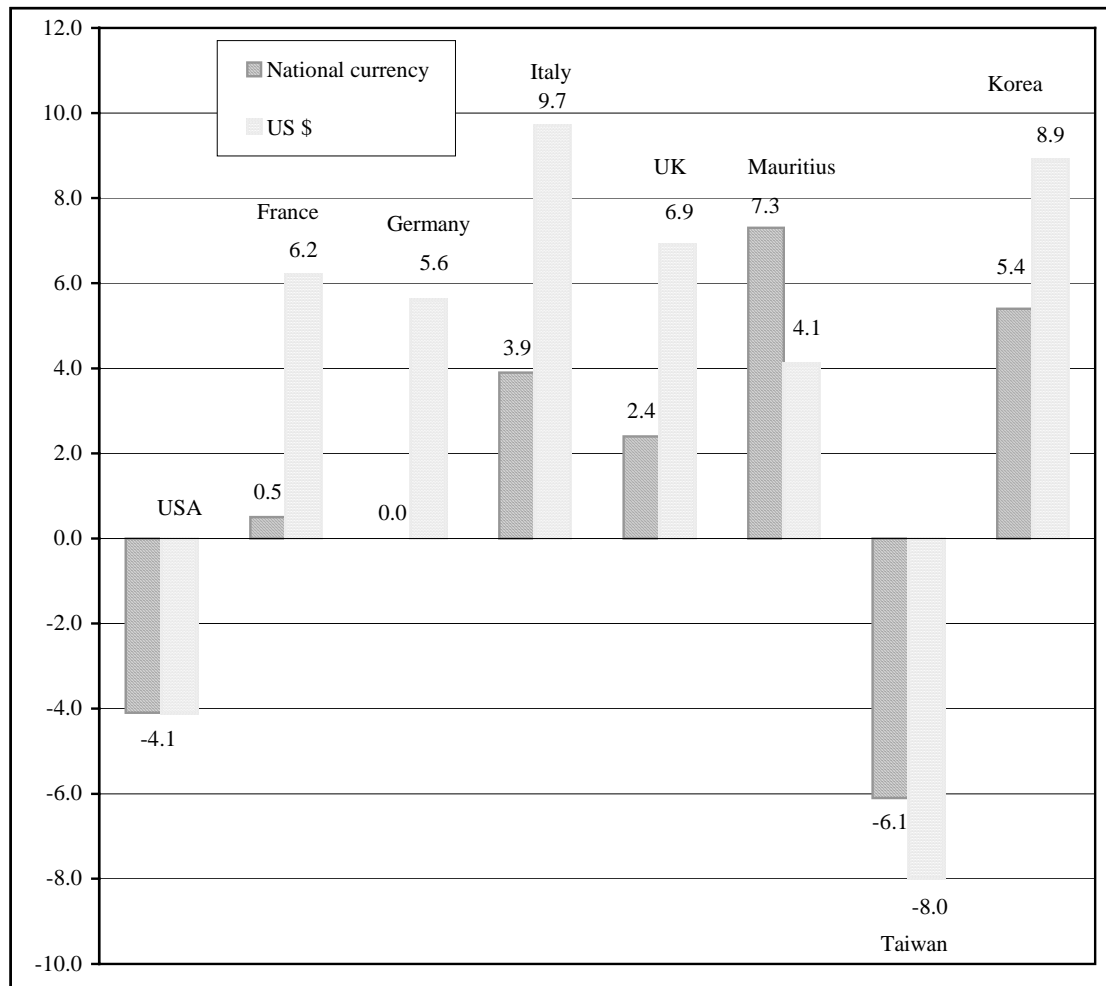
Source: U.S Bureau of Labour Statistics and CSO estimates

From the above table, it is observed that ULC in manufacturing, expressed in national currency units, rose in five of the eight economies in 2002, with Mauritius recording the largest increase (7.3%) followed by Korea (5.4%). On the other hand, ULC declined in both United States (-4.1%) and Taiwan (-6.1%).

The rise in ULC in US Dollar terms is explained by the depreciation of the Dollar vis-a-vis most other national currencies in 2002.

3.5 International comparison of Hourly Labour Cost (HLC)

The HLC is also used as an indicator of international competitiveness. Table 2.5 compares the evolution of HLC in the Mauritian manufacturing sector with some of its trading partners. In 2002, it is observed that the HLC for Mauritius was the lowest among the listed countries (1.13 US Dollar). For Mexico, the HLC in US Dollars is 2.38 whilst for Germany and USA, it stood at 25.08 and 21.33 respectively.

4. Indicators for Export Processing Zone (EPZ) sector

The table below shows the main indicators for the EPZ sector.

| | Indicator | Growth rate (%) | | |
		Average annual 1993-2003	2002	2003
1	Output (GDP at basic prices)	3.5	-6.0	-4.0
2	Labour input	-0.9	-6.2	-6.5
3	Capital input	1.9	-0.5	-2.3
4	Capital - Output ratio	-1.5	5.9	1.8
5	Capital - Labour ratio	2.8	6.1	4.4
6	Labour productivity	4.4	0.2	2.6
7	Capital productivity	1.5	-5.6	-1.8
8	Multifactor productivity	2.5	-1.9	0.5
9	Average compensation	9.0	11.8	7.7
10	Unit Labour Cost (Mauritian Rupees)	4.5	11.5	4.9
11	Unit Labour Cost (US Dollars)	-0.3	8.2	10.7

4.1 Output and inputs

In 2003, the share of the EPZ sector in the economy was 9.8%. The contribution of the textile and non-textile subsectors in the total output of the EPZ sector was 87% and 13% respectively.

During the period under study, an annual growth of 3.5% was registered in the EPZ sector with the textile enterprises increasing by 3.4% and the non-textile ones by 3.3%. (Table 3.3)

The EPZ sector witnessed a declining trend in labour input (employment) with the index dropping from 354.1 in 1992 to 322.3 in 1995. However, from 1996 to 2000, the trend was reversed with employment growing at an annual rate of 3.0%. From 2001 onwards, a declining trend was observed with the index dropping from 363.8 in 2000 to 311.9 in 2003. (Table 3.3)

In 1993, the capital input index grew by 0.5%. However, from 1994 to 1996, a declining trend was observed in capital input. Between 1997 and 2001, the trend was reversed following substantial capital investment in both the textile and non-textile enterprises. In 2002, capital input in the EPZ sector dropped by 0.5% followed by a further decline of 2.3% in 2003. (Table 3.3)

4.2 Productivity trends

Chart 7 : Trends in productivity indices – EPZ sector, 1993 - 2003.
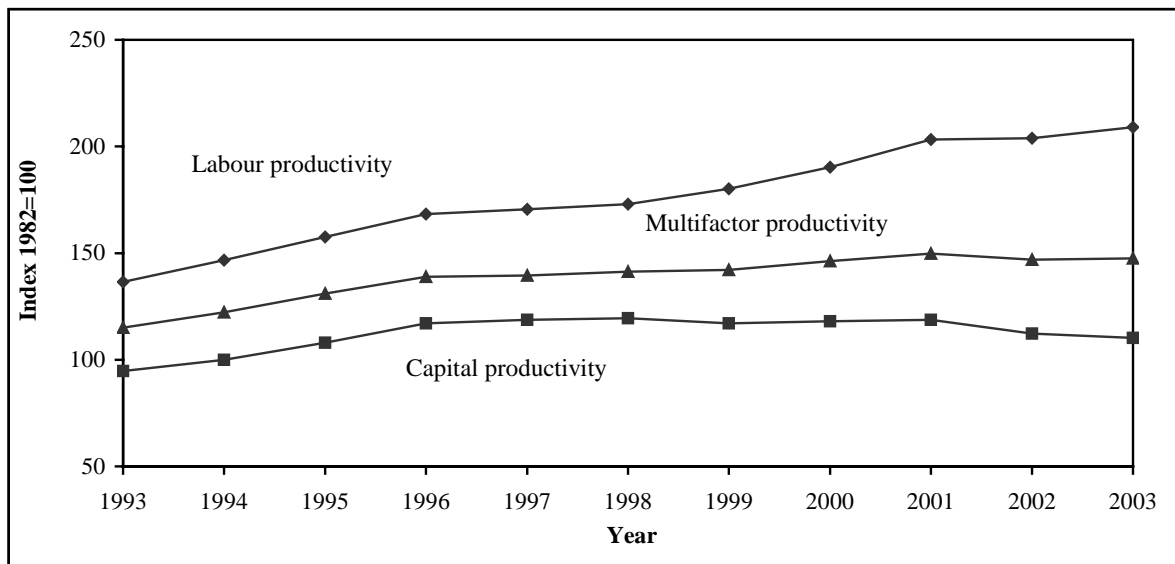
Between 1993 and 2003, labour productivity in the EPZ sector grew at an annual rate of 4.4%, capital productivity by 1.5% and multifactor productivity by 2.5%. This performance can be explained by the fall in labour input (-0.9%), low growth in capital input (1.9%) against a high growth in output (3.5%). (Table 3.3 & 3.4)

4.3 Unit Labour Cost (ULC)

Chart 8: Trends in Unit Labour Cost – EPZ sector, 1993 – 2003.
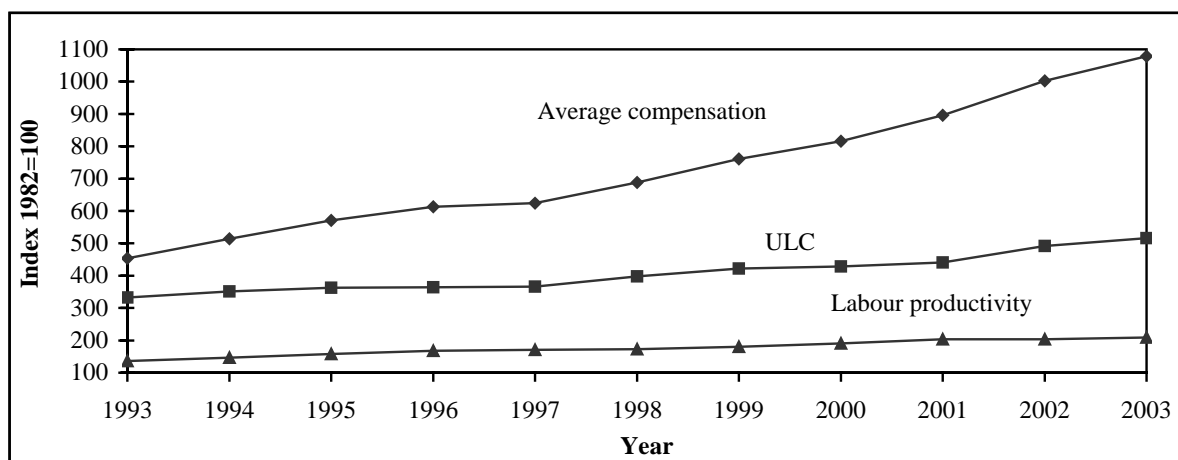
ULC is affected by changes in both average compensation and labour productivity. During 1993 - 2003, average compensation increased by 9.0% whilst labour productivity grew by 4.4% annually. Since the growth in labour productivity was inadequate to absorb the rise in average compensation, a high growth of 4.5% was registered in ULC. (Table 3.5)

During the same period, ULC in Dollar terms declined at an annual rate of 0.3% as a result of the depreciation of the MUR (4.8% annually) vis-à-vis the US Dollar. However, in 2002 and 2003, the ULC in Dollar terms increased by 8.2% and 10.7% respectively due to the appreciation of the Mauritian Rupee.

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Technical Notes

Concepts and definitions

Productivity expresses the relationship between the output of goods and services (real output) and the various inputs required for production (e.g. labour and capital). Two important productivity indicators used are: labour productivity, that is, the ratio of real output to labour input and capital productivity, the ratio of real output to stock of fixed capital used in the production process. However these indicators are limited in the sense that they indicate the influence of only one factor of production at a time, on productivity. An improvement over these partial indicators is the multifactor productivity which takes into account the simultaneous influences of several factors on production, including qualitative factors such as better management, improved quality of inputs and higher quality of goods.

Unit Labour Cost (ULC) is another important indicator of competitiveness which is defined as the remuneration of labour for producing one unit of real output. As ULC can also be expressed as the ratio of average compensation to labour productivity, it indicates how improvement in productivity offsets increases in average compensation.

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

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

2. Employment/Labour input

In the absence of total man hours, labour refers to the total number of persons engaged, that is employers, own account workers, 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 June of year (n+1).

$$Labour\ input\ index = \frac{Average\ number\ of\ persons\ engaged\ in\ year\ n}{Average\ number\ of\ persons\ engaged\ in\ base\ year} \times 100$$

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**.**

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

4. Labour Productivity

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

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

5. Capital productivity

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

Capital Productivity Index = $\dfrac{\text{Output index}}{\text{Capital input index}}$ x 100

6. Multifactor productivity

Multifactor productivity (MFP) index shows the rate of change in "productive efficiency", and is obtained as the ratio of the output to a weighted combination of labour and capital inputs. The limitation of partial productivity measures is that they attribute to one factor of production, changes in efficiency that are attributable to other factors. MFP reflects many influences including qualitative factors such as better management and improved quality of inputs through training and technology.

Multifactor productivity index = $\dfrac{\text{Output index}}{\text{Multifactor input index}}$ x 100

$$A(t) = \dfrac{Q(t)}{\{WL(t) \times L(t)\} + \{WK(t) \times K(t)\}} \times 100 \quad \text{where}$$

A(t) = Multifactor Productivity index in time t

Q(t) = Output index in time t

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) = 1- WL(t)

K(t) = Capital input index in time t

7. Unit Labour Cost

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.

Unit Labour Cost Index = $\dfrac{\text{Labour Cost Index}}{\text{Output Index}}$ x 100 or $\dfrac{\text{Average Compensation Index}}{\text{Labour Productivity Index}}$ x 100

For Competitiveness purposes, the exchange rate effect has to be taken into account. ULC is therefore computed both in local currency and in US dollar.

ULC index (US $) = ULC index (MUR) / Exchange rate index of MUR/ US $**.**

8. Hourly Labour Cost

Hourly labour cost is the ratio of compensation to total hours worked, inclusive of overtime. Compensation of employees comprises wages & salaries in cash and in kind, bonus, overtime and social contribution incurred by employers. The sources of data are Survey on Employment & Earnings carried out in March and for total hours worked, the September Survey of Employment, Earnings and Hours of work.

Table 1.1   Trends in output and inputs - Total economy, 1993 - 2003

(Index 1982 = 100)

Year	Real output		Labour input		Capital input	
	Index	Growth rate (%)	Index	Growth rate (%)	Index	Growth rate (%)
1993	184.8	4.9	156.6	1.9	196.3	7.7
1994	193.6	4.8	159.2	1.6	212.4	8.2
1995	204.3	5.5	160.5	0.9	224.1	5.5
1996	217.0	6.2	161.7	0.7	239.2	6.7
1997	229.3	5.7	163.8	1.3	255.1	6.6
1998	242.6	5.8	166.1	1.4	268.8	5.4
1999	248.2	2.3	167.6	0.9	286.3	6.5
2000	271.3	9.3	169.4	1.1	301.0	5.2
2001	286.5	5.6	170.6	0.7	314.0	4.3
2002	291.6	1.8	171.3	0.4	328.3	4.6
2003	305.1	4.6	172.9	0.9	344.1	4.8

Average annual growth rate 1993 - 2003	5.1%		1.0%		5.8%	

Table 1.2   Trends in productivity - Total economy, 1993 - 2003

(Index 1982 = 100)

Year	Labour productivity		Capital productivity		Multifactor productivity	
	Index	Growth rate (%)	Index	Growth rate (%)	Index	Growth rate (%)
1993	118.0	2.9	94.1	-2.6	104.0	-0.3
1994	121.7	3.1	91.2	-3.2	103.5	-0.5
1995	127.3	4.6	91.2	0.0	104.9	1.4
1996	134.2	5.4	90.7	-0.5	106.2	1.2
1997	140.0	4.3	89.9	-0.9	106.8	0.6
1998	146.0	4.3	90.3	0.4	108.7	1.8
1999	148.1	1.4	86.7	-4.0	107.0	-1.6
2000	160.2	8.2	90.1	3.9	111.6	4.3
2001	168.0	4.9	91.2	1.2	112.8	1.1
2002	170.2	1.3	88.8	-2.6	111.3	-1.3
2003	176.5	3.7	88.6	-0.2	112.3	0.9

Average annual growth rate 1993 - 2003	4.1%		-0.6%		0.8%	

**Table 1.3   Average compensation, Unit Labour Cost, and Labour productivity -
Total economy, 1993 - 2003**

(Index 1982 = 100)

Year	Average compensation		Unit Labour Cost		Labour productivity	
	Index	Growth rate (%)	Index	Growth rate (%)	Index	Growth rate (%)
1993	299.0	12.2	253.4	9.0	118.0	2.9
1994	336.7	12.6	276.7	9.2	121.7	3.1
1995	360.9	7.2	283.6	2.5	127.3	4.6
1996	395.0	9.4	294.4	3.8	134.2	5.4
1997	423.6	7.2	302.6	2.8	140.0	4.3
1998	472.6	11.6	323.6	6.9	146.0	4.3
1999	512.5	8.4	346.1	7.0	148.1	1.4
2000	545.2	6.4	340.4	-1.7	160.2	8.2
2001	581.1	6.6	346.0	1.6	168.0	4.9
2002	620.5	6.8	364.5	5.3	170.2	1.3
2003	678.2	9.3	384.3	5.4	176.5	3.7

Average annual growth rate 1993 - 2003	8.5%		4.3%		4.1%	

Table 1.4   ULC in local currency and US dollar - Total economy, 1993 - 2003

(Index 1982 = 100)

Year	Unit Labour Cost		Exchange rate MUR/US $		Unit Labour Cost (US $)	
	Index	Growth rate (%)	Index	(%) Change*	Index	Growth rate (%)
1993	253.4	9.0	161.6	13.6	156.8	-4.1
1994	276.7	9.2	165.1	2.1	167.6	6.9
1995	283.6	2.5	162.6	-1.5	174.5	4.1
1996	294.4	3.8	180.0	10.7	163.5	-6.3
1997	302.6	2.8	192.2	6.8	157.4	-3.7
1998	323.6	6.9	219.0	13.9	147.8	-6.1
1999	346.1	7.0	229.7	4.9	150.7	2.0
2000	340.4	-1.7	239.8	4.4	141.9	-5.8
2001	346.0	1.6	265.5	10.7	130.3	-8.2
2002	364.5	5.3	273.6	3.1	133.2	2.2
2003	384.3	5.4	259.2	-5.3	148.3	11.3

Average annual growth rate 1993 - 2003	4.3%		4.8%		-0.6%	

* + : depreciation, - : appreciation of the MUR vis -a- vis the US $

Table 2.1   Trends in output and inputs - Manufacturing sector, 1993 - 2003

(Index 1982 = 100)

Year	Real output		Labour input		Capital input	
	Index	Growth rate (%)	Index	Growth rate (%)	Index	Growth rate (%)
1993	256.4	4.8	225.6	0.0	227.9	3.3
1994	268.3	4.6	226.4	0.4	228.7	0.4
1995	284.0	5.9	226.4	0.0	225.5	-1.4
1996	301.6	6.2	228.1	0.7	228.2	1.2
1997	320.2	6.2	236.5	3.7	231.7	1.5
1998	340.1	6.2	245.8	3.9	244.5	5.5
1999	346.9	2.0	243.9	-0.8	259.2	6.0
2000	374.3	7.9	240.0	-1.6	273.2	5.4
2001	390.7	4.4	237.8	-0.9	282.8	3.5
2002	381.3	-2.4	230.2	-3.2	294.3	4.1
2003	385.2	1.0	223.0	-3.1	303.5	3.1

Average annual growth rate 1993 - 2003	4.2%		-0.1%		2.9%	

Table 2.2   Trends in productivity - Manufacturing sector, 1993 - 2003

(Index 1982 = 100)

Year	Labour productivity		Capital productivity		Multifactor productivity	
	Index	Growth rate (%)	Index	Growth rate (%)	Index	Growth rate (%)
1993	113.7	4.7	112.5	1.4	113.1	3.1
1994	118.6	4.2	117.3	4.3	117.9	4.3
1995	125.6	5.9	126.0	7.4	125.7	6.6
1996	132.4	5.4	132.2	4.9	132.2	5.1
1997	135.5	2.3	138.2	4.6	137.0	3.6
1998	138.4	2.2	139.1	0.7	138.8	1.3
1999	142.2	2.8	133.8	-3.8	137.4	-1.0
2000	155.9	9.6	137.0	2.4	144.6	5.2
2001	164.3	5.4	138.2	0.9	147.9	2.3
2002	165.7	0.9	129.6	-6.2	142.6	-3.6
2003	172.7	4.2	126.9	-2.1	142.5	-0.1

Average annual growth rate 1993 - 2003	4.3%		1.2%		2.3%	

Table 2.3   Average compensation, Unit Labour Cost, and Labour productivity - Manufacturing sector, 1993 - 2003

(Index 1982 = 100)

Year	Average compensation		Unit Labour Cost		Labour productivity	
	Index	Growth rate (%)	Index	Growth rate (%)	Index	Growth rate (%)
1993	329.3	6.1	289.7	1.3	113.7	4.7
1994	367.8	11.7	310.3	7.1	118.6	4.2
1995	405.6	10.3	323.3	4.2	125.6	5.9
1996	431.9	6.5	326.6	1.0	132.4	5.4
1997	447.4	3.6	330.4	1.2	135.5	2.3
1998	491.3	9.8	355.1	7.5	138.4	2.2
1999	541.0	10.1	380.5	7.2	142.2	2.8
2000	589.3	8.9	377.8	-0.7	155.9	9.6
2001	632.9	7.4	385.2	2.0	164.3	5.4
2002	684.8	8.2	413.3	7.3	165.7	0.9
2003	730.3	6.6	422.8	2.3	172.7	4.2

Average annual growth rate 1993 - 2003	8.3%		3.9%		4.3%	

Table 2.4   ULC in local currency and US dollar - Manufacturing sector, 1993 - 2003

(Index 1982 = 100)

Year	Unit Labour Cost		Exchange rate MUR/US $		Unit Labour Cost (US $)	
	Index	Growth rate (%)	Index	(%) Change*	Index	Growth rate (%)
1993	289.7	1.3	161.6	13.6	179.2	-10.8
1994	310.3	7.1	165.1	2.1	187.9	4.9
1995	323.3	4.2	162.6	-1.5	198.9	5.8
1996	326.6	1.0	180.0	10.7	181.4	-8.8
1997	330.4	1.2	192.2	6.8	171.9	-5.2
1998	355.1	7.5	219.0	13.9	162.2	-5.6
1999	380.5	7.2	229.7	4.9	165.6	2.1
2000	377.8	-0.7	239.8	4.4	158.5	-4.3
2001	385.2	2.0	265.5	10.7	145.1	-7.9
2002	413.3	7.3	273.6	3.1	151.1	4.1
2003	422.8	2.3	259.2	-5.3	163.2	8.0

Average annual growth rate 1993 - 2003	3.9%		4.8%		-0.9%	

* + : depreciation, - : appreciation of the MUR vis- a - vis the US $

Table 2.5 - Hourly labour cost in US Dollar - Manufacturing sector, 1993-2002

Country	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002
Australia	12.70	14.29	15.56	17.22	16.91	15.22	15.99	14.47	13.34	15.55
France	16.61	17.26	19.38	19.10	17.20	17.45	17.24	15.70	15.91	17.42
Germany	23.99	25.45	30.26	29.75	26.13	25.98	25.73	23.38	23.23	25.08
Hong Kong	4.36	4.69	4.91	5.24	5.53	5.58	5.54	5.63	5.96	5.83
Japan	19.21	18.67	23.73	20.33	18.96	17.48	20.83	22.27	19.61	18.83
Korea	5.64	6.40	7.29	8.22	7.86	5.67	7.35	8.19	7.82	9.16
Mauritius	**1.02**	**1.14**	**1.26**	**1.20**	**1.20**	**1.21**	**1.23**	**1.16**	**1.13**	**1.13**
Mexico	2.41	2.41	1.65	1.44	1.62	1.64	1.83	2.08	2.33	2.38
Portugal	4.32	4.42	5.37	5.38	5.18	5.26	5.35	4.75	N/A	N/A
Singapore	5.24	6.27	7.33	8.28	8.22	7.83	7.28	7.63	7.56	7.27
Sri Lanka	0.42	0.45	0.48	0.48	0.46	0.47	0.46	0.48	0.42	N/A
Taiwan	5.18	5.53	5.85	6.02	6.01	5.45	5.51	5.85	5.70	5.41
United Kingdom	12.55	13.05	13.78	14.24	15.75	17.04	17.04	16.45	16.15	17.47
Canada	16.55	15.88	16.10	16.64	16.47	15.60	15.58	16.04	15.80	16.02
USA	16.51	16.87	17.19	17.70	18.29	18.63	19.10	19.76	20.60	21.33

Source : U.S. Bureau of Labour Statistics and CSO estimates

Table 3.1   Trends in output and inputs - Export Processing Zone (EPZ), 1993 - 2003

(Index 1982 = 100)

Year	Real output		Labour input		Capital input	
	Index	Growth rate (%)	Index	Growth rate (%)	Index	Growth rate (%)
1993	464.3	6.0	340.2	-3.9	490.4	0.5
1994	483.9	4.2	330.0	-3.0	484.3	-1.2
1995	508.2	5.0	322.3	-2.3	470.7	-2.8
1996	543.7	7.0	323.1	0.2	464.5	-1.3
1997	576.4	6.0	338.0	4.6	485.7	4.6
1998	616.1	6.9	356.1	5.4	515.6	6.1
1999	653.1	6.0	362.4	1.8	558.0	8.2
2000	692.3	6.0	363.8	0.4	586.7	5.1
2001	722.7	4.4	355.5	-2.3	608.6	3.7
2002	679.4	-6.0	333.4	-6.2	605.6	-0.5
2003	652.2	-4.0	311.9	-6.5	591.7	-2.3

Average annual growth rate 1993 - 2003	3.5%		-0.9%		1.9%	

Table 3.2   Trends in productivity - Export Processing Zone (EPZ), 1993 - 2003

(Index 1982 = 100)

Year	Labour productivity		Capital productivity		Multifactor productivity	
	Index	Growth rate (%)	Index	Growth rate (%)	Index	Growth rate (%)
1993	136.5	10.3	94.7	5.5	115.1	6.3
1994	146.7	7.5	99.9	5.5	122.2	6.2
1995	157.6	7.5	108.0	8.0	131.0	7.2
1996	168.3	6.7	117.1	8.4	138.9	6.1
1997	170.5	1.3	118.7	1.4	139.5	0.4
1998	173.0	1.5	119.5	0.7	141.3	1.3
1999	180.2	4.2	117.0	-2.1	142.2	0.6
2000	190.3	5.6	118.0	0.9	146.2	2.8
2001	203.3	6.8	118.8	0.7	149.8	2.5
2002	203.8	0.2	112.2	-5.6	146.9	-1.9
2003	209.1	2.6	110.2	-1.8	147.6	0.5

Average annual growth rate 1993 - 2003	4.4%		1.5%		2.5%	

Table 3.3 - Trends in output and inputs in the textile and non textile subsectors of EPZ, 1993 - 2003

(Index 1982=100)

Year	Real output			Labour input			Capital input		
	Total	Textile	Non-textile	Total	Textile	Non-textile	Total	Textile	Non-textile
1993	464.3	500.5	288.2	340.2	355.6	250.4	490.4	492.7	459.9
1994	483.9	526.2	283.3	330.0	341.4	263.3	484.3	486.7	446.9
1995	508.2	550.7	304.9	322.3	329.2	282.6	470.7	473.0	425.7
1996	543.7	596.5	295.7	323.1	330.7	279.0	464.5	466.7	396.5
1997	576.4	634.1	304.2	338.0	348.4	277.5	485.7	487.8	386.0
1998	616.1	677.8	325.2	356.1	368.7	282.9	515.6	517.6	368.6
1999	653.1	718.5	344.7	362.4	376.1	282.2	558.0	559.9	390.4
2000	692.3	759.5	373.3	363.8	376.0	292.7	586.7	588.8	410.9
2001	722.7	792.1	392.0	355.5	366.1	294.0	608.6	611.6	422.6
2002	679.4	731.9	415.5	333.4	342.9	277.8	605.6	608.5	432.1
2003	652.2	702.6	398.9	311.9	316.5	284.7	591.7	594.5	418.8

Annual growth rate (%)

1993 - 2003	3.5	3.4	3.3	-0.9	-1.2	1.3	1.9	1.9	-0.9
Year 2002	-6.0	-7.6	6.0	-6.2	-6.3	-5.5	-0.5	-0.5	2.2
Year 2003	-4.0	-4.0	-4.0	-6.5	-7.7	2.5	-2.3	-2.3	-3.1

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Table 3.4 - Trends in productivity in the textile and non textile subsectors of EPZ, 1993 - 2003

(Index 1982=100)

Year	Labour productivity			Capital productivity			Multifactor productivity		
	Total	Textile	Non-textile	Total	Textile	Non-textile	Total	Textile	Non-textile
1993	136.5	140.7	115.1	94.7	101.6	62.7	115.1	121.3	84.0
1994	146.7	154.1	107.6	99.9	108.1	63.4	122.2	130.5	82.3
1995	157.6	167.3	107.9	108.0	116.4	71.6	131.0	140.4	87.1
1996	168.3	180.4	106.0	117.1	127.8	74.6	138.9	150.3	88.7
1997	170.5	182.0	109.6	118.7	130.0	78.8	139.5	150.8	93.3
1998	173.0	183.8	115.0	119.5	131.0	88.2	141.3	152.5	101.6
1999	180.2	191.0	122.2	117.0	128.3	88.3	142.2	154.4	100.5
2000	190.3	202.0	127.5	118.0	129.0	90.9	146.2	158.6	103.8
2001	203.3	216.4	133.3	118.8	129.5	92.8	149.8	162.6	107.1
2002	203.8	213.4	149.6	112.2	120.3	96.2	146.9	157.3	114.0
2003	209.1	222.0	140.1	110.2	118.2	95.2	147.6	159.0	111.1

Annual growth rate (%)

	Total	Textile	Non-textile	Total	Textile	Non-textile	Total	Textile	Non-textile
1993 - 2003	4.4	4.7	2.0	1.5	1.5	4.3	2.5	2.7	2.8
Year 2002	0.2	-1.4	12.2	-5.6	-7.1	3.7	-1.9	-3.3	6.4
Year 2003	2.6	4.0	-6.3	-1.8	-1.7	-1.0	0.5	1.1	-2.5

Table 3.5 - Average compensation, ULC and Labour productivity in the textile and non textile subsectors of EPZ, 1993 - 2003

(Index 1982=100)

Year	Average compensation			Unit Labour Cost			Labour productivity		
	Total	Textile	Non-textile	Total	Textile	Non-textile	Total	Textile	Non-textile
1993	453.8	462.3	426.4	332.5	328.4	370.6	136.5	140.7	115.1
1994	514.8	527.7	458.2	351.0	342.4	425.9	146.7	154.1	107.6
1995	571.1	587.8	493.0	362.3	351.3	456.9	157.6	167.3	107.9
1996	612.9	639.0	482.8	364.2	354.3	455.6	168.3	180.4	106.0
1997	624.3	635.5	582.3	366.1	349.2	531.1	170.5	182.0	109.6
1998	688.9	697.1	670.0	398.2	379.2	582.7	173.0	183.8	115.0
1999	760.8	784.2	646.0	422.2	410.5	528.8	180.2	191.0	122.2
2000	815.6	854.8	612.7	428.6	423.1	480.5	190.3	202.0	127.5
2001	896.5	942.2	659.2	441.0	435.5	494.5	203.3	216.4	133.3
2002	1002.1	1048.9	763.2	491.8	491.5	510.2	203.8	213.4	149.6
2003	1078.8	1144.4	749.8	515.9	515.5	535.2	209.1	222.0	140.1

Annual growth rate (%)

Year	Total	Textile	Non-textile	Total	Textile	Non-textile	Total	Textile	Non-textile
1993 - 2003	9.0	9.5	5.8	4.5	4.6	3.7	4.4	4.7	2.0
Year 2002	11.8	11.3	15.8	11.5	12.9	3.2	0.2	-1.4	12.2
Year 2003	7.7	9.1	-1.8	4.9	4.9	4.9	2.6	4.0	-6.3

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Table 3.6 - ULC in local currency and US dollar for the textile and non textile subsectors of EPZ, 1993 - 2003

(Index 1982=100)

Year	ULC (MUR)			Exchange Rate MUR/US $		ULC (US Dollar)		
	Total	Textile	Non-textile	Index	% Change*	Total	Textile	Non-textile
1993	332.5	328.4	370.6	161.6	13.6	205.8	203.2	229.3
1994	351.0	342.4	425.9	165.1	2.1	212.6	207.4	258.0
1995	362.3	351.3	456.9	162.6	-1.5	222.9	216.1	281.1
1996	364.2	354.3	455.6	180.0	10.7	202.4	196.8	253.1
1997	366.1	349.2	531.1	192.2	6.8	190.5	181.6	276.3
1998	398.2	379.2	582.7	219.0	13.9	181.8	173.2	266.1
1999	422.2	410.5	528.8	229.7	4.9	183.8	178.7	230.2
2000	428.6	423.1	480.5	239.8	4.4	178.7	176.5	200.3
2001	441.0	435.5	494.5	265.5	10.7	166.1	164.0	186.3
2002	491.8	491.5	510.2	273.6	3.1	179.7	179.6	186.5
2003	515.9	515.5	535.2	259.2	-5.3	199.0	198.9	206.5

Annual growth rate (%)

Year	Total	Textile	Non-textile	Index		Total	Textile	Non-textile
1993 - 2003	4.5	4.6	3.7	4.8		-0.3	-0.2	-1.0
Year 2002	11.5	12.9	3.2	3.1		8.2	9.5	0.1
Year 2003	4.9	4.9	4.9	-5.3		10.7	10.7	10.7

* + : depreciation, - : appreciation of the MUR vis -a- vis the US $