Productivity and Competitiveness Indicators
(1999 – 2009)

Introduction

This issue of the Economic and Social Indicators presents Productivity and Competitiveness Indicators for the years 1999 to 2009 for the total economy, the manufacturing sector and Export Oriented Enterprises (EOE).

Tables 1.1 to 1.4 present the various indices for the total economy, tables 2.1 to 2.5 for the manufacturing sector and tables 3.1 to 3.6 for the EOE and its sub-sectors (textile and non-textile). A description of concepts and definitions used is given on pages 10 and 11.

2. Indicators for the total economy

Table A below presents the growth rates of productivity, unit labour cost and other competitiveness related indicators for the total economy.

Table A: Productivity and competitiveness indicators for the total economy

	Indicator	Growth rate (%)		
		Annual Average 1999 - 2009	2008[1]	2009
1	Output (GDP at basic prices)	4.7	5.1	3.1
2	GDP at market prices	4.1	5.1	2.2
3	GDP per capita (market prices)	3.3	4.4	1.6
4	Labour input	1.2	3.7	0.5
5	Capital input	5.3	5.8	6.2
6	Capital - Output ratio	0.6	0.7	3.0
7	Capital - Labour ratio	4.0	2.0	5.7
8	Labour productivity	3.4	1.4	2.6
9	Capital productivity	-0.6	-0.7	-2.9
10	Multifactor productivity	0.3	0.1	-0.9
11	Average compensation of employees	8.0	10.1	6.6
12	Unit Labour Cost (Mauritian Rupees)	4.5	8.6	3.9
13	Unit Labour Cost (US Dollars)	2.0	20.1	-7.7

[1] ***Revised***

2.1 Output (Gross Domestic Product)

Output, as measured by the Gross Domestic Product (GDP), is the total value of goods and services produced within a country. From 1999 to 2009, GDP in real terms grew on average by 4.7% per annum. The growth rate for 2009 was 3.1%, lower than the growth of 5.1% registered in 2008.

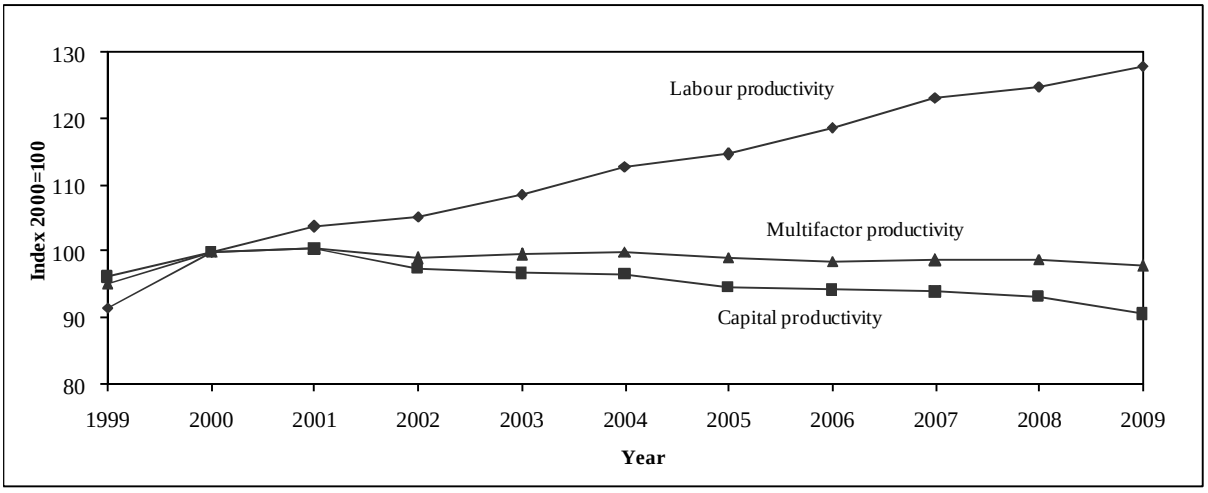
The GDP per capita at market prices is an indicator of the standard of living of the population. With an annual growth of 0.8% in the population and 4.1% in GDP at market prices, GDP per capita grew by 3.3% per annum during the period 1999 to 2009.

2.2 Labour and capital inputs

During the period 1999 to 2009, whilst real GDP at basic prices increased by an average of 4.7% per annum, capital input grew by 5.3% compared to a growth of 1.2% for labour input. The capital - labour ratio, defined as the ratio of the stock of fixed capital to labour input, grew by 4.0%, showing that capital deepening is taking place. Annual growth rates of output and inputs for the years 1999 to 2009 are given in table 1.1.

2.3 Productivity trends

Figure 1: Trends in productivity indices – Total economy, 1999 to 2009



2.3.1 Labour productivity

Labour productivity is defined as real GDP per worker. From figure 1, it is observed that the index of labour productivity, improved from 91.6 in 1999 to 127.9 in 2009, giving an average annual growth of 3.4%.

In 2009, labour productivity grew at a higher rate of 2.6% compared to 1.4% in 2008 (Table 1.2). This was the result of a GDP growth of 3.1% in 2009 compared to 5.1% in 2008, coupled with a lower growth of 0.5% in labour input in 2009 against 3.7% in 2008.

2.3.2 Capital productivity

Capital productivity is defined as real GDP per unit of capital. During the period 1999 to 2009, the index of capital productivity declined at an average annual rate of 0.6% from 96.1 in 1999 to 90.6 in 2009.

In 2009, the capital productivity declined further by 2.9% after a decline of 0.7% in 2008 (Table 1.2). The 2.9% fall in 2009 was explained by a higher growth in capital input (6.2%) compared to GDP (3.1%).

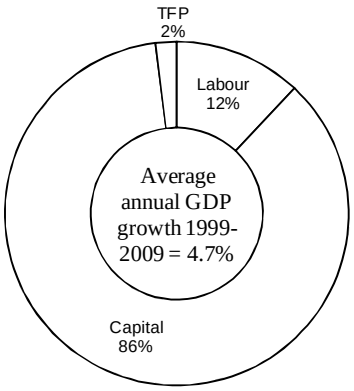
2.3.3 Multifactor productivity (MFP)

The MFP index shows the rate of change in "productive efficiency". In addition to labour and capital inputs, it takes into account qualitative factors such as better management and improved quality of inputs through training and technology. During the period 1999 to 2009, the average annual growth of MFP worked out to 0.3%. In 2009, MFP registered a negative growth of 0.9% compared to positive growth of 0.1% in 2008 (Table 1.2).

2.4 Growth accounting

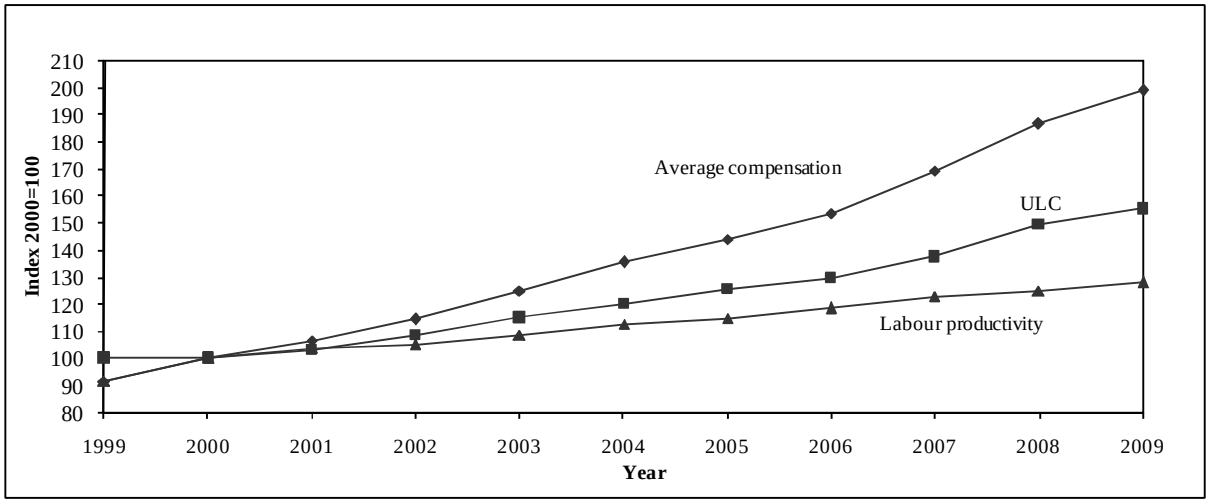
The contribution of different factors to economic growth is determined by the growth accounting technique. From 1999 to 2009, the contribution of labour to the 4.7% annual growth in GDP worked out to 12% and that of capital to 86%. The remaining 2% represents the contribution of "Total Factor Productivity" (TFP), which includes qualitative factors such as training, management and technology.

Figure 2: Contribution of labour, capital and TFP to GDP growth, 1999 to 2009



2.5 Unit Labour Cost (ULC)

Figure 3: Trends in Unit Labour Cost - Total economy, 1999 to 2009



Unit labour cost measures the remuneration of labour per unit of output. It is affected by changes in both average compensation of employees and labour productivity. During the period 1999 to 2009, average compensation of employees increased by 8.0% annually whilst labour

productivity grew by 3.4%. The higher growth in average compensation of employees compared to that of labour productivity resulted in an average annual growth of 4.5% in ULC. In 2009, ULC grew by 3.9% compared to 8.6% in 2008 (Table 1.3).

To compare changes in competitiveness across economies, the impact of exchange rate fluctuations has to be taken into account. When a national currency appreciates against the US Dollar, more Dollars are paid in exchange for each national currency unit. On the other hand, when a national currency depreciates against the US Dollar, fewer Dollars are paid in exchange for each national currency unit. From 1999 to 2009, ULC in Mauritian Rupees grew annually by 4.5%, while in Dollar terms it increased by 2.0% as a result of an average annual depreciation of 2.4% of the Mauritian Rupee vis-à-vis the US Dollar. In 2009, ULC in Dollar terms declined by 7.7% compared to an increase of 20.1% in 2008, as a result of a depreciation of 12.6% of the rupee vis-à-vis the US Dollar (Table 1.4).

3. Indicators for the Manufacturing sector

Table B below summarises the main indicators for the Manufacturing sector.

Table B: Productivity and competitiveness indicators for the Manufacturing sector

	Indicator	Growth rate (%)		
		Annual average	2008[1]	2009
		1999 - 2009		
1	Output (Value added at constant prices)	1.5	3.2	1.1
2	Labour input	-2.2	0.8	-6.2
3	Capital input	3.6	3.0	2.1
4	Capital - Output ratio	2.4	-0.3	-0.3
5	Capital - Labour ratio	5.8	2.0	2.0
6	Labour productivity	3.8	2.4	7.8
7	Capital productivity	-2.0	0.2	-1.0
8	Multifactor productivity	-0.2	0.7	1.5
9	Average compensation of employees	8.9	12.6	8.6
10	Unit Labour Cost (Mauritian Rupees)	4.9	10.0	0.7
11	Unit Labour Cost (US Dollars)	2.4	21.7	-10.6

[1] ***Revised***

3.1 Output and inputs

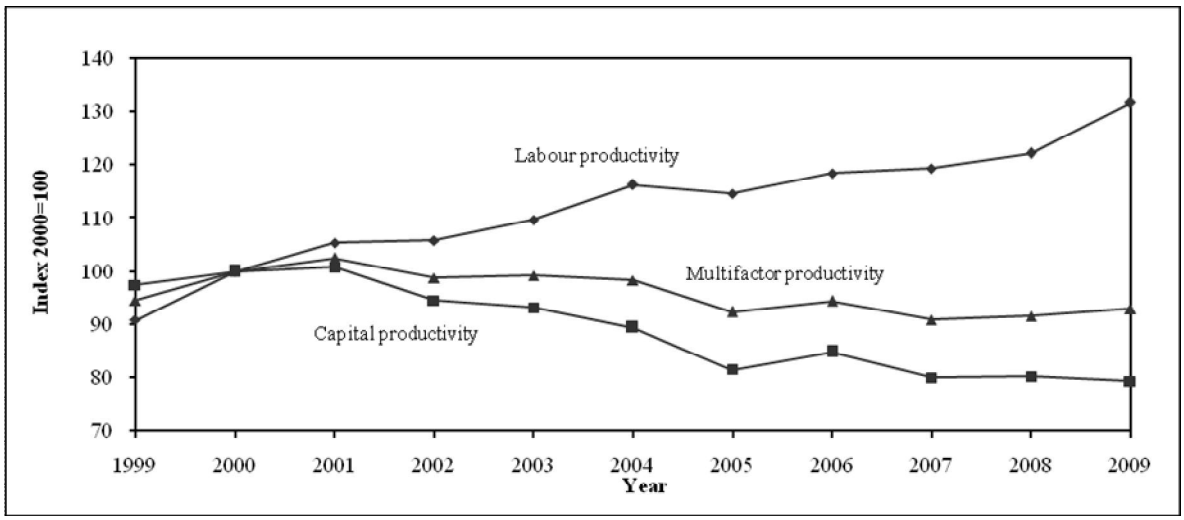
From 1999 to 2009, real output in the manufacturing sector grew on average by 1.5% annually. In 2009, the sector registered a growth of 1.1%, lower than the growth of 3.2% registered in 2008.

For the period 1999 to 2009, labour input declined by 2.2% annually whereas capital input grew by an average annual rate of 3.6%.

Labour input fell by 6.2% in 2009 compared to a slight increase of 0.8% in 2008. Capital input grew by 2.1% in 2009, lower than the growth of 3.0% in 2008 (Table 2.1).

3.2 Productivity trends

Figure 4: Trends in productivity indices – Manufacturing sector, 1999 to 2009



During the period 1999 to 2009, labour productivity in the manufacturing sector registered an average annual growth of 3.8% while capital productivity declined by an average of 2.0% annually. This was the result of growths of 1.5% and 3.6% in real output and capital input respectively and a decline of 2.2% in labour input. During the same period, multifactor productivity decreased by an average of 0.2% per annum (Table 2.2).

In 2009, labour productivity in manufacturing grew by 7.8%, higher than the growth of 2.4% in 2008. Capital productivity for year 2009 witnessed a decrease of 1.0% while multi-factor productivity went up by 1.5%.

3.3 Unit Labour Cost (ULC)

Figure 5: Trends in Unit Labour Cost – Manufacturing sector, 1999 to 2009

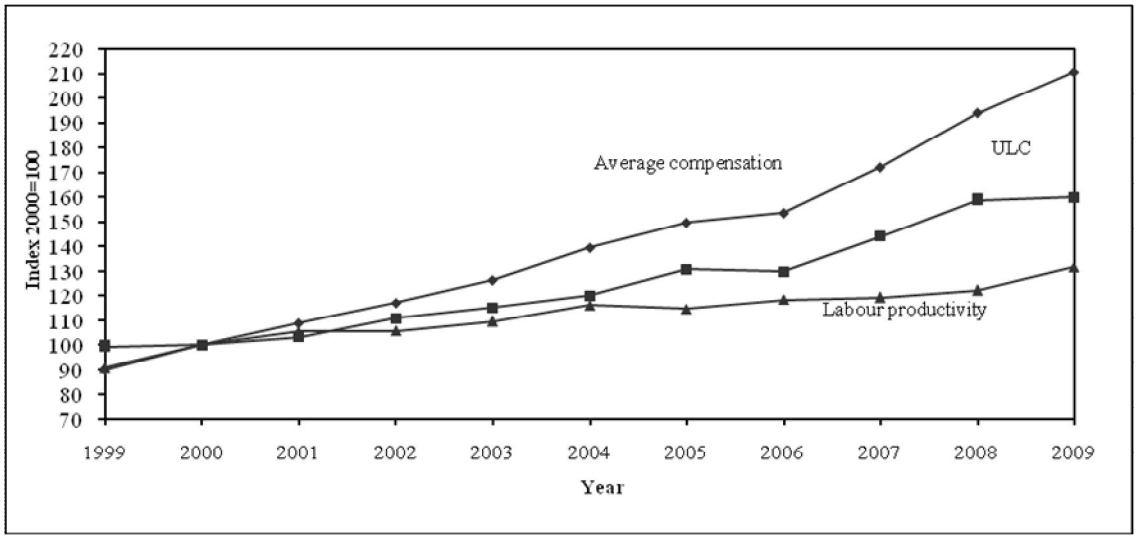


Figure 5 shows the trend of the ULC index in the manufacturing sector for the period 1999 to 2009. During that period, ULC grew at an average annual rate of 4.9% due to a higher growth in average compensation of employees (8.9%) compared to labour productivity (3.8%). However, in Dollar terms, ULC increased at an average annual rate of 2.4% due to an annual average depreciation of 2.4% of the local currency against the Dollar (Table 2.4).

In 2009, ULC for the manufacturing sector grew by 0.7% compared to 10.0% in 2008. In Dollar terms, ULC decreased by 10.6% compared to an increase of 21.7% in 2008; the decrease being due to a high depreciation of the rupee by 12.6% in 2009.

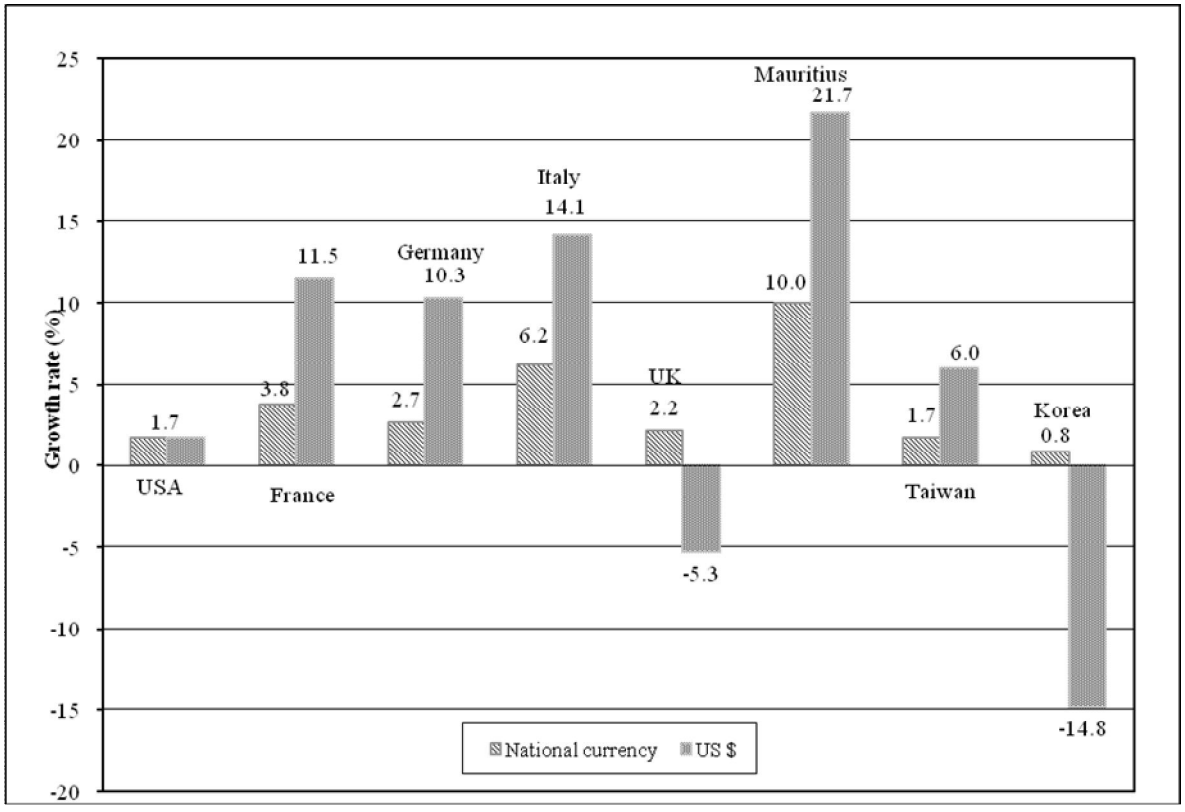
3.4 International comparison of Unit Labour Cost in Manufacturing – 2008

An international comparison of growth in ULC in the manufacturing sector for the year 2008, in national currency and in US Dollar is given in table C and figure 6.

Table C: Manufacturing Unit Labour Cost of selected countries, 2008

Country	USA	France	Germany	Italy	UK	**Mauritius**	Taiwan	Korea
National currency	1.7	3.8	2.7	6.2	2.2	**10.0**	1.7	0.8
US $	1.7	11.5	10.3	14.1	-5.3	**21.7**	6.0	-14.8

Figure 6: International comparison of ULC in Manufacturing – Growth rate (%), 2008



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

It is observed that, in 2008, ULC in the manufacturing sector, expressed in national currency, grew in all the eight economies compared, the steepest growth being for Mauritius (10.0%) and Italy (6.2%).

Expressed in US Dollar, manufacturing unit labour cost declined in two countries, namely UK (-5.3%) and Korea (-14.8%). Among the countries registering increases, Mauritius and Italy registered high increases of (+21.7%) and (+14.1%) respectively, explained by high appreciation of their currencies relative to the US Dollar in 2008.

3.5 International comparison of Hourly Labour Cost (HLC)

The HLC is another indicator of international competitiveness. Table 2.5 compares the evolution of HLC in the Mauritian manufacturing sector with available hourly labour cost for some other countries. In 2007, the HLC for Mauritius was 1.57 US Dollar. Among countries being compared the HLC for Sri Lanka was the lowest (0.61 US Dollar) while Germany had the highest HLC (37.66 US Dollar). The HLC for Mauritius for 2008 and 2009 stood at 1.79 and 1.76 US Dollar respectively. Latest figures for international comparison for the years 2008 and 2009 are not yet available.

4. Indicators for Export Oriented Enterprises (EOE)

Table D below shows the main indicators for the Export Oriented Enterprises

Table D: Productivity and competitiveness indicators for Export Oriented Enterprises

	Indicator	Growth rate (%)		
		Annual average 1999 - 2009	2008[1]	2009
1	Output (Value added at constant prices)	-0.6	3.6	0.5
2	Labour input	-4.2	-2.1	-9.4
3	Capital input	3.0	-0.9	-7.2
4	Capital – Output ratio	3.7	-4.3	-7.7
5	Capital – Labour ratio	7.5	1.2	2.5
6	Labour productivity	3.7	5.8	11.0
7	Capital productivity	-3.5	4.5	8.3
8	Multifactor productivity	-0.8	7.8	8.9
9	Average compensation of employees	8.9	9.4	16.2
10	Unit Labour Cost (Mauritian Rupees)	5.0	3.4	4.8
11	Unit Labour Cost (US Dollars)	2.5	14.4	-7.0

[1] ***Revised***

4.1 Output and inputs

In 2009, the share of export oriented enterprises in the economy was 6.9%. The contribution of the textile and non-textile subsectors in the total output of the EOE sector was 67.7% and 32.3% respectively.

During the period 1999 to 2009, real output of the EOE sector declined at an average annual rate of 0.6%. Within the sector, the real output of non textile establishments grew by 7.3% while that of textile establishments declined by 2.4%.

During the same period, labour input registered an annual decrease of 4.2% while capital input grew by an average of 3.0% annually.

In 2009, labour input in the EOE sector declined further by 9.4% after a decline of 2.1% in 2008, similarly capital input fell by 7.2% after a decline of 0.9% in 2008 (Table 3.3).

4.2 Productivity trends

Figure 7: Trends in productivity indices – Export Oriented Enterprises, 1999 to 2009

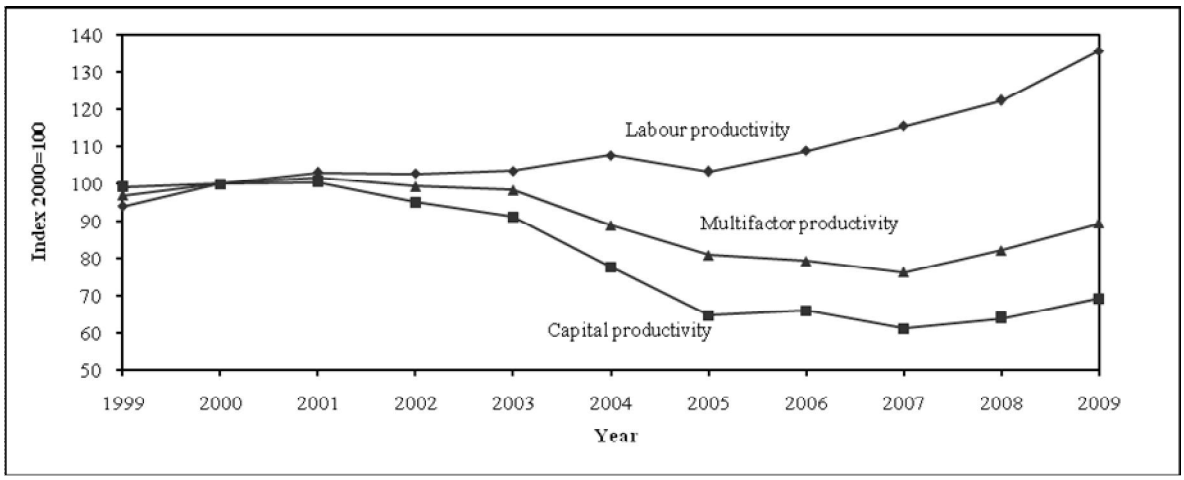
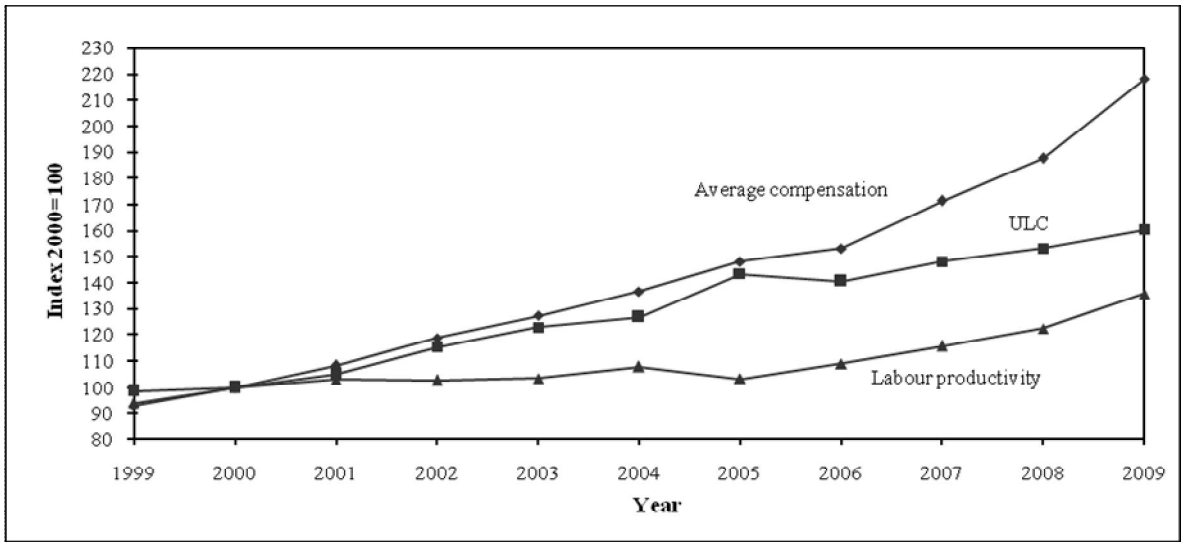


Figure 7 shows the trends in the labour, capital and multifactor productivity indices of export oriented enterprises for the years 1999 to 2009. Labour productivity grew at an average annual rate of 3.7% while capital productivity declined by 3.5%. This is explained by an annual decline of 4.2% in labour input and a growth of 3.0% in capital input along with a fall of 0.6 in real output during the period under review. Multifactor productivity fell at an average annual rate of 0.8% (Table 3.4).

In 2009, labour productivity in EOE grew by 11.0% compared to a growth of 5.8% in 2008. Capital and multifactor productivity witnessed increases of 8.3% and 8.9% respectively in 2009 compared to increases of 4.5% and 7.8% in 2008.

4.3 Unit Labour Cost (ULC)

Figure 8: Trends in Unit Labour Cost – Export Oriented Enterprises, 1999 to 2009



From 1999 to 2009, average compensation of employees in the EOE sector increased by an average annual rate of 8.9% and labour productivity by 3.7%. The higher growth in average compensation of employees compared to labour productivity caused ULC to increase at an average annual rate of 5.0% during that period. In 2009, ULC increased by 4.8% compared to a growth of 3.4% in 2008 (Table 3.5).

In Dollar terms, ULC witnessed an average annual growth of 2.5% during the period 1999 to 2009. In 2009 ULC in Dollar terms registered a fall of 7.0% compared to a rise of 14.4% in 2008, as a result of a depreciation of 12.6% of the rupee.

Central Statistics Office
Ministry of Finance and Economic Empowerment
Port Louis.
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Contact person

Mrs. D. Ramphul and
Mrs. N. Joomun
Central Statistics Office
L.I.C Centre, Port-Louis
Tel: 2122316/17,
Fax : (230) 211-4150

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. Using compensation of employees, which is more readily available from national accounts data as a proxy for labour costs, ULC can hence be expressed as the ratio of average compensation per person engaged to labour productivity. This ratio indicates how improvement in productivity offsets increases in average compensation per worker.

1. Output

The term output in this publication refers to real output, that is value added at constant prices.

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

2. Employment/Labour input

Employment/Labour input is most appropriately measured by hours worked and its price by average compensation per hour. However, due to lack of data, the total number of persons engaged, defined as employers, own account workers, contributing family workers and employees in any type of economic activity is used. Prior to 2000, employment for year n was calculated as the average of employment at June of year (n) and June of year (n+1). As from 2000, average employment for a given year is available and thus the data has been used for the computation of labour input.

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

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**.**

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

4. Labour Productivity

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

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

5. Capital productivity

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

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

6. Multifactor/Total factor productivity

Multifactor productivity (MFP)/Total factor productivity (TFP) 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.

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

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

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 (compensation of employees) 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.

$$\textit{Unit Labour Cost Index} = \frac{\text{Labour Cost Index}}{\text{Output Index}} \times 100 \text{ or } \frac{\text{Average Compensation Index}}{\text{Labour Productivity Index}} \times 100$$

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 of employees 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 source of data is the Survey of Employment, Earnings and Hours of work.

Table 1.1 Trends in output and inputs - Total economy, 1999 - 2009

(Index 2000 = 100)

Year	Real output		Labour input		Capital input	
	Index	Growth rate (%)	Index	Growth rate (%)	Index	Growth rate (%)
1999	91.2	2.1	99.5	1.0	94.8	7.1
2000	100.0	9.7	100.0	0.5	100.0	5.4
2001	105.2	5.2	101.5	1.5	104.9	4.9
2002	107.1	1.8	101.7	0.2	109.9	4.8
2003	111.8	4.4	102.9	1.2	115.6	5.2
2004	117.2	4.8	104.0	1.0	121.4	5.1
2005	119.9	2.3	104.6	0.6	126.6	4.3
2006	126.0	5.1	106.3	1.6	133.7	5.6
2007	132.9	5.5	108.0	1.6	141.5	5.9
2008	139.7	5.1	112.0	3.7	149.7	5.8
2009	144.0	3.1	112.6	0.5	159.0	6.2

Average annual growth rate 1999 - 2009	4.7%	1.2%	5.3%

Table 1.2 Trends in productivity - Total economy, 1999 - 2009

(Index 2000 = 100)

Year	Labour productivity		Capital productivity		Multifactor productivity	
	Index	Growth rate (%)	Index	Growth rate (%)	Index	Growth rate (%)
1999	91.6	1.1	96.1	-4.6	95.2	-2.5
2000	100.0	9.2	100.0	4.0	100.0	5.0
2001	103.7	3.7	100.3	0.3	100.5	0.5
2002	105.3	1.6	97.5	-2.8	99.0	-1.5
2003	108.6	3.2	96.8	-0.7	99.5	0.5
2004	112.7	3.7	96.5	-0.3	99.9	0.4
2005	114.6	1.7	94.7	-1.9	99.1	-0.8
2006	118.5	3.4	94.2	-0.5	98.5	-0.6
2007	123.1	3.8	93.9	-0.3	98.6	0.1
2008	124.7	1.4	93.3	-0.7	98.8	0.1
2009	127.9	2.6	90.6	-2.9	97.8	-0.9

Average annual growth rate 1999 - 2009	3.4%	-0.6%	0.3%

Table 1.3 Average compensation of employees, Labour productivity and Unit Labour Cost - Total economy, 1999 - 2009

(Index 2000 = 100)

Year	Average compensation of employees		Labour productivity		Unit Labour Cost	
	Index	Growth rate (%)	Index	Growth rate (%)	Index	Growth rate (%)
1999	91.7	7.9	91.6	1.1	100.2	6.7
2000	100.0	9.0	100.0	9.2	100.0	-0.2
2001	106.8	6.8	103.7	3.7	103.0	3.0
2002	114.3	7.1	105.3	1.6	108.5	5.4
2003	125.0	9.3	108.6	3.2	115.0	6.0
2004	135.4	8.4	112.7	3.7	120.2	4.5
2005	144.0	6.3	114.6	1.7	125.7	4.6
2006	153.5	6.6	118.5	3.4	129.5	3.0
2007	169.4	10.3	123.1	3.8	137.6	6.3
2008	186.4	10.1	124.7	1.4	149.5	8.6
2009	198.7	6.6	127.9	2.6	155.3	3.9
Average annual growth rate 1999 - 2009	8.0%		3.4%		4.5%	

Table 1.4 Unit labour cost in Mauritian Rupees (MUR) and US dollar - Total economy, 1999 -2009

(Index 2000 = 100)

Year	Unit Labour Cost (MUR)		Exchange rate MUR/US $		Unit Labour Cost (US $)	
	Index	Growth rate (%)	Index	(%) Change*	Index	Growth rate (%)
1999	100.2	6.7	95.8	4.9	104.6	1.8
2000	100.0	-0.2	100.0	4.4	100.0	-4.4
2001	103.0	3.0	110.7	10.7	93.0	-7.0
2002	108.5	5.4	114.1	3.1	95.1	2.3
2003	115.0	6.0	108.1	-5.3	106.4	11.8
2004	120.2	4.5	105.7	-2.2	113.7	6.9
2005	125.7	4.6	111.3	5.3	112.9	-0.7
2006	129.5	3.0	118.6	6.6	109.2	-3.3
2007	137.6	6.3	119.5	0.7	115.2	5.5
2008	149.5	8.6	108.0	-9.6	138.4	20.1
2009	155.3	3.9	121.6	12.6	127.7	-7.7
Average annual growth rate 1999 - 2009	4.5%		2.4%		2.0%	

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

Table 2.1 Trends in output and inputs - Manufacturing sector, 1999 - 2009

(Index 2000 = 100)

Year	Real output		Labour input		Capital input	
	Index	Growth rate (%)	Index	Growth rate (%)	Index	Growth rate (%)
1999	92.7	2.0	102.1	-0.8	95.2	6.3
2000	100.0	7.9	100.0	-2.1	100.0	5.1
2001	104.4	4.4	99.1	-0.9	103.5	3.5
2002	101.9	-2.4	96.3	-2.8	107.9	4.2
2003	101.9	0.0	93.0	-3.5	109.5	1.5
2004	102.5	0.6	88.2	-5.2	114.7	4.8
2005	96.9	-5.5	84.5	-4.2	118.9	3.7
2006	100.7	4.0	85.1	0.7	118.9	-0.1
2007	103.0	2.2	86.3	1.4	128.8	8.3
2008	106.3	3.2	87.0	0.8	132.6	3.0
2009	107.4	1.1	81.5	-6.2	135.4	2.1

Average annual growth rate 1999 - 2009	1.5%	-2.2%	3.6%

Table 2.2 Trends in productivity - Manufacturing sector, 1999 - 2009

(Index 2000 = 100)

Year	Labour productivity		Capital productivity		Multifactor productivity	
	Index	Growth rate (%)	Index	Growth rate (%)	Index	Growth rate (%)
1999	90.7	2.8	97.4	-4.0	94.5	-1.1
2000	100.0	10.2	100.0	2.7	100.0	5.9
2001	105.4	5.4	100.8	0.8	102.5	2.5
2002	105.8	0.4	94.4	-6.4	98.8	-3.6
2003	109.6	3.6	93.0	-1.5	99.2	0.4
2004	116.3	6.1	89.3	-4.0	98.3	-0.9
2005	114.6	-1.4	81.4	-8.8	92.3	-6.1
2006	118.4	3.3	84.8	4.1	94.3	2.2
2007	119.3	0.8	80.0	-5.7	90.8	-3.7
2008	122.2	2.4	80.1	0.2	91.5	0.7
2009	131.7	7.8	79.3	-1.0	92.8	1.5

Average annual growth rate 1999 - 2009	3.8%	-2.0%	-0.2%

Table 2.3 Average compensation of employees, Labour productivity and Unit Labour Cost - Manufacturing sector, 1999 - 2009

(Index 2000 = 100)

Year	Average compensation of employees		Labour productivity		Unit Labour Cost	
	Index	Growth rate (%)	Index	Growth rate (%)	Index	Growth rate (%)
1999	90.1	12.3	90.7	2.8	99.3	9.3
2000	100.0	11.0	100.0	10.2	100.0	0.8
2001	108.9	8.9	105.4	5.4	103.3	3.3
2002	117.1	7.6	105.8	0.4	110.7	7.2
2003	126.3	7.8	109.6	3.6	115.2	4.0
2004	139.4	10.4	116.3	6.1	119.9	4.1
2005	149.8	7.4	114.6	-1.4	130.7	9.0
2006	153.6	2.6	118.4	3.3	129.7	-0.7
2007	172.2	12.1	119.3	0.8	144.3	11.2
2008	193.9	12.6	122.2	2.4	158.7	10.0
2009	210.6	8.6	131.7	7.8	159.9	0.7
Average annual growth rate 1999 - 2009	8.9%		3.8%		4.9%	

Table 2.4 Unit labour cost in Mauritian Rupees (MUR) and US dollar - Manufacturing sector, 1999 - 2009

(Index 2000 = 100)

Year	Unit Labour Cost (MUR)		Exchange rate MUR/US $		Unit Labour Cost (US $)	
	Index	Growth rate (%)	Index	(%) Change*	Index	Growth rate (%)
1999	99.3	9.3	95.8	4.9	103.6	4.2
2000	100.0	0.8	100.0	4.4	100.0	-3.5
2001	103.3	3.3	110.7	10.7	93.3	-6.7
2002	110.7	7.2	114.1	3.1	97.1	4.0
2003	115.2	4.0	108.1	-5.3	106.6	9.8
2004	119.9	4.1	105.7	-2.2	113.5	6.5
2005	130.7	9.0	111.3	5.3	117.4	3.4
2006	129.7	-0.7	118.6	6.6	109.4	-6.8
2007	144.3	11.2	119.5	0.7	120.8	10.4
2008	158.7	10.0	108.0	-9.6	147.0	21.7
2009	159.9	0.7	121.6	12.6	131.5	-10.6
Average annual growth rate 1999 - 2009	4.9%		2.4%		2.4%	

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

Table 2.5 - Hourly labour cost of selected countries in US Dollar - Manufacturing sector, 1998 - 2007

Country	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Australia	15.22	15.96	14.40	13.30	15.38	19.79	23.79	25.53	26.46	30.17
France	17.45	17.00	15.46	15.65	17.13	20.74	23.98	24.56	25.47	28.57
Germany	25.98	26.26	22.67	22.48	24.22	29.93	33.14	33.38	34.26	37.66
Hong Kong (S.A.R) [1]	5.58	5.37	5.45	5.74	5.66	5.54	5.51	5.65	5.78	5.78
Japan	17.48	20.47	21.93	19.43	18.60	20.32	21.65	21.31	19.99	19.75
Korea	5.67	7.34	8.23	7.72	8.77	9.69	10.50	12.48	14.48	16.02
Mauritius	**1.29**	**1.31**	**1.24**	**1.20**	**1.21**	**1.43**	**1.53**	**1.66**	**1.61**	**1.57**
Mexico	1.64	1.86	2.07	2.54	2.49	2.44	2.45	2.65	2.77	2.92
Portugal	5.26	5.06	4.49	4.59	5.07	6.18	9.32	7.42	7.53	8.27
Singapore	7.83	7.07	7.18	6.97	6.71	7.23	7.50	7.34	8.68	8.35
Sri Lanka	0.47	0.46	0.48	0.45	0.49	0.51	0.52	0.54	0.57	0.61
Taiwan	5.45	5.78	6.19	6.05	5.64	5.69	5.97	6.42	6.56	6.58
United Kingdom	17.04	17.33	16.84	16.75	18.36	21.29	24.37	25.36	26.36	29.73
Canada	15.60	15.58	16.48	16.23	16.72	19.60	22.25	24.40	26.28	28.91
USA	18.64	18.78	19.65	20.58	21.33	22.48	23.12	23.81	24.15	24.59

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

[1] Special Administrative Region of China

Table 3.1 Trends in output and inputs - Export Oriented Enterprises (EOE), 1999 - 2009
(Index 2000 = 100)

Year	Real output		Labour input		Capital input	
	Index	Growth rate (%)	Index	Growth rate (%)	Index	Growth rate (%)
1999	94.3	6.0	100.3	1.8	95.1	8.4
2000	100.0	6.0	100.0	-0.3	100.0	5.2
2001	104.4	4.4	101.3	1.3	103.9	3.9
2002	98.1	-6.0	95.4	-5.8	103.2	-0.7
2003	92.2	-6.0	89.1	-6.7	101.1	-2.0
2004	86.0	-6.8	79.7	-10.5	110.7	9.5
2005	75.4	-12.3	72.9	-8.5	116.4	5.2
2006	78.9	4.6	72.4	-0.8	119.3	2.5
2007	85.2	8.0	73.6	1.7	139.2	16.7
2008	88.2	3.6	72.0	-2.1	137.9	-0.9
2009	88.7	0.5	65.3	-9.4	128.0	-7.2

Average annual growth rate 1999 - 2009	-0.6%	-4.2%	3.0%

Table 3.2 Trends in productivity - Export Oriented Enterprises (EOE), 1999 - 2009
(Index 2000 = 100)

Year	Labour productivity		Capital productivity		Multifactor productivity	
	Index	Growth rate (%)	Index	Growth rate (%)	Index	Growth rate (%)
1999	94.1	4.2	99.2	-2.2	97.0	1.5
2000	100.0	6.3	100.0	0.8	100.0	3.1
2001	103.0	3.0	100.5	0.5	101.6	1.6
2002	102.8	-0.2	95.1	-5.4	99.3	-2.3
2003	103.5	0.7	91.3	-4.0	98.4	-1.0
2004	107.8	4.1	77.7	-14.9	89.1	-9.4
2005	103.4	-4.1	64.8	-16.6	81.0	-9.1
2006	109.0	5.4	66.1	2.0	79.3	-2.2
2007	115.7	6.2	61.2	-7.4	76.3	-3.7
2008	122.5	5.8	64.0	4.5	82.3	7.8
2009	135.9	11.0	69.3	8.3	89.6	8.9

Average annual growth rate 1999 - 2009	3.7%	-3.5%	-0.8%

Table 3.3 - Trends in output and inputs - Textile and non textile subsectors of EOE, 1999 - 2009

(Index 2000=100)

Year	Real output			Labour input			Capital input		
	Total	Textile	Non-textile	Total	Textile	Non-textile	Total	Textile	Non-textile
1999	94.3	94.6	92.3	100.3	100.7	97.0	95.1	95.1	95.0
2000	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
2001	104.4	104.3	105.0	101.3	101.0	104.1	103.9	104.1	102.9
2002	98.1	96.4	111.3	95.4	95.0	98.8	103.2	103.3	102.4
2003	92.2	89.8	110.5	89.1	87.5	101.1	101.1	101.3	100.0
2004	86.0	81.7	118.3	79.7	76.3	105.4	110.7	111.1	108.3
2005	75.4	69.5	121.5	72.9	67.7	112.2	116.4	117.2	111.8
2006	78.9	70.4	142.7	72.4	67.7	107.6	119.3	120.1	114.7
2007	85.2	76.8	149.7	73.6	68.6	111.4	139.2	140.5	131.0
2008	88.2	77.2	169.6	72.0	64.9	125.6	137.9	139.7	127.1
2009	88.7	74.1	187.2	65.3	57.9	120.7	128.0	130.0	115.9
Annual growth rate (%)									
1999 - 2009	-0.6	-2.4	7.3	-4.2	-5.4	2.2	3.0	3.2	2.0
Year 2008	3.6	0.5	13.3	-2.1	-5.3	12.7	-0.9	-0.6	-2.9
Year 2009	0.5	-4.0	10.4	-9.4	-10.9	-3.9	-7.2	-7.0	-8.8

Table 3.4 - Trends in productivity - Textile and non textile subsectors of EOE, 1999 - 2009

(Index 2000=100)

Year	Labour productivity			Capital productivity			Multifactor productivity		
	Total	Textile	Non-textile	Total	Textile	Non-textile	Total	Textile	Non-textile
1999	94.1	93.9	95.2	99.2	99.5	97.2	97.0	96.7	101.4
2000	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
2001	103.0	103.3	100.8	100.5	100.2	102.0	101.6	100.9	109.3
2002	102.8	101.5	112.6	95.1	93.3	108.7	99.3	97.7	110.6
2003	103.5	102.7	109.4	91.3	88.7	110.5	98.4	98.4	97.2
2004	107.8	107.1	112.2	77.7	73.6	109.2	89.1	89.6	91.1
2005	103.4	102.6	108.3	64.8	59.3	108.6	81.0	80.7	94.9
2006	109.0	104.1	132.6	66.1	58.7	124.4	79.3	76.8	107.0
2007	115.7	112.0	134.3	61.2	54.6	114.3	76.3	74.9	100.7
2008	122.5	118.9	135.0	64.0	55.2	133.4	82.3	83.3	113.3
2009	135.9	128.1	155.1	69.3	57.0	161.5	89.6	87.0	137.0
Annual growth rate (%)									
1999 - 2009	3.7	3.1	5.0	-3.5	-5.4	5.2	-0.8	-1.1	3.0
Year 2008	5.8	6.2	0.5	4.5	1.1	16.7	7.8	11.1	12.5
Year 2009	11.0	7.7	14.9	8.3	3.2	21.1	8.9	4.5	20.8

Table 3.5 - Average compensation of employees, Labour productivity and Unit labour cost - Textile and non textile subsectors of EOE, 1999 -2009

(Index 2000=100)

Year	Average compensation of employees			Labour productivity			Unit Labour Cost		
	Total	Textile	Non-textile	Total	Textile	Non-textile	Total	Textile	Non-textile
1999	92.9	91.1	104.4	94.1	93.9	95.2	98.7	97.0	109.7
2000	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
2001	108.3	106.3	119.7	103.0	103.3	100.8	105.1	102.9	118.8
2002	118.7	118.5	119.1	102.8	101.5	112.6	115.4	116.7	105.8
2003	127.3	135.5	80.9	103.5	102.7	109.4	123.0	132.0	74.0
2004	136.6	151.2	65.7	107.8	107.1	112.2	126.7	141.2	58.5
2005	148.3	161.1	91.7	103.4	102.6	108.3	143.5	157.0	84.7
2006	153.2	161.4	112.4	109.0	104.1	132.6	140.6	155.1	84.8
2007	171.5	179.8	129.5	115.7	112.0	134.3	148.2	160.5	96.4
2008	187.6	196.4	145.5	122.5	118.9	135.0	153.2	165.2	107.8
2009	218.1	226.2	176.6	135.9	128.1	155.1	160.5	176.6	113.9
Annual growth rate (%)									
1999 - 2009	8.9	9.5	5.4	3.7	3.1	5.0	5.0	6.2	0.4
Year 2008	9.4	9.2	12.4	5.8	6.2	0.5	3.4	2.9	11.8
Year 2009	16.2	15.1	21.4	11.0	7.7	14.9	4.8	6.9	5.7

Table 3.6 - Unit labour cost in Mauritian Rupees (MUR) and US dollar - Textile and non textile subsectors of EOE, 1999 - 2009

(Index 2000=100)

Year	Unit labour cost (MUR)			Exchange Rate MUR/US $		Unit labour cost (US Dollar)		
	Total	Textile	Non-textile	Index	% Change*	Total	Textile	Non-textile
1999	98.7	97.0	109.7	95.8	4.9	103.1	101.3	114.5
2000	100.0	100.0	100.0	100.0	4.4	100.0	100.0	100.0
2001	105.1	102.9	118.8	110.7	10.7	95.0	93.0	107.3
2002	115.4	116.7	105.8	114.1	3.1	101.1	102.3	92.7
2003	123.0	132.0	74.0	108.1	-5.3	113.8	122.2	68.5
2004	126.7	141.2	58.5	105.7	-2.2	119.9	133.6	55.4
2005	143.5	157.0	84.7	111.3	5.3	128.9	141.0	76.1
2006	140.6	155.1	84.8	118.6	6.6	118.5	130.7	71.5
2007	148.2	160.5	96.4	119.5	0.7	124.0	134.4	80.7
2008	153.2	165.2	107.8	108.0	-9.6	141.9	153.0	99.8
2009	160.5	176.6	113.9	121.6	12.6	132.0	145.2	93.6
Annual growth rate (%)								
1999 - 2009	5.0	6.2	0.4	2.4		2.5	3.7	-2.0
Year 2008	3.4	2.9	11.8	-9.6		14.4	13.8	23.6
Year 2009	4.8	6.9	5.7	12.6		-7.0	-5.1	-6.2

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