

Productivity and Competitiveness Indicators (2002 – 2012)

1. Introduction

This issue of the Economic and Social Indicators presents Productivity and Competitiveness Indicators for the years 2002 to 2012 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.

1.2 Revision of classification

As from this issue, industrial classifications used will be according to the National Standard Industrial Classification (NSIC), Revision 2 based on the UN International Standard Industrial Classification (ISIC) of all economic activities, Rev. 4 of 2008, previous classifications used being NSIC Rev. 1 based on ISIC, Rev. 3 of 1990. This has led to some changes within the activity groups but not at overall economy. As such, for the total economy, only one series of indices is given while the indices for the manufacturing and EOE sectors have been presented in both NSIC Rev. 1 and NSIC Rev. 2 with years 2000 and 2007 as base respectively and are not strictly comparable. Figures for latest years are still provisional and are subject to revision in later issues.

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		2011	2012
		2002 - 2012	2007 - 2012		
1	Output (GDP at basic prices)	4.4	3.9	3.5	3.3
2	GDP at market prices	4.2	3.9	3.8	3.2
3	GDP per capita (market prices)	3.5	3.4	3.4	2.8
4	Labour input	1.4	1.7	0.3	1.6
5	Capital input	5.1	5.0	4.8	4.3
6	Capital - Output ratio	0.7	1.0	1.3	1.0
7	Capital - Labour ratio	3.6	3.3	4.5	2.6
8	Labour productivity	2.9	2.2	3.2	1.6
9	Capital productivity	-0.6	-1.0	-1.3	-0.9
10	Multifactor productivity	0.8	0.1	0.3	0.0
11	Average compensation of employees	6.9	5.9	7.6	4.8
12	Unit Labour Cost (Mauritian Rupees)	3.8	3.6	4.3	3.1
13	Unit Labour Cost (US Dollars)	3.8	4.5	12.0	-1.0

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 2002 to 2012, GDP at basic prices, in real terms, grew on average by 4.4% per annum. The growth rate for 2012 was 3.3%, lower than the growth of 3.5% registered in 2011.

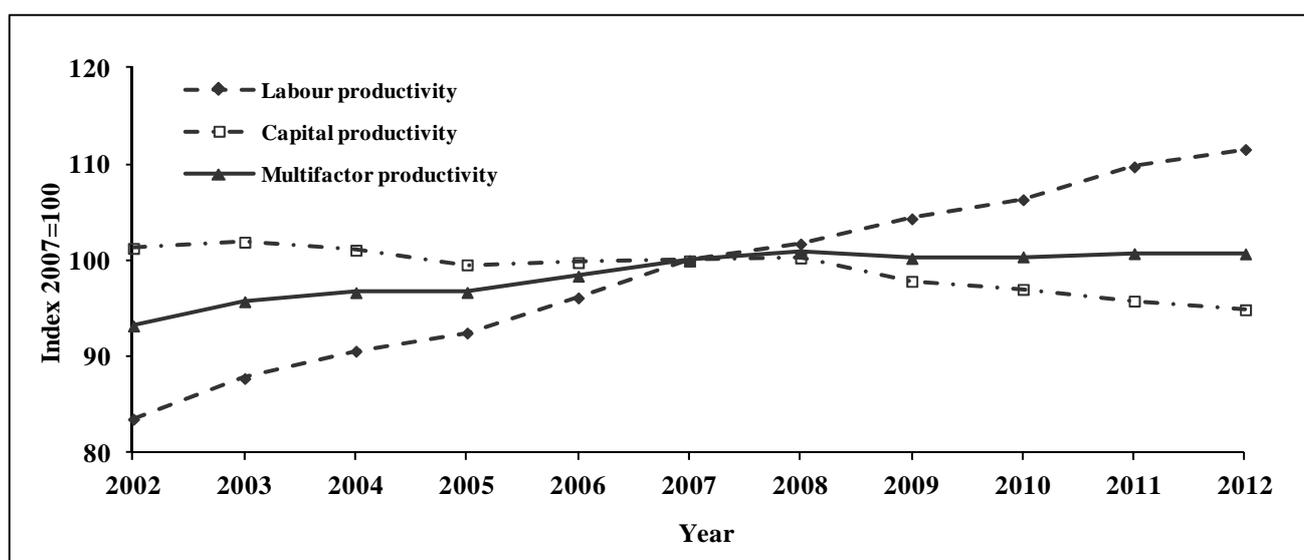
The GDP per capita at market prices is an indicator of the standard of living of the population. With an annual growth of 0.6% in the population and 4.2% in GDP at market prices, GDP per capita grew by 3.5% per annum during the period 2002 to 2012.

2.2 Labour and capital inputs

During the period 2002 to 2012, whilst real GDP at basic prices increased by an average of 4.4% per annum, capital input grew by 5.1% compared to a growth of 1.4% for labour input. The capital - labour ratio is defined as the ratio of the stock of fixed capital to labour input. If the ratio increases, capital deepening takes place whilst, when it declines, capital widening occurs. Thus, during the period under review, capital deepening took place as the capital - labour ratio increased by 3.6%. Annual growth rates of output and inputs for the years 2002 to 2012 are given in table 1.1.

2.3 Productivity trends

Figure 1: Trends in productivity indices – Total economy, 2002 to 2012



2.3.1 Labour productivity

Labour productivity is defined as real GDP per worker. From the above figure, it is observed that the index of labour productivity, improved from 83.5 in 2002 to 111.6 in 2012, giving an average annual growth of 2.9%.

In 2012, labour productivity grew at a lower rate of 1.6% compared to 3.2% in 2011 (Table 1.2). This was the result of a lower GDP growth of 3.3% coupled with a growth of 1.6% in labour input in 2012. In 2011, GDP grew by 3.5% and labour input by 0.3%.

2.3.2 Capital productivity

Capital productivity is defined as real GDP per unit of capital. During the period 2002 to 2012, the index of capital productivity declined at an average annual rate of 0.6% from 101.3 in 2002 to 94.9 in 2012.

Capital productivity witnessed declines for four consecutive years as from 2009 with a drop of 0.9% observed in 2012 (Table 1.2). The 0.9% fall in 2012 was explained by a higher growth in capital input (4.3%) compared to GDP (3.3%).

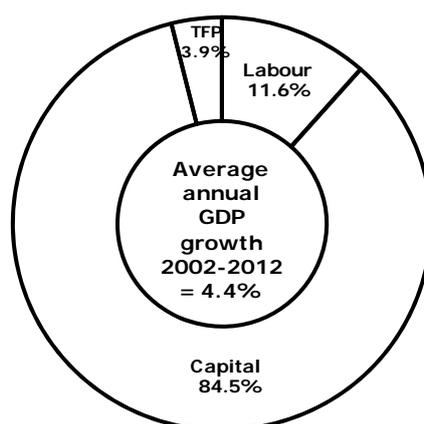
2.3.3 Multifactor productivity (MFP)

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. A growth of 0.8% has been observed in the average annual change in MFP during the period 2002 to 2012. No growth in MFP was registered in 2012 compared to an increase of 0.3% recorded in 2011 (Table 1.2).

2.4 Growth accounting

The contribution of different factors to economic growth is determined by the growth accounting technique. Between 2002 and 2012, the contribution of labour to the 4.4% average annual growth in GDP worked out to 11.6% and that of capital to 84.5%. The remaining 3.9% represents the contribution of “Total Factor Productivity” (TFP), which includes qualitative factors such as training, management and technology.

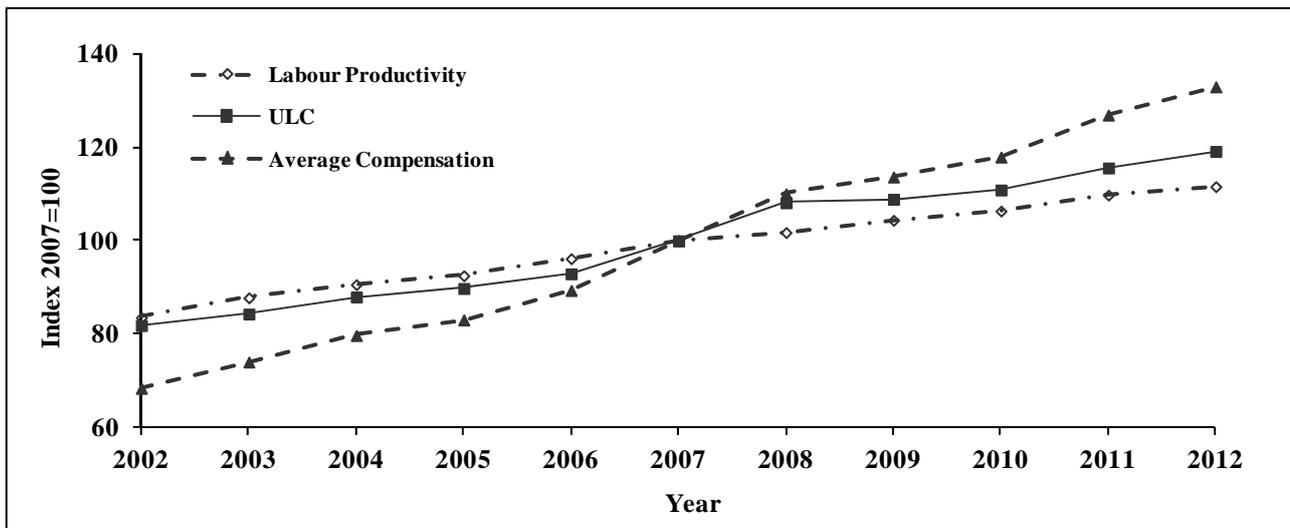
Figure 2: Contribution of labour, capital and TFP to GDP growth, 2002 to 2012



2.5.1 Unit Labour Cost (ULC)

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 2002 to 2012, average annual compensation of employees increased by 6.9% whilst labour productivity grew by 2.9%. The higher growth in average annual compensation of employees compared to that of labour productivity resulted in an average annual growth of 3.8% in ULC. In 2012, ULC increased by 3.1% compared to a 4.3% growth in 2011 (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. Between 2002 and 2012, ULC in Mauritian Rupees grew annually at an average rate of 3.8%. In Dollar terms, the increase was the same as a result of no change in the average annual exchange rate of the Mauritian Rupee vis-à-vis the US Dollar. In 2012, ULC in Dollar terms declined by 1.0% after recording a growth of 12.0% in 2011 (Table 1.4).

Figure 3: Trends in Unit Labour Cost - Total economy, 2002 to 2012

3. Indicators for the Manufacturing sector

With the change of classification, indices for the manufacturing sector based on NSIC Rev. 2 has been compiled as from 2007 only. Table B below summarises the main indicators for the Manufacturing sector for the period 2007 – 2012.

Table B: Productivity and competitiveness indicators for the Manufacturing sector

Indicator		Growth rate (%)		
		Annual average	2011	2012
		2007 - 2012		
1	Output (Value added at constant prices)	2.0	0.7	1.5
2	Labour input	-1.3	-1.9	0.3
3	Capital input	-1.7	-1.2	-2.7
4	Capital - Output ratio	-3.6	-1.9	-4.2
5	Capital - Labour ratio	-0.4	0.7	-3.0
6	Labour productivity	3.3	2.7	1.2
7	Capital productivity	3.7	2.0	4.3
8	Multifactor productivity	3.4	2.4	2.5
9	Average compensation of employees	7.5	9.4	4.7
10	Unit Labour Cost (Mauritian Rupees)	4.2	6.5	3.4
11	Unit Labour Cost (US Dollars)	5.1	14.4	-0.6

3.1 Output and inputs

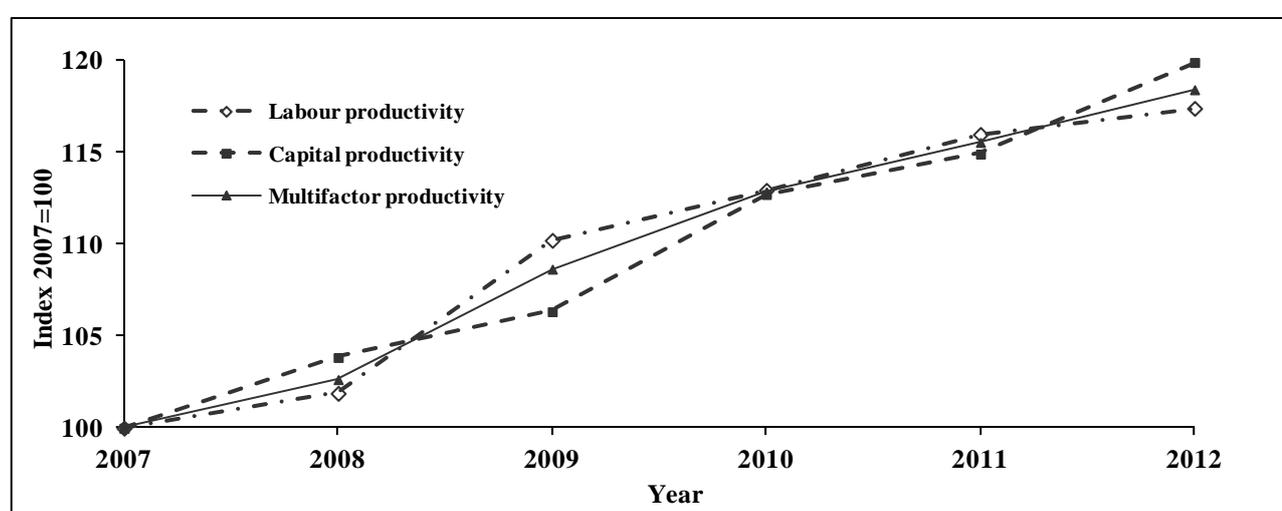
Between 2007 and 2012, real output in the manufacturing sector grew on average by 2.0% annually. In 2012, the sector witnessed a growth of 1.5%, higher than the 0.7% growth registered in 2011.

For the period 2007 to 2012, labour input declined by 1.3% annually and capital input by an average annual rate of 1.7%.

In 2012, labour input increased by 0.3% while capital input declined by 2.7% compared to contractions of 1.9% and 1.2% respectively in 2011 (Table 2.1).

3.2 Productivity trends

Figure 4: Trends in productivity indices – Manufacturing sector, 2007 to 2012



During the period 2007 to 2012, labour productivity in the manufacturing sector registered an average annual growth of 3.3% and capital productivity increased by an average of 3.7% annually. This was the result of growth of 2.0% in real output and declines of 1.7% and 1.3% in capital input and labour input respectively. During the same period, multifactor productivity increased by an average of 3.4% per annum (Table 2.2).

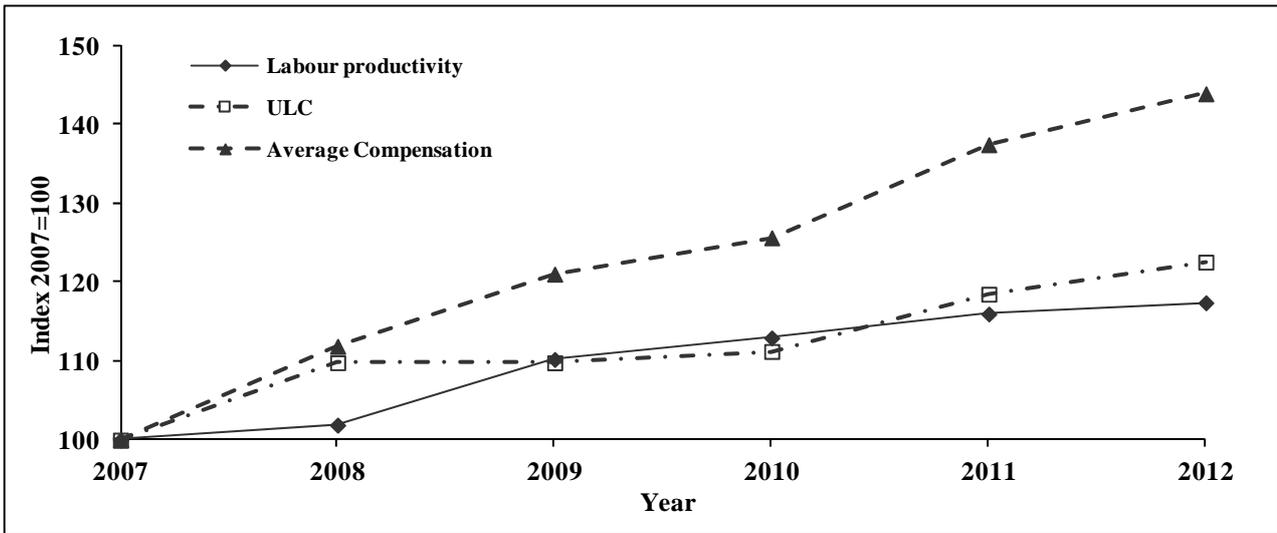
In 2012, labour productivity in manufacturing grew by 1.2%, lower than the 2.7% growth in 2011. Capital and multifactor productivity witnessed increases of 4.3% and 2.5% respectively in 2012 compared to increases of 2.0% and 2.4% in 2011.

3.3 Unit Labour Cost (ULC)

Figure 5 shows the trend of the ULC index in the manufacturing sector for the period 2007 to 2012. During that period, ULC grew at an average annual rate of 4.2% due to a higher growth in average compensation of employees (7.5%) compared to labour productivity (3.3%). In Dollar terms, ULC increased at an average annual rate of 5.1% due to an average annual appreciation of 0.9% in the exchange rate of the local currency against the Dollar.

In 2012, the growth in ULC for the manufacturing sector was 3.4% against 6.5% in 2011. In Dollar terms, in 2012, ULC decreased by 0.6% after a growth of 14.4% in 2012 (Table 2.4).

Figure 5: Trends in Unit Labour Cost – Manufacturing sector, 2007 to 2012



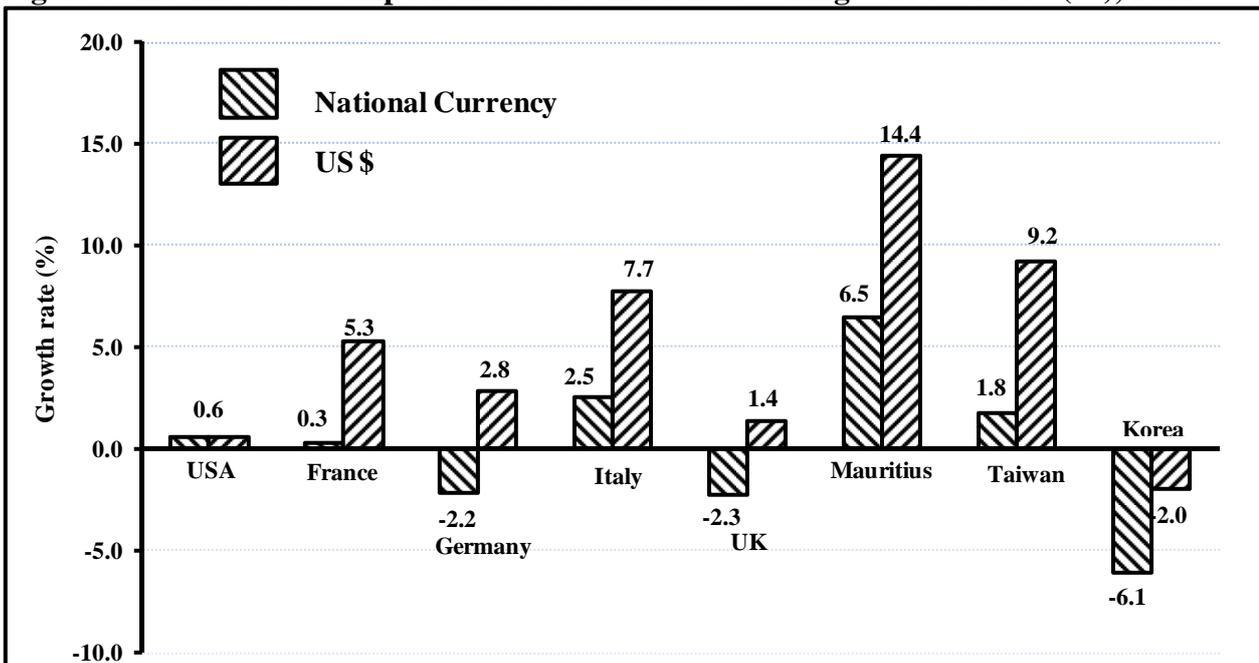
3.4 International comparison of Unit Labour Cost in Manufacturing – 2011

An international comparison of growth in ULC in the manufacturing sector for the year 2011, in national currency and in US Dollar is given in table C and figure 6.

Table C: Manufacturing Unit Labour Cost of selected countries, 2011

Country	USA	France	Germany	Italy	UK	Mauritius	Taiwan	Korea
National currency	0.6	0.3	-2.2	2.5	-2.3	6.5	1.8	-6.1
US \$	0.6	5.3	2.8	7.7	1.4	14.4	9.2	-2.0

Figure 6: International comparison of ULC in Manufacturing – Growth rate (%), 2011



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

It is observed that, in 2011, ULC in the manufacturing sector, expressed in national currency, increased in all countries except in Germany, UK and Korea. Mauritius and Italy recorded increases of 6.5% and 2.5% respectively.

In the same year, ULC in US Dollar showed an even steeper increase than in the national currency valuations for all countries, due to the relative strength of their currencies vis-à-vis the US Dollar. Mauritius, Taiwan and Italy witnessed increases of 14.4%, 9.2% and 7.7% respectively.

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. From 2002 to 2011, Germany has been the country with the most expensive HLC. In 2010, the HLC for Mauritius stood at 1.99 US Dollar and is estimated at 2.19 US Dollar for 2011.

4. Indicators for Export Oriented Enterprises (EOE)

Table D below shows the main indicators for the Export Oriented Enterprises for the period 2007 – 2012.

Table D: Productivity and competitiveness indicators for Export Oriented Enterprises

Indicator		Growth rate (%)		
		Annual average	2011	2012
		2007 - 2012		
1	Output (Value added at constant prices)	3.0	6.1	1.5
2	Labour input	-4.1	-2.6	-2.7
3	Capital input	-6.7	-7.1	-7.5
4	Capital – Output ratio	-9.5	-12.4	-8.8
5	Capital – Labour ratio	-2.8	-4.6	-4.9
6	Labour productivity	7.4	8.9	4.3
7	Capital productivity	10.5	14.2	9.7
8	Multifactor productivity	8.6	10.8	6.5
9	Average compensation of employees	9.1	10.4	6.1
10	Unit Labour Cost (Mauritian Rupees)	1.6	1.4	1.7
11	Unit Labour Cost (US Dollars)	2.6	8.9	-2.3

4.1 Output and inputs

In 2012, the share of export oriented enterprises in the economy was 6.2%. The contribution of the textile and non-textile subsectors in the total output of the EOE sector was 68.4% and 31.6% respectively.

During the period 2007 to 2012, real output of the EOE sector increased at an average annual rate of 3.0%. Within the sector, the real output of non textile establishments grew by 9.8% while that of textile establishments increased by 0.8%.

During the same period, labour and capital input registered average annual decreases of 4.1% and 6.7% respectively.

In 2012, labour input in the EOE sector declined further by 2.7% after a fall of 2.6% in 2011. Likewise, capital input fell by 7.5% in 2012 after a decline of 7.1% in 2011 (Table 3.3).

4.2 Productivity trends

Figure 7: Trends in productivity indices – Export Oriented Enterprises, 2007 to 2012

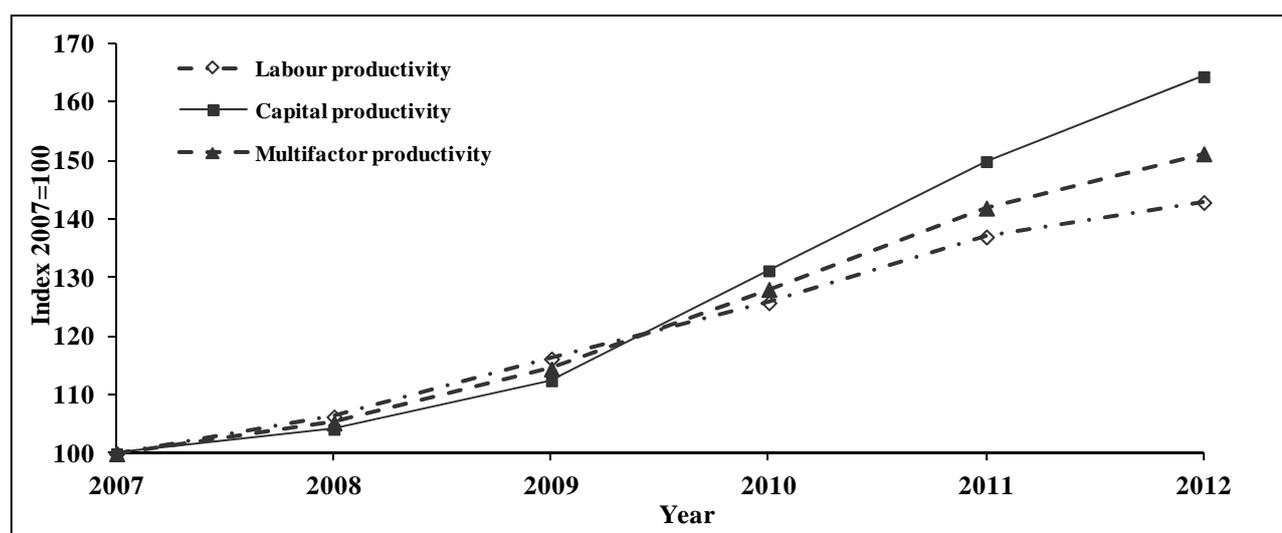
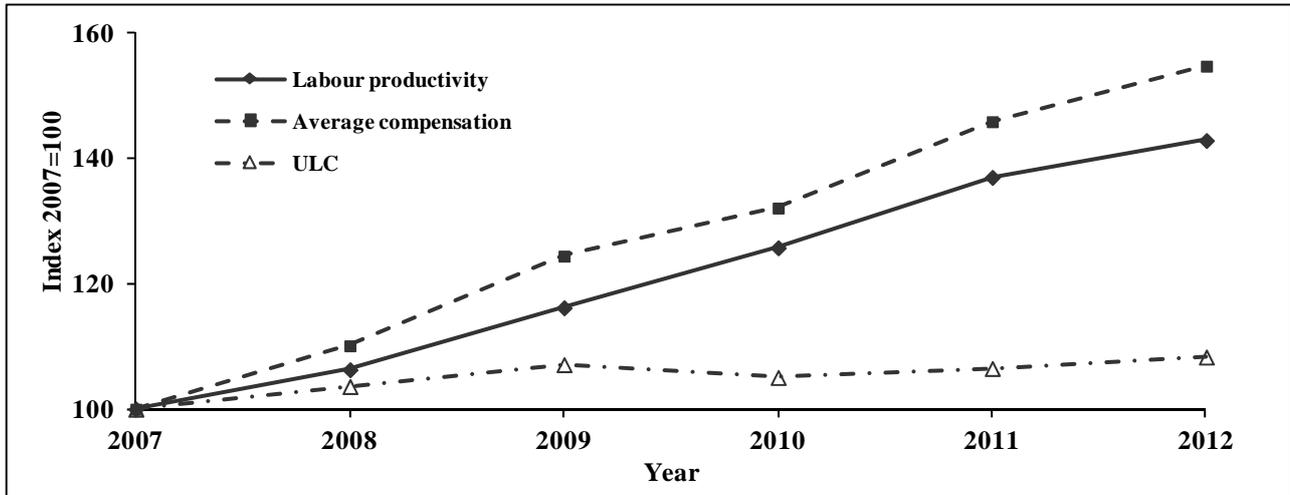


Figure 7 shows the trends in the labour, capital and multifactor productivity indices of export oriented enterprises for the years 2007 to 2012. Both labour and capital productivity registered average annual growths of 7.4% and 10.5 % respectively. This is explained by an annual increase of 3.0% in real output coupled with decreases of 4.1 % in labour input and 6.7% in capital input during the period under review. Multifactor productivity grew at an average annual rate of 8.6% (Table 3.4).

In 2012, labour productivity in EOE grew by 4.3% compared to a growth of 8.9% in 2011. Capital and multifactor productivity witnessed further increases of 9.7% and 6.5% respectively in 2012 after the increases of 14.2% and 10.8 in 2011.

4.3 Unit Labour Cost (ULC)

Figure 8: Trends in Unit Labour Cost – Export Oriented Enterprises, 2007 to 2012



Between 2007 and 2012, average compensation of employees in the EOE sector increased by an average annual rate of 9.1% and labour productivity by 7.4%. The higher growth in average compensation of employees compared to labour productivity caused ULC to increase at an average annual rate of 1.6% during that period. In 2012, the ULC index grew by 1.7% following a growth of 1.4% in 2011 (Table 3.5).

In Dollar terms, ULC witnessed an average annual growth of 2.6% during the period 2007 to 2012. In 2012, ULC in Dollar terms decreased by 2.3% after a growth of 8.9% in 2011.

Statistics Mauritius
Ministry of Finance and Economic Development
Port Louis.

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Contact persons

Mr. L. Persand (Statistician)
Mr. S. Chaumoo (Senior Statistical Officer)
Statistics Mauritius
L.I.C Centre
Port-Louis
Tel: 212 2316/17
Fax : 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.

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

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.

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

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.

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

4. Labour Productivity

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

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

5. Capital productivity

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

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

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.

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

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

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.

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

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.

$$\text{ULC index (US \$)} = \text{ULC index (MUR)} / \text{Exchange rate index of MUR/ US \$}.$$

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, 2002 - 2012**(Index 2007 = 100)**

Year	Real output		Labour input		Capital input	
	Index	Growth rate (%)	Index	Growth rate (%)	Index	Growth rate (%)
2002	78.7	1.6	94.2	0.2	77.7	4.8
2003	83.6	6.3	95.3	1.2	82.0	5.6
2004	87.2	4.3	96.3	1.0	86.3	5.2
2005	89.6	2.7	96.8	0.6	90.0	4.3
2006	94.6	5.6	98.4	1.6	94.8	5.4
2007	100.0	5.7	100.0	1.6	100.0	5.5
2008	105.5	5.5	103.7	3.7	105.2	5.2
2009	108.8	3.1	104.2	0.5	111.1	5.7
2010	113.3	4.2	106.6	2.3	116.8	5.1
2011	117.3	3.5	106.9	0.3	122.4	4.8
2012	121.2	3.3	108.6	1.6	127.7	4.3
Average annual growth rate 2002 - 2012	4.4%		1.4%		5.1%	

Table 1.2 Trends in output and inputs - Total economy, 2002 - 2012**(Index 2007 = 100)**

Year	Labour productivity		Capital productivity		Multifactor productivity	
	Index	Growth rate (%)	Index	Growth rate (%)	Index	Growth rate (%)
2002	83.5	1.4	101.3	-3.0	93.2	-1.1
2003	87.8	5.1	101.9	0.6	95.7	2.7
2004	90.6	3.2	101.1	-0.8	96.7	1.0
2005	92.5	2.1	99.6	-1.5	96.7	0.0
2006	96.1	3.9	99.8	0.2	98.4	1.7
2007	100.0	4.0	100.0	0.2	100.0	1.6
2008	101.8	1.8	100.3	0.3	100.8	0.8
2009	104.4	2.6	97.9	-2.4	100.3	-0.6
2010	106.4	1.9	97.0	-0.9	100.4	0.2
2011	109.8	3.2	95.8	-1.3	100.8	0.3
2012	111.6	1.6	94.9	-0.9	100.7	0.0
Average annual growth rate 2002 - 2012	2.9%		-0.6%		0.8%	

Table 1.3 Average compensation of employees, Labour productivity and Unit Labour Cost - Total economy, 2002 - 2012

(Index 2007 = 100)

Year	Average compensation of employees		Labour productivity		Unit Labour Cost	
	Index	Growth rate (%)	Index	Growth rate (%)	Index	Growth rate (%)
2002	68.4	7.1	83.5	1.4	81.9	5.6
2003	74.0	8.2	87.8	5.1	84.3	3.0
2004	79.7	7.7	90.6	3.2	88.0	4.3
2005	83.0	4.2	92.5	2.1	89.8	2.1
2006	89.3	7.6	96.1	3.9	92.9	3.5
2007	100.0	11.9	100.0	4.0	100.0	7.6
2008	110.0	10.0	101.8	1.8	108.1	8.1
2009	113.6	3.3	104.4	2.6	108.9	0.7
2010	117.9	3.8	106.4	1.9	110.9	1.8
2011	126.9	7.6	109.8	3.2	115.6	4.3
2012	132.9	4.8	111.6	1.6	119.1	3.1
Average annual growth rate 2002 - 2012	6.9%		2.9%		3.8%	

Table 1.4 Unit labour cost in Mauritian Rupees (MUR) and US dollar - Total economy, 2002 - 2012

(Index 2007 = 100)

Year	Unit Labour Cost (MUR)		Exchange rate US \$/MUR		Unit Labour Cost (US \$)	
	Index	Growth rate (%)	Index	(%) Change ¹	Index	Growth rate (%)
2002	81.9	5.6	95.5	3.1	85.7	2.5
2003	84.3	3.0	90.5	-5.3	93.2	8.7
2004	88.0	4.3	88.5	-2.2	99.4	6.7
2005	89.8	2.1	93.2	5.3	96.3	-3.1
2006	92.9	3.5	99.3	6.6	93.6	-2.9
2007	100.0	7.6	100.0	0.7	100.0	6.9
2008	108.1	8.1	90.4	-9.6	119.6	19.6
2009	108.9	0.7	101.8	12.6	106.9	-10.6
2010	110.9	1.8	98.5	-3.3	112.6	5.3
2011	115.6	4.3	91.7	-6.9	126.1	12.0
2012	119.1	3.1	95.4	4.1	124.9	-1.0
Average annual growth rate 2002 - 2012	3.8%		0.0%		3.8%	

¹ + : depreciation, - : appreciation of the MUR vis-a-vis the US \$

Table 2.1 Trends in output and inputs - Manufacturing sector, 2002 - 2012

Year	Real output		Labour input		Capital input	
	Index	Growth rate (%)	Index	Growth rate (%)	Index	Growth rate (%)
(Index 2000 = 100 - Based on NSIC Rev 1)						
2002	102.2	-2.7	96.3	-2.8	108.0	4.3
2003	103.2	1.0	93.0	-3.5	110.2	2.0
2004	104.0	0.8	88.2	-5.2	115.3	4.7
2005	100.4	-3.5	84.5	-4.2	119.4	3.6
2006	105.2	4.8	85.1	0.8	118.4	-0.9
2007	107.6	2.3	86.6	1.7	125.0	5.6
2008	111.1	3.2	86.8	0.2	124.3	-0.6
2009	113.4	2.1	81.5	-6.1	124.4	0.0
2010	115.8	2.1	80.6	-1.1	119.6	-3.8
(Index 2007 = 100 - Based on NSIC Rev 2)						
2007	100.0		100.0		100.0	
2008	103.3	3.3	101.3	1.3	99.4	-0.6
2009	105.8	2.4	96.0	-5.3	99.5	0.0
2010	107.8	1.9	95.5	-0.5	95.7	-3.8
2011	108.6	0.7	93.6	-1.9	94.5	-1.2
2012	110.2	1.5	93.9	0.3	91.9	-2.7
Average annual growth rate 2007 - 2012	2.0%		-1.3%		-1.7%	

Table 2.2 Trends in productivity - Manufacturing sector, 2002 - 2012

Year	Labour productivity		Capital productivity		Multifactor productivity	
	Index	Growth rate (%)	Index	Growth rate (%)	Index	Growth rate (%)
(Index 2000 = 100 - Based on NSIC Rev 1)						
2002	106.0	0.1	94.6	-6.7	99.1	-3.9
2003	111.0	4.7	93.7	-1.0	100.1	1.0
2004	118.0	6.3	90.2	-3.7	99.7	-0.4
2005	118.8	0.7	84.0	-6.8	95.1	-4.7
2006	123.5	4.0	88.8	5.7	99.8	5.0
2007	124.2	0.6	86.1	-3.1	96.5	-3.4
2008	127.9	2.9	89.3	3.8	99.2	2.9
2009	139.0	8.7	91.2	2.1	103.2	4.1
2010	143.6	3.3	96.8	6.2	110.3	6.8
(Index 2007 = 100 - Based on NSIC Rev 2)						
2007	100.0		100.0		100.0	
2008	101.9	1.9	103.8	3.8	102.6	2.6
2009	110.2	8.2	106.3	2.4	108.6	5.9
2010	112.9	2.5	112.7	6.0	112.8	3.9
2011	116.0	2.7	114.9	2.0	115.5	2.4
2012	117.4	1.2	119.9	4.3	118.4	2.5
Average annual growth rate 2007 - 2012	3.3%		3.7%		3.4%	

Table 2.3 Average compensation of employees, Labour productivity and Unit Labour Cost - Manufacturing sector, 2002 - 2012

Year	Average compensation of employees		Labour productivity		Unit Labour Cost (MUR)	
	Index	Growth rate (%)	Index	Growth rate (%)	Index	Growth rate (%)
(Index 2000 = 100 - Based on NSIC Rev 1)						
2002	117.1	7.6	106.0	0.1	110.4	7.5
2003	126.5	8.0	111.0	4.7	114.0	3.2
2004	142.1	12.3	118.0	6.3	120.4	5.7
2005	148.4	4.5	118.8	0.7	125.0	3.8
2006	159.2	7.2	123.5	4.0	128.8	3.1
2007	169.4	6.4	124.2	0.6	136.4	5.9
2008	184.6	9.0	127.9	2.9	144.3	5.9
2009	200.0	8.4	139.0	8.7	143.9	-0.3
2010	220.2	10.1	143.6	3.3	153.4	6.6
(Index 2007 = 100 - Based on NSIC Rev 2)						
2007	100.0		100.0		100.0	
2008	111.9	11.9	101.9	1.9	109.8	9.8
2009	121.0	8.2	110.2	8.2	109.8	0.0
2010	125.6	3.8	112.9	2.5	111.2	1.3
2011	137.4	9.4	116.0	2.7	118.5	6.5
2012	143.9	4.7	117.4	1.2	122.5	3.4
Average annual growth rate 2007 - 2012		7.5%	3.3%		4.2%	

Table 2.4 Unit labour cost in Mauritian Rupees (MUR) and US dollar - Manufacturing sector, 2002 - 2012

Year	Unit Labour Cost (MUR)		Exchange rate MUR/US \$		Unit Labour Cost (US \$)	
	Index	Growth rate (%)	Index	(%) Change ¹	Index	Growth rate (%)
(Index 2000 = 100 - Based on NSIC Rev 1)						
2002	110.4	7.5	114.1	3.1	96.8	4.3
2003	114.0	3.2	108.1	-5.3	105.5	9.0
2004	120.4	5.7	105.7	-2.2	114.0	8.0
2005	125.0	3.8	111.3	5.3	112.3	-1.5
2006	128.8	3.1	118.6	6.6	108.6	-3.3
2007	136.4	5.9	119.5	0.7	114.1	5.1
2008	144.3	5.9	108.0	-9.6	133.7	17.1
2009	143.9	-0.3	121.6	12.6	118.3	-11.5
2010	153.4	6.6	117.6	-3.3	130.4	10.2
(Index 2007 = 100 - Based on NSIC Rev 2)						
2007	100.0		100.0		100.0	
2008	109.8	9.8	90.4	-9.6	121.5	21.5
2009	109.8	0.0	101.8	12.6	107.8	-11.2
2010	111.2	1.3	98.5	-3.3	113.0	4.8
2011	118.5	6.5	91.7	-6.9	129.3	14.4
2012	122.5	3.4	95.4	4.1	128.4	-0.6
Average annual growth rate 2007 - 2012		4.2%	-0.9%		5.1%	

¹ + : depreciation, - : appreciation of the MUR vis-à-vis the US \$

Table 2.5 - Hourly labour cost of selected countries in US Dollar - Manufacturing sector, 2001 - 2011

Country	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Australia	15.02	17.42	22.65	26.75	28.55	29.17	33.37	35.91	33.42	39.67	46.29
Canada	17.81	18.05	21.08	23.67	26.26	28.58	31.27	32.06	29.59	34.60	36.56
France	21.31	23.13	28.46	32.14	32.66	33.85	37.96	41.76	40.37	39.12	42.12
Germany	25.31	27.63	34.00	37.72	38.03	39.37	43.50	47.53	45.77	43.83	47.38
Japan	22.43	21.48	23.41	25.27	25.25	24.03	23.72	27.48	30.03	31.75	35.71
Korea, Republic of	9.00	10.25	11.33	12.63	14.83	17.37	19.43	16.85	15.06	17.73	18.91
Mauritius	1.20	1.21	1.43	1.53	1.66	1.61	1.57	1.79	1.78	1.99	2.19
Mexico	5.41	5.59	5.31	5.26	5.61	5.88	6.17	6.47	5.70	6.14	6.48
Portugal	6.05	6.70	8.18	9.23	9.53	9.95	11.21	12.60	12.30	11.89	12.91
Singapore	12.20	12.14	12.74	13.20	13.25	13.77	15.71	18.87	17.54	19.10	22.60
Taiwan	7.16	6.83	6.97	7.28	7.93	8.05	8.18	8.68	7.77	8.37	9.34
United Kingdom	20.73	22.10	25.01	28.50	29.72	31.23	35.23	34.20	29.47	29.11	30.77
United States	26.22	27.36	28.57	29.31	30.14	30.48	32.07	32.78	34.19	34.81	35.53

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

Note: Hourly Compensation Costs in Manufacturing for Production Workers are no longer available. Instead, above data includes Hourly Compensation data for all employees.

Table 3.1 Trends in output and inputs - Export Oriented Enterprises (EOE), 2002 - 2012

Year	Real output		Labour input		Capital input	
	Index	Growth rate (%)	Index	Growth rate (%)	Index	Growth rate (%)
(Index 2000 = 100 - Based on NSIC Rev 1)						
2002	98.3	-6.3	95.4	-5.8	103.3	-0.6
2003	93.8	-4.6	89.1	-6.7	101.3	-1.9
2004	88.3	-5.8	79.7	-10.5	110.9	9.4
2005	82.7	-6.4	72.9	-8.5	116.5	5.1
2006	89.5	8.2	72.4	-0.8	117.7	1.0
2007	99.5	11.2	74.7	3.2	133.7	13.6
2008	101.1	1.6	71.5	-4.3	130.5	-2.4
2009	99.8	-1.3	65.1	-8.9	120.4	-7.7
2010	106.2	6.5	64.0	-1.7	109.8	-8.8
(Index 2007 = 100 - Based on NSIC Rev 2)						
2007	100.0		100.0		100.0	
2008	101.7	1.7	95.7	-4.3	97.6	-2.4
2009	101.3	-0.4	87.2	-8.9	90.1	-7.7
2010	107.8	6.4	85.7	-1.7	82.1	-8.8
2011	114.4	6.1	83.5	-2.6	76.3	-7.1
2012	116.1	1.5	81.2	-2.7	70.6	-7.5
Average annual growth rate 2007 - 2012	3.0%		-4.1%		-6.7%	

Table 3.2 Trends in productivity - Export Oriented Enterprises (EOE), 2002 - 2012

Year	Labour productivity		Capital productivity		Multifactor productivity	
	Index	Growth rate (%)	Index	Growth rate (%)	Index	Growth rate (%)
(Index 2000 = 100 - Based on NSIC Rev 1)						
2002	103.0	-0.5	95.2	-5.7	99.4	-2.8
2003	105.3	2.2	92.6	-2.7	99.3	-0.1
2004	110.8	5.3	79.7	-13.9	94.1	-5.2
2005	113.4	2.3	70.9	-11.0	88.3	-6.2
2006	123.6	9.0	76.0	7.1	93.7	6.1
2007	133.1	7.7	74.4	-2.1	94.8	1.2
2008	141.4	6.2	77.4	4.1	100.8	6.3
2009	153.1	8.3	82.8	7.0	110.2	9.3
2010	165.9	8.4	96.8	16.8	126.7	15.0
(Index 2007 = 100 - Based on NSIC Rev 2)						
2007	100.0		100.0		100.0	
2008	106.3	6.3	104.2	4.2	105.3	5.3
2009	116.2	9.3	112.4	7.9	114.5	8.7
2010	125.8	8.3	131.2	16.7	128.1	11.9
2011	137.0	8.9	149.9	14.2	141.9	10.8
2012	142.9	4.3	164.4	9.7	151.2	6.5
Average annual growth rate 2007 - 2012	7.4%		10.5%		8.6%	

Table 3.3 - Trends in output and inputs - Textile and non textile subsectors of EOE, 2002 - 2012

Year	Real output			Labour input			Capital input		
	Total	Textile	Non-textile	Total	Textile	Non-textile	Total	Textile	Non-textile
(Index 2000 = 100 - Based on NSIC Rev 1)									
2002	98.3	96.5	111.2	95.4	95.0	98.8	103.3	103.4	102.5
2003	93.8	91.2	112.2	89.1	87.5	101.1	101.3	101.5	100.3
2004	88.3	83.7	122.0	79.7	76.3	105.2	110.9	111.3	108.4
2005	82.7	76.1	131.3	72.9	67.7	112.2	116.5	117.3	112.0
2006	89.5	79.8	159.1	72.4	67.7	107.6	117.7	118.5	112.9
2007	99.5	89.3	173.4	74.7	69.6	113.1	133.7	135.0	125.1
2008	101.1	89.4	184.3	71.5	64.4	124.6	130.5	132.3	119.3
2009	99.8	86.3	191.5	65.1	57.8	120.5	120.4	122.4	108.0
2010	106.2	88.8	221.7	64.0	54.9	132.7	109.8	111.8	96.9
(Index 2007 = 100 - Based on NSIC Rev 2)									
2007	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
2008	101.7	100.3	106.4	95.7	92.5	110.2	97.6	98.0	95.3
2009	101.3	96.9	112.3	87.2	83.0	106.5	90.1	90.6	86.3
2010	107.8	100.2	128.3	85.7	78.8	117.3	82.1	82.8	77.4
2011	114.4	104.2	143.2	83.5	76.0	117.7	76.3	77.1	71.0
2012	116.1	104.2	159.8	81.2	73.5	116.7	70.6	71.5	64.9
Annual growth rate (%)									
2007 - 2012	3.0	0.8	9.8	-4.1	-6.0	3.1	-6.7	-6.5	-8.3
Year 2011	6.1	4.0	11.6	-2.6	-3.6	0.3	-7.1	-6.9	-8.3
Year 2012	1.5	0.0	11.6	-2.7	-3.3	-0.9	-7.5	-7.3	-8.6

Table 3.4 - Trends in productivity - Textile and non textile subsectors of EOE, 2002 - 2012

Year	Labour productivity			Capital productivity			Multifactor productivity		
	Total	Textile	Non-textile	Total	Textile	Non-textile	Total	Textile	Non-textile
(Index 2000 = 100 - Based on NSIC Rev 1)									
2002	103.0	101.6	112.5	95.2	93.3	108.5	99.4	97.9	110.3
2003	105.3	104.3	111.0	92.6	89.9	111.9	99.3	97.8	111.5
2004	110.8	109.7	115.9	79.7	75.3	112.5	94.1	92.0	113.8
2005	113.4	112.4	117.1	70.9	64.9	117.3	88.3	85.6	117.2
2006	123.6	118.0	147.8	76.0	67.4	140.8	93.7	88.2	142.8
2007	133.1	128.4	153.3	74.4	66.2	138.5	94.8	90.0	142.7
2008	141.4	138.9	147.9	77.4	67.6	154.5	100.8	97.9	152.5
2009	153.1	149.4	158.9	82.8	70.5	177.4	110.2	105.8	171.2
2010	165.9	161.9	167.1	96.8	79.4	228.9	126.7	121.5	206.7
(Index 2007 = 100 - Based on NSIC Rev 2)									
2007	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
2008	106.3	108.4	96.6	104.2	102.4	111.6	105.3	105.9	106.4
2009	116.2	116.8	105.4	112.4	106.9	130.1	114.5	112.9	120.8
2010	125.8	127.1	109.4	131.2	121.0	165.7	128.1	125.1	143.5
2011	137.0	137.0	121.7	149.9	135.1	201.8	141.9	136.5	165.2
2012	142.9	141.7	137.0	164.4	145.8	246.4	151.2	142.9	197.4
Annual growth rate (%)									
2007 - 2012	7.4	7.2	6.5	10.5	7.8	19.8	8.6	7.4	14.6
Year 2011	8.9	7.8	11.2	14.2	11.7	21.7	10.8	9.1	15.1
Year 2012	4.3	3.4	12.6	9.7	7.9	22.1	6.5	4.7	19.5

Table 3.5 - Average compensation of employees, Labour productivity and Unit labour cost - Textile and non textile subsectors of EOE, 2002 - 2012

Year	Average compensation of employees			Labour productivity			Unit Labour Cost		
	Total	Textile	Non-textile	Total	Textile	Non-textile	Total	Textile	Non-textile
(Index 2000 = 100 - Based on NSIC Rev 1)									
2002	118.7	123.3	90.7	103.0	101.6	112.5	115.2	121.3	80.6
2003	124.9	131.8	85.5	105.3	104.3	111.0	118.7	126.4	77.1
2004	137.4	148.5	82.0	110.8	109.7	115.9	124.0	135.3	70.7
2005	141.8	154.5	85.6	113.4	112.4	117.1	125.1	137.5	73.1
2006	155.8	166.0	107.4	123.6	118.0	147.8	126.1	140.7	72.7
2007	175.7	185.5	128.2	133.1	128.4	153.3	132.0	144.5	83.7
2008	193.5	206.7	137.0	141.4	138.9	147.9	136.9	148.8	92.6
2009	218.7	240.0	138.0	153.1	149.4	158.9	142.8	160.6	86.8
2010	232.2	268.0	119.7	165.9	161.9	167.1	139.9	165.6	71.6
(Index 2007 = 100 - Based on NSIC Rev 2)									
2007	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
2008	110.1	111.4	106.8	106.3	108.4	96.6	103.6	102.8	110.6
2009	124.4	129.4	107.6	116.2	116.8	105.4	107.1	110.8	102.1
2010	132.1	144.5	93.3	125.8	127.1	109.4	105.1	113.7	85.3
2011	145.9	159.1	107.4	137.0	137.0	121.7	106.5	116.1	88.3
2012	154.8	167.9	118.4	142.9	141.7	137.0	108.3	118.5	86.4
Annual growth rate (%)									
2007 - 2012	9.1	10.9	3.4	7.4	7.2	6.5	1.6	3.5	-2.9
Year 2011	10.4	10.1	15.1	8.9	7.8	11.2	1.4	2.1	3.5
Year 2012	6.1	5.6	10.2	4.3	3.4	12.6	1.7	2.1	-2.1

Table 3.6 - Unit labour cost in Mauritian Rupees (MUR) and US dollar - Textile and non textile subsectors of EOE, 2002 - 2012

Year	Unit labour cost (MUR)			Exchange Rate US \$/MUR		Unit labour cost (US Dollar)		
	Total	Textile	Non-textile	Index	% Change ¹	Total	Textile	Non-textile
(Index 2000 = 100 - Based on NSIC Rev 1)								
2002	115.2	121.3	80.6	114.1	3.1	101.0	106.3	70.6
2003	118.7	126.4	77.1	108.1	-5.3	109.8	117.0	71.3
2004	124.0	135.3	70.7	105.7	-2.2	117.3	128.1	66.9
2005	125.1	137.5	73.1	111.3	5.3	112.4	123.5	65.6
2006	126.1	140.7	72.7	118.6	6.6	106.3	118.6	61.3
2007	132.0	144.5	83.7	119.5	0.7	110.5	120.9	70.0
2008	136.9	148.8	92.6	108.0	-9.6	126.8	137.8	85.8
2009	142.8	160.6	86.8	121.6	12.6	117.4	132.0	71.4
2010	139.9	165.6	71.6	117.6	-3.3	119.0	140.7	60.9
(Index 2007 = 100 - Based on NSIC Rev 2)								
2007	100.0	100.0	100.0	100.0	0.7	100.0	100.0	100.0
2008	103.6	102.8	110.6	90.4	-9.6	114.6	113.7	122.4
2009	107.1	110.8	102.1	101.8	12.6	105.2	108.8	100.3
2010	105.1	113.7	85.3	98.5	-3.3	106.7	115.5	86.7
2011	106.5	116.1	88.3	91.7	-6.9	116.2	126.6	96.3
2012	108.3	118.5	86.4	95.4	4.1	113.5	124.2	90.6
Annual growth rate (%)								
2007 - 2012	1.6	3.5	-2.9		-0.9	2.6	4.4	-2.0
Year 2011	1.4	2.1	3.5		-6.9	8.9	9.7	11.2
Year 2012	1.7	2.1	-2.1		4.1	-2.3	-1.9	-6.0

¹ + : depreciation, - : appreciation of the MUR vis- a - vis the US \$