



Republic of Mauritius

National Wage Consultative Council

**SECOND REPORT ON THE IMPACT
OF THE INTRODUCTION OF THE
NATIONAL MINIMUM WAGE**

FEBRUARY 2020

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SALIENT FINDINGS

Findings have been reached based upon analysis of aggregate data from Statistics Mauritius (SM) and data from the Mauritius Revenue Authority (MRA).

Impact of the National Minimum Wage

(a) Impact on the Economy

The implementation of the NMW does not seem to have adversely impacted upon the Mauritian economy as highlighted in the paper on “Recent Economic Indicators” (**Annex 1**) prepared by the Bank of Mauritius at the request of the National Wage Consultative Council:

- *Consumer optimism continues to back household consumption expenditure, which is also upheld by fiscal incentives such as the negative income tax and minimum wages. Against such a background and based on latest projections (27 November 2019), the Bank has forecast real GDP at 3.7 per cent in 2019 and about 4% in 2020.*
- *The labour market has continued to strengthen, such that the unemployment rate remains on a downtrend, with some challenges persisting for the youth and women. The labour force in Mauritius is expected to increase from 583,800 in 2018 to 589,300 in 2019 and, employment to rise from 543,700 to 549,500, combining to decrease unemployment by 300. The unemployment rate is projected to drop to 6.8 per cent in 2019, from 6.9 per cent in 2018.*
- *The minimum wage policy implemented since the beginning of 2018 would appear not to have had a significant impact on the overall wage rate index. The wage rate index (WRI) rose by 4.2 per cent in 2018-19, lower compared to an average growth of 4.8 per cent over the two previous fiscal years. However, within the different sectors of the economy, wages in the manufacturing sector increased by 8.8 per cent and 9.5 per cent, respectively, in 2017-18 and 2018-19. Moreover, wages grew at a faster rate in the private sector compared to the public sector, partly indicating the application of the minimum wage policy. For 2018-19, the increase of 5.3 per cent in the private sector was mainly a result of marked increases in wages in manufacturing (9.5 per cent), administration (7.9 per cent), wholesale and retail trade (6.4 per cent) and transport (6.3 per cent).*

(b) Impact on Inflation

The implementation of the national minimum wage has also not impacted upon inflation. Domestic inflation in FY2018-19 remained at low levels against a background of moderate global economic activity. The rate of inflation remained on a downtrend, reached a trough of 1.0 per cent in June 2019 and is forecast at 0.5 per cent for the year 2019.

(c) Impact on Employment based on SM Figures

Total employment is forecast to increase in 2019 and the unemployment rate to continue on the downward trend.

Based on SM figures, total employment is expected to increase by 5800 in 2019 to reach 549,500 from 543,700 in 2018 and 545,100 in 2017.

The unemployment rate is estimated at 6.8% in 2019, down from 6.9% in 2018 and 7.2% in 2017.

(d) Impact on number of NPF contributors in Non-EOEs & EOE

Notwithstanding the fact that other factors may have impacted on employment, the NMW appears to have impacted differently on employment in Non-EOEs and in EOE as measured by the number of employees contributing to NPF.

While the total number of employees on behalf of whom contributions were made to the NPF in Non-EOEs increased by 7.3% from December 2017 to June 2019, the number of employees in respect of whom contributions were made to NPF in the EOE decreased by 21.3% in June 2019 compared to December 2017.

Non-EOEs

The number of full-time employees in Non-EOEs on behalf of whom contributions are made to the NPF increased by 3.2% in June 2019 compared to June 2018.

The total number of employees in respect of whom contributions were made to the NPF stood at 251,735 in December 2017, at 277,772 in June 2018 and at 270,068 in June 2019.

EOEs

It is noted that the total number of employees in EOE on behalf of whom contributions are made to the NPF fell from 38,633 in December 2017 to 38,546 in June 2018 and to 30,419 in June 2019, i.e. a decrease of 21.1% or 8,127 contributors from June 2018 to June 2019.

The fall in the number of NPF contributors may be explained, *inter-alia*, by the following:

- (i) Late submission of NPF contributions, which were not taken into account in the figures submitted to the Council.
- (ii) A contraction of employment in the EOE. According to Statistics Mauritius, the total employment in EOE decreased by 3,659, comprising 2,612 Mauritian workers and 1,047 foreign workers, from June 2018 to June 2019. The job losses occurred mainly in enterprises engaged in the manufacture of "Wearing apparel" with a decrease of 3,870 jobs.
- (iii) The decrease of 3,659 in employment from June 2018 to June 2019 is the net result of 2758 new jobs created and 6,417 jobs lost. The job losses were due to the contraction of workforce and closure of enterprises. *(Council's computation based on SM data)*
- (iv) Being given that the aggregate employment level has not fallen it is probable that several workers in EOE have moved to other enterprises which have yet to submit their NPF contributions or to those enterprises which do not need to contribute to the NPF.
- (v) A probable replacement of existing workers by new foreign workers in respect of whom no NPF contribution is made for the initial 2 years.

(e) Impact on number of NPF contributors in EOE by sector of activity

As at June 2019, 95% of workers were in the secondary sector (manufacturing) while the primary and tertiary sector accounted for 2% and 3% of the employees respectively.

Major decreases in the number of NPF contributors in the EOE are noted in the Food, Beverages & Crop sector (68%), Electrical, Electronic & Computer Products (26%) and Furniture (19%). Textile, Fabrics & Wearing Apparel registered a fall of 4,497 representing around 17% of the contributing workers.

(f) Unemployment Rate by Gender

From Q2 2018 to Q2 2019, the number of unemployed persons decreased by 1,400; male unemployment decreased by 5,100 while female unemployment increased by 3,700.

While male unemployment has fallen from 5.3% in Q2 of 2018 to 3.8% for Q2 of 2019, female unemployment has increased from 9.5% in Q2 of 2018 to 10.8% for Q2 of 2019.

Female unemployment at 10.8% in Q2 of 2019 remains a challenge.

(g) Impact on Employment for young workers

Based on SM figures, the total number of young employees increased by 1.6% from 50,500 in December 2017 to 51,300 in June 2019.

As per MRA figures, the total number of young employees in respect of whom contributions have been made to the NPF increased from 31,483 in December 2017 to 37,356 in June 2019 i.e. by 18.7%.

(h) Unemployment for Young Workers of less than 25 years old

The total number of unemployed full-time young workers which increased from 18,600 in Q2 of 2017 to 21,500 in Q2 of 2018 fell to 16,100 in Q2 of 2019 as per SM figures.

The youth unemployment which increased from 24.9% in Q2 of 2017 to 27.5% in Q2 of 2018 fell to 21.3% in Q2 of 2019.

However, youth unemployment at 21.3% in Q2 of 2019 remains a challenge.

(i) Gender Inequality

In 2019, the number of female employees exceed the number of male employees in all wage brackets up to Rs 10,000 while the number of male employees exceed the number of female employees in all wage brackets of more than Rs 10,000.

(j) National Minimum Wage and Standard of Living

The introduction of the NMW has supplemented the income of minimum wage workers thereby increasing the purchasing power and positively impacting household expenditure and the standard of living of households.

As highlighted by the Bank of Mauritius, “domestic growth performance remains backed by buoyant domestic demand conditions...Consumer optimism continues to back household consumption expenditure, which is also upheld by fiscal incentives such as the negative income tax and minimum wages.”

(k) National Minimum Wage and Relative Poverty Line

Notwithstanding the fact that the NMW is not generally prescribed as a measure for poverty alleviation, its introduction has contributed to move households out of relative poverty.

It is noted that the positive impact on income and economic activity has been reinforced by the Government funding of the special allowance to achieve the guaranteed income of Rs 9,400 for workers who have taken up employment before 01 January 2019 and Rs 9,000 for workers who have taken up employment on or after 01 January 2019.

Evolution of Wage Distribution

(l) Wage Distribution as measured by the Gini Coefficient

The introduction of the NMW has raised the earnings of low-paid workers and thereby reduced income inequality. Indeed, the wage Gini Coefficient based on basic wage, which measures wage distribution, has continuously improved from 0.448 in 2017 to 0.440 in 2018 and to 0.432 in 2019.

(m) Wage differentials as measured by the inter-decile ratios

The wage dispersion ratios as measured by the ratio (D9/D1), where D1 is the maximum earnings received by the 10% of employees earning least and D9 is the minimum earnings received by the 10% of employees earning most, has decreased from 7.75 in 2017 to 6.30 in 2018 and to 5.62 in 2019.

(n) Evolution of Wage Distribution in Non-EOEs

The percentage of employees drawing up to Rs 10,000 in the Non-EOEs fell down from 35% in December 2017 to 28% in June 2019 while the percentage of employees drawing more than Rs 10,000 increased from 65% in December 2017 to 72% in June 2019 indicating an upward movement of the employees to higher wage bands.

(o) Evolution of Wage Distribution in EOEes

The total number of employees in the EOEes in respect of whom contributions have been made to the NPF and drawing up to Rs 10,000 a month fell from 78% in December 2017 to 72% in June 2019 while the percentage of employees drawing more than Rs 10,000 increased from 22% in December 2017 to 28% in June 2019 indicating a movement of the employees to higher wage bands.

(p) Evolution of Wage Distribution for Full-Time Employees in Private and Public Sectors

The number of employees drawing basic wage up to Rs 9,000 a month in both the Public and the Private Sectors fell from 114,726 in 2017 to 82,597 in 2019, i.e. from a percentage of 27% to 19% of the total number of full-time employees. This indicates a general movement of the employees in higher wage bands.

(q) *Distribution of employees in respect of whom contributions are made to the NPF*

By Sector

While the percentage of employees in respect of whom contributions are made to the NPF was 27.7% for the secondary sector and 68.9% for the tertiary sector in June 2019, the percentage for the primary sector increased from 0.3 in June 2018 to 2.8 in June 2019 indicating the inducement to contribute to the NPF following the introduction of the national minimum wage.

By Gender

It is noted that the ratio of male contributors to female contributors in the private sector remained unchanged at around 3:2 at June 2019.

By Age Group

The number of young persons of less than 25 as a proportion of the workforce contributing to NPF increased from 11.7% in June 2018 to 12.4% in June 2019.

Compliance with the National Minimum Wage Regulations

(r) *Non-Compliance with the National Minimum Wage Regulations*

The non-compliance rate which measures the proportion of cases not complying with the NMW as a proportion of the total number of full-time workers is estimated at 13.5% for the country and 18% for the private sector in 2019.

The non-compliance rate for the country works out to 8.1% if only workers working for more than 30 hours are considered full-time workers.

(s) *Proportion of contributors to the NPF contributing on a lesser than prescribed wage*

Non-EOEs

Out of 236,846 full-time workers (Mauritian & Foreign) in the private sector in respect of whom contributions are made to the NPF in the Non-EOEs as at June 2019, for 20,739 cases or 8.8% of employees, contributions have been made on a basic wage lesser than the NMW plus relevant additional remuneration.

EOEs

The number of Mauritian full-time workers in EOE on behalf of whom contributions are made to the NPF on a wage lower than the lowest prescribed basic wage fell from 976 at June 2018 to 840 at June 2019.

Other Pertinent Observations & Findings

(t) *Percentage of Mauritian employees contributing to NPF*

As per SM, there are 322,513 full-time Mauritian private sector employees in 2019. Based on MRA figures, contributions are made in respect of 275,400 employees to the NPF as at June 2019. It is estimated that contributions are made for only 85.4% of full-time Mauritian employees.

The rate of non-compliance, in terms of contribution to the NPF is to a large extent, in respect of employment in the informal sector including household employees (maid, gardeners and babysitters), and sales persons.

Note: This Report has been drafted by the Committee of Officials and finalized in a collaborative mode involving the participation and views of Council's members representing employers, employees, civil societies and Government institution.

STATUTORY REQUIREMENT & TERMS OF REFERENCE

STATUTORY REQUIREMENT

The National Wage Consultative Council (NWCC) is, in the discharge of its functions, required by virtue of Section 6(1)(e) of the National Wage Consultative Council Act No.6 of 2016, to submit to the Minister a report on (i) the impact of the National Minimum Wage within 12 months of its introduction and, thereafter, every year and (ii) the evolution of wage distribution in respect of occupations, worker status, gender and sectors, every year.

Following the introduction and implementation of the National Minimum Wage, with effect from 1st January 2018, a first Impact Report was submitted to the Minister in January 2019. A second Impact Report is due for December 2019.

TERMS OF REFERENCE

The Terms of Reference (TOR) of the impact study, as may be implied from the statutory objectives of the Council, is to evaluate, inter alia, the effect of the introduction of the National Minimum Wage on the following:

- *The lowest wage earners*
- *The Economy*
- *Poverty*
- *Pay Differentials and the Wage Ratio*
- *Income Distribution*
- *Employment, including women and young persons*
- *The cost of doing business and competitiveness, particularly in low paying sectors and small firms*

Chapter 1: Background and Methodology

- 1.1 This is the second impact assessment report of the National Wage Consultative Council (NWCC) following the implementation of the National Minimum Wage (NMW) in January 2018.
- 1.2 The first impact assessment report which was due in December 2018 i.e. within twelve months of the date of introduction of the NMW was delayed due to late receipt of relevant data and it was submitted to the Minister in January 2019. The first impact assessment report compared the relevant indicators in 2017 with those in mid-2018 or thereafter to the extent that information was available.
- 1.3 This second impact assessment report compares the relevant indicators prior to the introduction of the National Minimum Wage (i.e. at December 2017) with indicators 18 months' after the introduction of the National Minimum Wage (i.e. at June 2019). This second Report also covers the issue of compliance with the NMW Regulations.
 - **Chapter 1** covers the background to the exercise as well as the approach and methodology adopted for the Report.
 - **Chapter 2** deals with the effect of the NMW Regulations on economic indicators, wherever data is available. For other indicators, it compares the position prior to and after the introduction of the National Minimum Wage.
 - **Chapter 3** covers the evolution of Wage Distribution.
 - **Chapter 4** deals with the enforcement of and compliance with the NMW Regulations 2018.
 - **Chapter 5** deals with other pertinent observations and findings.

Background

- 1.4 The NMW scheme, as approved by Government for implementation with effect from 01 January 2018, provides for a national minimum wage payable by the employer and a special allowance payable by Government.
- 1.5 Table 1 below gives the National Minimum Wage payable by the employer, the special allowance payable by Government and the guaranteed minimum income of minimum wage workers in both the Export Oriented Enterprises (EOEs) and Non-Export Oriented Enterprises (Non-EOEs) with effect from 01 January 2018.

Table 1: National Minimum Wage & Monthly Guaranteed Income – January 2018

Particulars	Non – EOE (Rs)	EOEs (Rs)
National Minimum Wage	8,140	8,140 (includes salary compensation 2018)
Salary compensation 2018	360	
Special allowance	500	860
Monthly Guaranteed Income Effective as from 1st January 2018	9,000	9,000

Evolution of the National Minimum Wage and Guaranteed Income of employees in post at December 2018

- 1.6 In January 2019, as per the National Minimum Wage (Amendments) Regulations 2019, the National Minimum Wage was increased with the additional remuneration of Rs 400 for both EOE's and the Non-EOE's.
- 1.7 **The authorities also decided that the special allowances of up to Rs 500 in the Non-EOE's and up to Rs 860 in the EOE's be maintained for one more year up to December 2019 for employees in post at December 2018.** Consequently, the monthly guaranteed income *for employees in post at December 2018* reached the figure of Rs 9,400 a month in both the EOE's and the Non-EOE's with effect from 1st January 2019.
- 1.8 The monthly National Minimum Wage, the salary compensation and the special allowances applicable as from January 2019 for employees in post at December 2018, are indicated in Table 2 below.

Table 2: National Minimum Wage & Monthly Guaranteed Income – January 2019

Particulars	Non-EOEs (Rs)	EOEs (Rs)
National Minimum Wage	8,140	8,140 (includes salary compensation)
Salary compensation 2018	360	
Special allowance	500	860
Salary compensation 2019	400	400
Total monthly guaranteed income effective as from 1st January 2019	9,400	9,400

Evolution of the National Minimum Wage and Guaranteed Income of employees joining in as from 1st January 2019

- 1.9 In the wake of the cost of living compensation effective from 01 January 2019, Government decided to **grant top up special allowances of up to only Rs 100 in the Non-EOE's and up to Rs 460 in the EOE's to minimum wage workers employed as from 01 January 2019.** Consequently, the total monthly guaranteed income of minimum wage workers taking up employment with effect from 01 January 2019 has been maintained at Rs 9,000 a month as shown in Table 3 below.

Table 3: National Minimum Wage & Monthly Guaranteed Income for minimum wage workers joining service in January 2019

Sector	NM Wages (Rs)	Additional Remuneration (Rs)	Special Allowance (Rs)	Total monthly guaranteed income effective as from 1 st January 2019 (Rs)
Non-EOE	8,140	360 + 400	+ 100	9,000
EOE	8,140	+ 400	+ 460	9,000

Source: National Minimum Wage (Amendments) Regulations 2019

- 1.10 As an additional measure of protection to EOE's particularly to protect jobs, Government had promulgated for the year 2018 that overtime, piece rate and attendance bonus be based on the basic wage prescribed in the Remuneration Regulations or agreed upon between a worker and his employer, whichever was the higher as at 31 December 2017, plus the additional remuneration of Rs 360 granted as from 01 January 2018. The corresponding 2018 figures for the computation of overtime, piece rate and attendance bonus were further increased by a sum of Rs 400 i.e. the 2019 additional remuneration as from 01 January 2019.
- 1.11 It is noteworthy that contributions to the National Pension Fund (NPF) in EOE's for calendar year 2018 have been based on the basic wage drawn by the worker in December 2017 plus the additional remuneration 2018. For the year 2019, contributions to the National Pension Fund have been based on the basic wage drawn by the worker in December 2017 plus the additional remuneration for 2018 and 2019.

Time Frame for Special Allowance

- 1.12 The special allowances introduced along with the NMW in 2018, which were meant to supplement the income of NMW workers, were maintained in 2019.

National Minimum Wage for Part-Time Workers

- 1.13 In the wake of the introduction of the National Minimum Wage, the remuneration for part-time minimum wage workers was set at **110%** of the normal hourly rate for the first 100 hours and **107%** of the hourly rate for any additional hours.

Monitoring to ensure Compliance

- 1.14 Inspection and Enforcement Section (I.E.S) of the Ministry of Labour, Human Resource Development and Training (MLHRDT) is responsible for monitoring enterprises to ensure compliance with the NMW Regulations. The Ministry regularly carries out inspection visits and reports on the status of compliance of the NMW to the Ministry.

Approach and Methodology

- 1.15 With a view to having an objective assessment of the impact of the introduction of the NMW, the NWCC has adopted a consultative, participative and evidence-based

approach. In this regard, a Technical Committee comprising representatives of Ministries/Departments was set up to assist the Council in matters related to the Impact Study.

- 1.16 The NWCC has, in addition, carried out extensive consultations and discussions with different stakeholders and institutions to obtain information, views and comments. Due care has been taken to gauge the merits and demerits of the views and comments received from all quarters.
- 1.17 The impact assessment has been made after thorough analysis of data from various sources including the following:
- Feedback from the MLHRDT
 - Data from Statistics Mauritius
 - Data from the MRA
 - Feedback from Business Mauritius and Workers' organisations
- 1.18 The Technical committee and Board met as often as was required to discuss and finalize the report.

Acknowledgements

- 1.19 The NWCC acknowledges the contributions of all stakeholders involved in the preparation of this second report on the impact of the introduction of the NMW. In the first instance, we thank all the members of the Council for their collaboration and valuable insight. The Council also places on record the contributions of Statistics Mauritius and the Mauritius Revenue Authority for providing relevant timely data for the study; the International Labour Organisation and the World Bank for their valuable assistance, the Bank of Mauritius for providing relevant inputs concerning the evolution of relevant economic indicators; and the Labour and Industrial Relations Officers of the MLHRDT for their valuable contributions.

CHAPTER 2: Impact of the National Minimum Wage

- 2.1 Chapter 2 provides an overview of the evolution of relevant indicators 18 months after the introduction of the NMW in 2018. For some indicators, we compare the position for the year 2017, prior to the introduction of the NMW, with the year 2018 and with an estimate/forecast for year 2019. However, it has not been possible in several instances to isolate the impact of the NMW on the indicators.

Impact on the Economy

- 2.2 The Bank of Mauritius noted in the “Recent Economic Indicators” (**Annex I**) that:

“Domestic Developments

The Mauritian economy has displayed a fair degree of resilience in the face of prolonged uncertainty surrounding the global economy. Sound economic policies continue to support macroeconomic stability; thereby sustaining the domestic growth momentum and ensuring inclusive growth. Government’s initiatives have been reflected in its efforts to further improve the business climate, with Mauritius ranked 13th in the World Bank’s 2020 Doing Business Report. In the 2019 Report, Mauritius was ranked 20th globally.

Economic growth remains broad-based, benefitting from both business and consumer optimism and supported by positive contributions from all but one sector. Growth performance in 2018 remains commendable, with only the *Agriculture, Forestry & Fishing* sector estimated to contract in 2018, due to lower production of sugarcane and fish. Economic activity continues to be driven by key services sectors such as the financial, wholesale and retail trade and tourism, which would contribute more than one-third of the growth performance in 2018. This will be supplemented by robust growth in the construction sector, which is expected to contribute 0.4 point to growth, and create spill-over effects on other sectors of the economy.

On the expenditure side, growth remains underpinned by strong consumption and investment growth. Investment growth is projected to accelerate to nearly 11 per cent in 2018, driven by double-digit growth of 10.4 per cent and 12.7 per cent in private investment and public investment, respectively.

Based on Statistics Mauritius National Accounts data for 2019H1, the growth momentum is being pulled by trade, construction, financial and professional sectors. To a certain extent, growth in these sectors have offset the weaker performance of the manufacturing and tourism sectors, which have had their growth projection for 2019 revised down from 1.1 per cent to 0.8 per cent and from 2.5 per cent to 1.8 per cent, respectively. Other services sectors with a downward revision in growth include transportation and storage, administrative and support service and public administration.

Domestic growth performance remains backed by buoyant domestic demand conditions. Final consumption expenditure performance in 2019H1 moderated somewhat as a result of a slowdown in Government consumption growth. ***Consumer optimism continues to back household consumption expenditure, which is also upheld by fiscal incentives such as the negative income tax and minimum wages.*** The government’s infrastructure push and stable FDI are expected to support investment growth. Heavy public spending in infrastructural

projects continue to positively impact real GDP, imparting the associated second-round impetus to other sectors of the economy. The prevailing somewhat accommodative monetary conditions continue to favourably influence domestic economic activity, notwithstanding challenges facing some major sectors of the economy. ***Based on latest projections (27 November 2019), the Bank has forecast real GDP to grow at 3.7 per cent in 2019 and around 4% in 2020.***

Improvements in the business environment for private sector development, including the SME sector, will also contribute positively to the domestic growth agenda. These policies are consistent with the country's structural change programme, underpinned by digital and business processes transformation as well as continued efforts in enhancing domestic revenue mobilization, maintaining prudent monetary policy stance and fostering financial deepening. Against this background, Moody's Investors Service has kept the Baa1 rating for Mauritius and maintained its stable outlook, reflecting the country's robust and stable growth performance as well as the expectation for government to stabilize the debt-to-GDP ratio. It may be noted that Mauritius is the only country, besides Botswana, which has an investment-grade rating in terms of sovereign rating in Africa.

Ongoing infrastructural projects and employment of new recruits in the public sector have contributed to employment creation. *The labour market has continued to strengthen, such that the unemployment rate remains on a downtrend, with some challenges persisting for the youth and women. The labour force in Mauritius is expected to increase from 583,800 in 2018 to 589,300 in 2019 and, employment to rise from 543,700 to 549,500, combining to decrease unemployment by 300. The unemployment rate is projected to drop to 6.8 per cent in 2019, from 6.9 per cent in 2018.*

Growth in the wage rate index also points towards confidence in the economy. The wage rate index (WRI) rose by 4.2 per cent in 2018-19, lower compared to an average growth of 4.8 per cent over the two previous fiscal years. This was due to an increase of 5.3 per cent in the private sector mainly a result of marked increases in wages in manufacturing (9.5 per cent), administration (7.9 per cent), wholesale and retail trade (6.4 per cent) and transport (6.3 per cent) and sectors. The rise in the WRI also reflected higher public sector wages of 2.8 per cent due to higher wages in financial (10.8 per cent), electricity and gas (8.3 per cent) and transportation (6.4 per cent) sectors.

The minimum wage policy implemented since the beginning of 2018 would appear not to have had a significant impact on the overall wage rate index. However, within the different sectors of the economy, wages in the manufacturing sector increased by 8.8 per cent and 9.5 per cent, respectively, in 2017-18 and 2018-19. Moreover, wages grew at a faster rate in the private sector compared to the public sector, partly indicating the application of the minimum wage policy.

Broadly, the growth in labour productivity has continued to lag the pace of average compensation of employees. In 2018, labour productivity grew at a higher rate of 3.7 per cent compared to 2.4 per cent in 2017. This was the result of a stable Gross Value-Added growth of 3.6 per cent, while labour input declined slightly by 0.1 per cent in 2019 compared to a growth of 1.1 per cent in 2017. A

further increase in compensation of employees, without structural changes in the economy, may dent gains in labour productivity and thus, affect competitiveness.

Household debt kept pace on account of borrowings for housing purposes.

Bank credit to household increased from nearly Rs97.0 billion in June 2018 to Rs107.6 billion in June 2019, that is, by Rs10.6 billion, of which additional credit for housing purposes amounted to Rs3.8 billion. Credit for housing purposes increased from Rs65.3 billion to Rs69 billion over the same period. As a ratio to GDP, household credit stood at about 22 per cent. The continuous increase in household credit reflects increasing demand for credit by a buoyant construction sector.

Domestic inflation in FY2018-19 remained at low levels against a background of moderate global economic activity, low global inflation and subdued domestic demand conditions. Headline inflation, as measured by the percentage change in the yearly average Consumer Price Index (CPI), remained on a downtrend and reached a trough of 1.0 per cent in June 2019. Y-o-y inflation, defined as the percentage change in the CPI of a given month compared to the same month of the preceding year, showed contrasting path, albeit moderate, reflecting the inherent dynamics in the CPI as a result of the impact of gyrations in the prices of vegetables and to some extent, the base effect. Y-o-y inflation went up from 1.0 per cent in June 2018 to 1.8 per cent in December 2018 before receding to 0.6 per cent in June 2019 on account of the downward adjustment in the prices of both fresh vegetables and some administered goods.

Thanks to the decline in food prices and the prevalence of a negative output gap, inflation has been trending down and has remained low. While supply-side factors explain much of the decline in headline inflation, demand-side pressures also played some role. The price change in core services, which is less affected by those factors and hence a better indicator of domestic demand pressure, has remained subdued since the past two years. The Bank forecasts headline inflation at 0.5 per cent in 2019 and around 1.5 per cent in 2020 in the absence of exogenous shocks.

The Bank is quite optimistic about the domestic economic outlook, which should benefit from the positive impact of recent public investments and medium-term policies. While recognizing downside risks to the outlook linked to potential adverse weather conditions, volatile global commodity prices and revision in global GDP growth, it remains confident that economic prospects offered by recent and current investment projects, and the services sector would partly help to mitigate these risks.”

- 2.3 **It can be inferred from the foregoing that the implementation of the National Minimum Wage has not adversely affected the economy.**
- 2.4 Table 4 below from SM shows the evolution of the main economic indicators since the year 2012 to 2018 and the forecast for 2019.

Table 4: Evolution of the main economic indicators from year 2012 to 2018 and the forecast for 2019

Particulars	Unit	2012	2013	2014	2015	2016	2017	2018	2019*
Real GDP Growth Rate (market prices)	%	3.5	3.4	3.7	3.6	3.8	3.8	3.8	3.8
Real GVA Growth Rate (basic prices)	%	3.6	3.4	3.6	3.1	3.6	3.6	3.6	3.6
Saving Rate (GDS/GDP)	%	12.4	11.1	10.6	10.4	11.0	10.0	9.0	9.6
Investment Rate	%	22.6	20.8	18.9	17.4	17.2	17.4	18.8	19.7
Consumption Expenditure nominal growth rate	%	7.0	7.7	5.9	4.8	5.3	6.3	6.5	4.3
Headline Inflation rate	%	3.9	3.5	3.2	1.3	1.0	3.7	3.2	0.5

Source: Statistics Mauritius

*forecast for National Accounts data as at 30 September 2019

- 2.5 It is to be noted that (a) Gross Domestic Product (GDP) at market prices is forecasted at 3.8% in 2019 and (b) Investment rate, defined as the ratio of investment to GDP at market prices, would increase from 17.4% in 2017 and 18.8% in 2018 to 19.7% in 2019.

Impact on Employment based on SM Figures

- 2.6 **Based on revised SM figures, total employment is expected to increase by 5,800 in 2019 to reach 549,500 from 543,700 in 2018 and 545,100 in 2017.**

Impact on number of NPF Contributors

- 2.7 Employers are required to make contributions on their behalf and on behalf of their employees to the NPF. If all employers comply with the National Pension Fund Act, the number of employees in respect of whom contributions are made would broadly reflect the actual level of employment in the private sector.

Impact on number of NPF Contributors in Non – EOE

- 2.8 Table 5 below gives a summary of the number of employees on behalf of whom contributions were made to the NPF in Non-EOEs for December 2017, June 2018 and June 2019. The information is from the MRA and includes foreign workers reckoning two years' service. **(Annex II and Annex IIA)**

Table 5: Number of workers (Mauritian and Foreign) on behalf of whom contributions are made to the NPF in Non-EOEs in December 2017, June 2018 & June 2019

Period	Full-Time	Part-Time	Not Stated	Total
December 2017	199,991	7,353	44,391	251,735
June 2018	229,604	8,857	39,311	277,772
June 2019	236,846	9,311	23,911	270,068

Source: Mauritius Revenue Authority

2.9 It is noted that:

- (a) the total number of employees in respect of whom contributions are made to the NPF in Non-EOEs which stood at 251,735 in December 2017 increased to 277,772 in June 2018 and dropped to 270,068 in June 2019; and
- (b) the number of full-time employees in Non-EOEs on behalf of whom contributions are made to the NPF increased by 3.2% in 2019 compared to 2018.

2.10 The significant increase of 7.3% in the number of contributors from December 2017 to June 2019 could be explained, *inter alia*, by

- (a) the improved adherence to the National Pension Fund to benefit from the special allowance and the negative income tax schemes; and
- (b) the likely movement from informal employment to formal employment in the wake of the introduction of the National Minimum Wage.

Impact on number of NPF Contributors in EOE

2.11 Table 6 below gives a summary of the number of workers (Mauritian and Foreign workers) contributing to the NPF in EOE for December 2017, June 2018 and June 2019. The information is from the MRA and refers to the total number of employees in respect of whom contributions are made to the NPF including foreign workers reckoning two years' service. **(Annex III and Annex IIIA)**

Table 6: Number of workers on behalf of whom contributions are made to the NPF in EOE in December 2017, June 2018 & June 2019

Period	Full-Time	Part-Time	Not stated	Total
December 2017	N/A	N/A	N/A	38,633
June 2018	35,758	74	2,714	38,546
June 2019	29,542	72	805	30,419

Source: Mauritius Revenue Authority

2.12 It is noted that the total number of employees in EOE's on behalf of whom contributions are made to the NPF decreased by 8,214 or 21.1% from June 2018 to June 2019 and by 21.3% from December 2017 to June 2019.

The fall in the number of NPF contributors may be explained by the following:

- (i) Late submission of NPF contributions, which were not taken into account in the figures submitted to the Council.
- (ii) A contraction of employment in the EOE's. According to Statistics Mauritius, the total employment in EOE's decreased by 3,659, comprising 2,612 Mauritian workers and 1,047 foreign workers, from June 2018 to June 2019. The job losses occurred mainly in enterprises engaged in the manufacture of "Wearing apparel" with a decrease of 3,870 jobs.
- (iii) The decrease of 3,659 in employment from June 2018 to June 2019 is the net result of 2758 new jobs created and 6,417 jobs lost. The job losses were due to the contraction of workforce and closure of enterprises. *(Council's computation based on SM data)*
- (iv) Being given that the aggregate employment level has not fallen it is probable that several workers in EOE's have moved to other enterprises which have yet to submit their NPF contributions or to those enterprises which do not need to contribute to the NPF.
- (v) A probable replacement of existing workers by new foreign workers in respect of whom no NPF contribution is made for the initial 2 years.

Difference of Impact in non-EOE's and EOE's based on NPF contributions

2.13 Notwithstanding the fact that other factors may have impacted on employment, the NMW appears to have impacted differently on employment in Non-EOE's and EOE's as measured by the number of employees contributing to NPF.

2.14 While the total number of employees on behalf of whom contributions are made to the NPF in the Non-EOE's increased by 7.3% from December 2017 to June 2019, the number of employees in respect of whom contributions are made to NPF in the EOE's decreased by 21.3% in December 2017 compared to June 2019.

Impact on Employment for Young workers

2.15 The total number of full-time young workers of up to 18 which decreased from 3,200 in December 2017 to 2,200 in June 2018 increased to 3000 in June 2019 as shown in Table 7 below:

Table 7: Number of young workers between 17 years to 18 years and between 18 to 25 years as at December 2017, June 2018 and June 2019

Particulars	Number of young full-time employees (SM)		
	Dec-17	Jun-18	Jun-19
Between 17 and 18	3,200	2,200	3,000
Between 18 up to 24	47,300	48,200	48,300*
Total	50,500	50,400	51,300

Source: Statistics Mauritius

**The figure is based on (Q2) 2019*

- 2.16 **The total number of young employees increased by 1.6% from 50,500 in December 2017 to 51,300 in June 2019.**
- 2.17 Table 8 below gives the total number of young workers, (full-time, part-time and those in respect of whom information regarding type of employment was not available), in respect of whom pension contributions are made to the NPF as at December 2017, June 2018 and June 2019.

Table 8: Number of young workers in respect of which pension contributions are made to the NPF at December 2017, June 2018 and June 2019

Particulars	Number of young workers contributing to NPF (MRA)		
	Dec-17	Jun-18	Jun-19
Between 17 to less than 18	2	529	423
Between 18 to less than 25	31,481	36,827	37,185
Total	31,483	37,356	37,608

Source: Mauritius Revenue Authority

- 2.18 **The total number of young employees in respect of whom contributions have been made to the NPF increased from 31,483 in December, 2017 to 37,356 in June 2019 i.e. by 18.7%.**

Impact on NPF contributions by sector of activity in EOE

- 2.19 Table 9 below gives the number of NPF contributors as at June 2018 and June 2019 by sector of activity. **(Annex IV)**

Table 9: Number of NPF contributors in the EOE's as at June 2018 and June 2019 by sector of activity

Sector of Activity	No. of contributors as at June 2018	No. of contributors as at June 2019	Change in Total Employment	% Change in Total Employment
Food, Beverages & Crop	4,810	1,548	-3,262	-68
Fishing and Aquaculture	140	142	2	1
Leather Products & Related Products	711	664	-47	-7
Textile, Fabrics & Wearing Apparel	27,200	22,742	-4,458	-16
Metals, Wood, Paper, Rubber & Plastic Products	1,170	1,129	-41	-4
Electrical, Electronic & Computer Products	760	563	-197	-26
Pharmaceutical & Chemical Products	132	135	3	2
Furniture	67	54	-13	-19
Retail & Wholesale Trade	414	371	-43	-10
Services	482	525	43	9
Mining & Quarrying	128	0	-128	-100
Other Manufacturing	2,539	2,614	75	3
Research & Development	3	3	-	-
TOTAL	38,556	30,490	-8,066	-21

Source: Council's Computation based on MRA figures

Note: The above data is based on MRA Returns as at November 2019

- 2.20 Major decreases in the number of contributors to NPF are noted in the Food, Beverages and Crop sector (68%), Electrical, Electronic & Computer Products (26%) and Furniture (19%). Textile, Fabrics & Wearing Apparel registered a fall of 4,497 representing around 17% of the contributing workers.
- 2.21 The overall decrease of contributors to NPF in June 2019 compared to June 2018 was mainly attributable to Textile, Fabrics & Wearing Apparel representing 55% and Food, Beverages and Crop (40%).

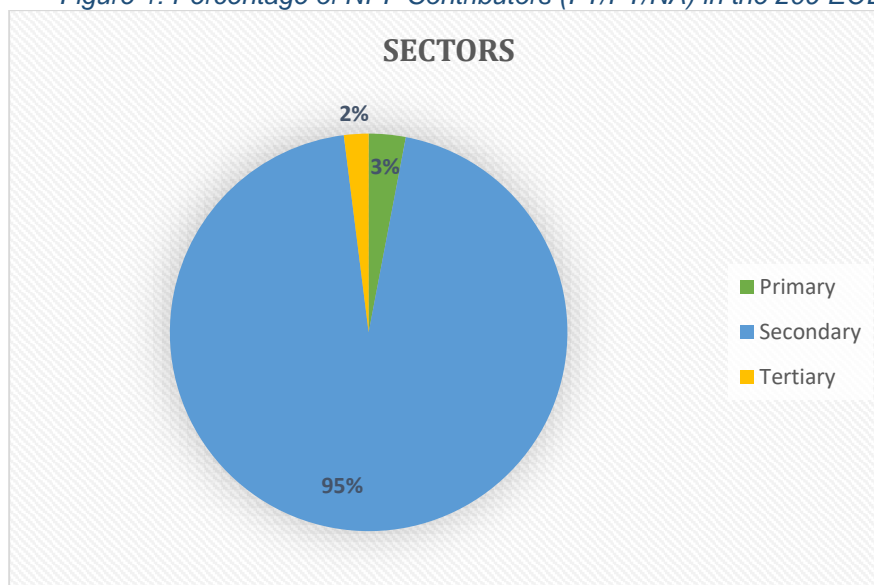
Classification of EOE Enterprises by Sectors and by Employment

- 2.22 Out of the 277 EOE's identified by the Ministry of Industrial Development, SMEs and Cooperatives (MIDSC), 209 submitted returns to the MRA. Moreover, only 152 out of the 170 EOE's currently exporting submitted their returns to the MRA. The distribution of 209 firms as well as 152 firms submitting returns to the MRA, by

sector of activity is given at **Annex IV**. The classifications of the firms into the Primary, Secondary and Tertiary sectors are given at **Annex V**.

- 2.23 Figure 1 below gives the percentage of NPF contributors (**Annex VI – Glossary of Terms**) in the primary, secondary, and tertiary sectors in the 209 EOE's.

Figure 1: Percentage of NPF Contributors (FT/PT/NA) in the 209 EOE's



Source: Council's survey on EOE's

- 2.24 Figure 1 illustrates that the majority of NPF contributors i.e. 95% were found in the secondary sector – industrial manufacturing while the primary and tertiary sectors accounted for 2% and 3% of the NPF contributors respectively.

Unemployment Rate

Unemployment Rate, by Gender and for youth

- 2.25 Table 10 below compares unemployment rate by gender and for youth in Q2 of 2017 and Q2 of 2018 with Q2 of 2019.

Table 10: Unemployment Rate by Gender and for youth for (Q2) 2017, (Q2) 2018 and (Q2) 2019

Particulars	Unit	(Q2) 2017	(Q2) 2018	(Q2) 2019
Unemployment Rate	%	7.2	7	6.6
Male	%	5.3	5.3	3.8
Female	%	10.2	9.5	10.8
Youth (16-24 years)	%	24.7	27.5	21.3

Source: Statistics Mauritius

- 2.26 The unemployment rate is estimated at 6.8% in 2019, down from 6.9% in 2018 and 7.2% in 2017.

Unemployment by Gender

- 2.27 It is noted that while male unemployment has fallen from 5.3% in Q2 of 2018 to 3.8% for Q2 of 2019, female unemployment has increased from 9.5% in Q2 of 2018 to 10.8% for Q2 of 2019.
- 2.28 From Q2 2018 to Q2 2019, the number of unemployed persons decreased by 1,400; male unemployment decreased by 5,100 while female unemployment increased by 3,700.
- 2.29 Female unemployment at 10.8% in Q2 of 2019 remains a challenge.

Unemployment for Young Workers of less than 25 years old

- 2.30 The total number of unemployed full-time young workers increased from 18,600 in Q2 of 2017 to 21,500 in Q2 of 2018 thereafter falling to 16,100 in Q2 of 2019 as per SM figures.
- 2.31 The youth unemployment rate increased from 24.9% in Q2 of 2017 to 27.5% in Q2 of 2018 and dropped to 21.3% in Q2 of 2019.
- 2.32 However, youth unemployment at 21.3% in Q2 of 2019 remains a challenge.

Wage Distribution as measured by the Gini Coefficient

- 2.33 Wage inequality has been the main contributor of income inequality in recent years – World Bank Report of July 2017 (Remuneration Regulations in Mauritius: An Overview)
- 2.34 The introduction of the NMW has raised the wage income of low-paid workers thereby reducing income inequality. Indeed, the Gini Coefficient (Annex VI – Glossary of Terms), based on wage income, has continuously improved since 2017 as shown in Table 11 below.

Table 11: GINI Coefficient based on Employment Income

Measures of Income	2017	2018	(Q2) 2019
Gini coefficient	0.448	0.440	0.432

Source: Statistics Mauritius

- 2.35 This figure is conservative as it does not take into account the improvement resulting from the increase in income at the lower end of the income distribution through the special allowance and the negative income tax.

Wage differentials as measured by the inter-decile ratios

- 2.36 The wage dispersion ratios as measured by the ratio (D9/D1), where D1 is the maximum earnings received by the 10% of employees earning least and D9 is the minimum earnings received by the 10% of employees earning most, has decreased from 7.75 in 2017 to 6.30 in 2018 and to 5.62 in 2019.

National Minimum Wage and Standard of Living

- 2.37 The introduction of the NMW has supplemented the income of minimum wage workers thereby increasing the purchasing power and positively impacting household expenditure and the standard of living of households.
- 2.38 As highlighted by the Bank of Mauritius, “domestic growth performance remains backed by buoyant domestic demand conditions. Consumer optimism continues to back household consumption expenditure, which is also upheld by fiscal incentives such as the negative income tax and minimum wages.”

National Minimum Wage and Relative Poverty Line

- 2.39 A national minimum wage is not generally prescribed as a measure for poverty alleviation as its introduction could be accompanied by some contraction of employment. However, as mentioned in its 2017 Report – Introduction of the National Minimum Wage, the Council considers that it would be laudable if the minimum wage could ensure that households which have the minimum number of wage/income earners do not stay in poverty.
- 2.40 Table 12 below gives the relative poverty lines (RPL) (**Annex VI – Glossary of Terms**) for selected types of households, Republic of Mauritius, 2017 to 2019. The RPL is determined based on the Household Budget Survey data (HBS) of 2017. The latest RPL refers to 2017 HBS which has then been adjusted for price changes only, to obtain equivalent thresholds for 2018 and 2019. The RPL by type of households is determined based on Bank & Johnson non-linear equivalence scale.

Table 12: RPL for selected types of households, Republic of Mauritius, 2017 to 2019

RPL for selected types of households	2017	2018	2019
Households with 1 adult member (Rs)	7,497	7,740	7,780
Households with 2 adult members (Rs)	12,179	12,570	12,630
Households with 2 adults and 2 children (Rs)	17,657	18,220	18,300

Source: Statistics Mauritius

- 2.41 Table 13 below compares the RPL for selected types of household with the guaranteed income of the household based on different number of wage earners per family.

Table 13: RPL for selected types of households, Republic of Mauritius

Selected types of households	RPL 2019 (Rs)	No. of Wage Earners	Guaranteed Income (Rs)	
			Entrants from 1 st January 2019	Others
Households with 1 adult member (Rs)	7,780	1	9,000	9,400
Households with 2 adult members (Rs)	12,630	2	18,000	18,800
Households with 2 adults and 2 children (Rs)	18,300	2	18,000	18,800

Source: Statistics Mauritius

- 2.42 It is noted that a household with one adult and having one national minimum wage worker as well as a household with two adult members and with two minimum wage workers receive a guaranteed income above the RPL.
- 2.43 It is equally noted that a household with two adults and two children with the two adults having taken employment prior to 01 January 2019 would be guaranteed a monthly income of Rs 18,800 and would therefore be above the RPL.
- 2.44 A household with two adults and two children with the two adults in employment with effect from 01 January 2019 would be guaranteed a monthly income of Rs 18,000 and may appear to be below the RPL of Rs 18,300. However, such a household would in effect, be above the RPL when the end of year bonus is accounted for.
- 2.45 **Notwithstanding the fact that the NMW is not generally prescribed as a measure for poverty alleviation, its introduction has contributed to move households out of relative poverty.**
- 2.46 **It is noted that the positive impact on income, standard of living and economic activity has been reinforced by the Government funding of the special allowance to achieve the guaranteed monthly income of Rs 9,400 for workers who have taken up employment before 01 January 2019 and Rs 9,000 for workers who have taken up employment on or after 01 January 2019.**

CHAPTER 3: Evolution of Wage Distribution

3.1 The National Wage Consultative Council (NWCC) is, in the discharge of its functions, required by virtue of Section 6(1)(e) of the National Wage Consultative Council Act No.6 of 2016, to submit to the Minister a report on the evolution of wage distribution in respect of occupations, worker status, gender and sectors, every year. We give in this Chapter, the relevant information based on information available at the Council.

Evolution of Wage Distribution in Non-EOEs

3.2 Table 14, which is an extract of **Annex II and IIA**, gives the number of employees (Mauritian and Foreign) by basic wage groups for December 2017, December 2018 and June 2019 in the Non-EOEs. The information is from the Mauritius Revenue Authority and covers only employees in respect of whom contributions have been made to the NPF.

Table 14: Evolution of Wage Distribution in Non-EOEs from December 2017, December 2018 and June 2019

Row Labels	Non-EOEs – Dec 2017		Non-EOEs – Dec 2018		Non-EOEs – June 2019	
	Total Cumulated (FT/PT/NA)	Total Cumulated (%)	Total Cumulated (FT/PT/NA)	Total Cumulated (%)	Total Cumulated (FT/PT/NA)	Total Cumulated (%)
≤ 5695	88,378	35%	14,455	5%	13,224	5%
≥ 5696 & ≤ 6075			17,253	6%	14,882	6%
≥ 6076 & ≤ 8500			48,779	17%	30,640	11%
≥ 8501 & ≤ 8540			49,630	18%	31,053	11%
≥ 8541 & ≤ 8900			58,095	21%	43,820	16%
≥ 8901 & ≤ 9400			74,432	26%	59,769	22%
≥ 9401 & ≤ 10000			90,933	32%	75,179	28%
≥ 10,001 & ≤ 11,000	107,420	43%	113,960	40%	97,920	36%
≥ 11,001 & ≤ 12,000	123,837	49%	132,640	47%	115,528	43%
≥ 12,001 & ≤ 13,000	136,662	54%	148,517	53%	132,488	49%
≥ 13,001 & ≤ 14,000	147,996	59%	162,168	57%	146,201	54%
≥ 14,001 & ≤ 15,000	158,445	63%	173,258	61%	156,818	58%
≥ 15,001 & ≤ 20,000	190,613	76%	208,180	74%	193,960	72%
≥ 20,001 & ≤ 25,000	205,241	82%	226,380	80%	212,453	79%
≥ 25,001 & ≤ 30,000	215,309	86%	238,336	84%	224,886	83%
≥ 30,001 & ≤ 35,000	222,575	88%	247,105	87%	234,063	87%
≥ 35,001 & ≤ 40,000	227,556	90%	252,914	90%	240,187	89%
≥ 40,001 & ≤ 50,000	234,777	93%	261,795	93%	248,948	92%
≥ 50,001 & ≤ 60,000	238,923	95%	266,541	94%	253,857	94%
≥ 60,001 & ≤ 70,000	242,006	96%	270,458	96%	257,859	95%
≥ 70,001 & ≤ 75,000	243,072	97%	271,753	96%	259,182	96%

Row Labels	Non-EOEs – Dec 2017		Non-EOEs – Dec 2018		Non-EOEs – June 2019	
	Total Cumulated (FT/PT/NA)	Total Cumulated (%)	Total Cumulated (FT/PT/NA)	Total Cumulated (%)	Total Cumulated (FT/PT/NA)	Total Cumulated (%)
≥ 75,001 & ≤ 100,000	251,735	100%	275,700	98%	263,230	97%
> 100,000			282,502	100%	270,068	100%
TOTAL	251,735	100%	282,502	100%	270,068	100%

Source: Mauritius Revenue Authority

3.3 It is noted that the percentage of employees drawing up to Rs 10,000 in the Non-EOEs fell from 35% in December 2017 to 32% in December 2018 and to 28% in June 2019. Correspondingly, the percentage of employees drawing more than Rs 10,000 increased from 65% in December 2017, to 68% in December 2018 to 72% in June 2019 indicating a movement of the employees to higher wage bands.

Evolution of Wage Distribution in EOE's

3.4 Table 15, which is an extract of Annex III and IIIA, gives the number of employees (Mauritian and Foreign) by basic wage groups for December 2017, December 2018 and June 2019 in the EOE's.

Table 15: Evolution of Wage Distribution in EOE's from December 2017 to June 2019

Row Labels	EOEs – Dec 2017		EOEs – Dec 2018		EOEs – June 2019	
	Total Cumulated (FT/PT/NA)	Total Cumulated (%)	Total Cumulated (FT/PT/NA)	Total Cumulated (%)	Total Cumulated (FT/PT/NA)	Total Cumulated (%)
≤ 5695	30212	78%	3,462	9%	1,332	4%
≥ 5696 & ≤ 6075			9,087	24%	4,093	13%
≥ 6076 & ≤ 8500			22,511	60%	17,449	57%
≥ 8501 & ≤ 8540			22,796	61%	18,559	61%
≥ 8541 & ≤ 8900			24,023	64%	19,745	65%
≥ 8901 & ≤ 9400			25,775	69%	20,704	68%
≥ 9401 & ≤ 10000			27,451	73%	21,757	72%
≥ 10,001 & ≤ 11,000	31,409	81%	28,952	77%	23,058	76%
≥ 11,001 & ≤ 12,000	32,357	84%	30,026	80%	23,931	79%
≥ 12,001 & ≤ 13,000	33,129	86%	30,990	83%	24,652	81%
≥ 13,001 & ≤ 14,000	33,731	87%	31,708	85%	25,262	83%
≥ 14,001 & ≤ 15,000	34,224	89%	32,441	87%	25,854	85%
≥ 15,001 & ≤ 20,000	35,915	93%	34,368	92%	27,543	91%
≥ 20,001 & ≤ 25,000	36,726	95%	35,335	94%	28,438	93%
≥ 25,001 & ≤ 30,000	37,219	96%	35,844	96%	28,952	95%
≥ 30,001 & ≤ 35,000	37,507	97%	36,179	97%	29,268	96%

Row Labels	EOEs – Dec 2017		EOEs – Dec 2018		EOEs – June 2019	
	Total Cumulated (FT/PT/NA)	Total Cumulated (%)	Total Cumulated (FT/PT/NA)	Total Cumulated (%)	Total Cumulated (FT/PT/NA)	Total Cumulated (%)
≥ 35,001 & ≤ 40,000	37,724	98%	36,434	97%	29,479	97%
≥ 40,001 & ≤ 50,000	37,980	98%	36,716	98%	29,735	98%
≥ 50,001 & ≤ 60,000	38,132	99%	36,876	98%	29,865	98%
≥ 60,001 & ≤ 70,000	38,247	99%	37,004	99%	29,991	99%
≥ 70,001 & ≤ 75,000	38,293	99%	37,066	99%	30,054	99%
≥ 75,001 & ≤ 100,000	38,633	100%	37,199	99%	30,175	99%
> 100,000			37,458	100%	30,419	100%
GRAND TOTAL	38,633	100%	37,458	100%	30,419	100%

Source: Mauritius Revenue Authority

3.5 It is noted that the total number of employees in the EOE's in respect of whom contributions have been made to the NPF and drawing up to Rs 10,000 a month fell from 78% in December 2017, to 73% in December 2018 and 72% in June 2019. Correspondingly, the percentage of employees drawing more than Rs 10,000 increased from 22% in December 2017, to 27% in December 2018 and to 28% in June 2019 indicating a movement of the employees to higher wage bands for EOE's too.

Evolution of Wage Distribution

3.6 Table 16 below gives the distribution of employees by basic wage groups in 2017, 2018 and in 2019. It should be noted that the figures are estimates based on (i) administrative data and surveys carried out by SM, namely the survey on the distribution of employees by basic wage range of public institutions and large establishments and (ii) the Continuous Multi-Purpose Household Survey (CMPHS) for Q2 2019, for employees in small establishments. **(Annex VII & Annex VIII)**

Table 16: Distribution of Full-Time Mauritian Employees by Basic Wage Range in Year 2017, June 2018 and 2019

Basic wage range (Rs)	2017			2018			2019		
	Public sector	Private sector	Total Public and Private	Public sector	Private sector	Total Public and Private	Public sector	Private sector	Total Public and Private
Up to 3,500	48	18,552	18,600		14,602	14,602		11,628	11,628
3,501 - 4,000	6	6,176	6,182		4,340	4,340		4,019	4,019
4,001 - 4,500	10	4,020	4,030		1,692	1,692		1,307	1,307
4,501 - 5,000	17	8,207	8,224		7,548	7,548		6,426	6,426
5,001 - 6,000	91	16,872	16,963		7,127	7,127		7,942	7,942
6,001 - 7,000	135	14,327	14,462		6,990	6,990		5,800	5,800
7,001 - 8,000	790	19,171	19,961		10,940	10,940		10,744	10,744
8,001 - 9,000	759	25,546	26,305	2,407	48,063	50,470	1,753	32,978	34,731
9,001 - 10,000	985	27,236	28,221	487	35,897	36,384	1,555	34,924	36,479

Basic wage range (Rs)	2017			2018			2019		
	Public sector	Private sector	Total Public and Private	Public sector	Private sector	Total Public and Private	Public sector	Private sector	Total Public and Private
10,001 - 11,000	506	23,526	24,032	706	23,580	24,286	536	25,926	26,462
11,001 - 12,000	971	19,718	20,689	751	21,019	21,770	424	22,702	23,126
12,001 - 13,000	1,631	15,974	17,605	1,704	15,342	17,046	1,392	18,573	19,965
13,001 - 14,000	3,560	17,081	20,641	3,148	18,950	22,098	2,613	18,576	21,189
14,001 - 15,000	3,774	13,415	17,189	4,329	13,070	17,399	2,905	14,095	17,000
15,001 - 20,000	23,113	32,854	55,967	22,801	33,647	56,448	25,539	41,360	66,899
20,001 - 25,000	17,377	14,976	32,353	15,960	15,420	31,380	16,067	18,354	34,421
25,001 - 30,000	11,016	8,694	19,710	12,778	10,178	22,956	12,858	10,341	23,199
30,001 - 35,000	9,296	5,799	15,095	9,818	6,355	16,173	10,313	6,679	16,992
35,001 - 40,000	8,452	4,331	12,783	7,064	4,856	11,920	7,941	5,292	13,233
40,001 - 50,000	9,423	6,255	15,678	10,599	6,389	16,988	10,400	7,287	17,687
50,001 - 60,000	4,517	3,753	8,270	4,809	3,688	8,497	5,389	3,907	9,296
60,001 - 70,000	2,348	2,296	4,644	2,877	2,735	5,612	2,896	2,902	5,798
70,001 - 75,000	861	899	1,760	908	921	1,829	799	1,786	2,585
75,001 and over	2,289	7,224	9,513	2,684	8,247	10,931	3,360	8,966	12,326
Total	101,975	316,903	418,878	103,830	321,597	425,427	106,740	322,513	429,253

Source: *Statistics Mauritius – (The 2019 figures are based on the CMPHS Q2)*

3.7 It is noted that:

- (a) the total number of full-time employees in both the Public and the Private Sectors has increased by 2.5% in 2019 compared to 2017 and by 0.9% compared to June 2018; and
- (b) the total number of full-time employees in the Private Sector has increased by 1.7% in 2019 compared to 2017 and by 0.3% compared to June 2018.
- (c) the total number of full-time employees in the Public Sector has increased from 101,975 in 2017 to 106,740 in 2019 representing an increase of 4.7%.

3.8 It is also noted that the number of employees drawing basic wage up to Rs 9,000 a month in both the Public and the Private Sectors fell from 114,726 in 2017 to 82,597 in 2019, i.e. from a percentage of 27% to 19% of the total number of full-time employees. This indicates a general movement of the employees in higher wage bands.

3.9 Table 17 below from SM gives the distribution of Mauritian employees by gender for the year 2017, 2018 and 2019.

Table 17: Distribution of employees by basic wage range for full time employees by gender for the year 2017, 2018 and 2019

Basic wage range (Rs)	Number of Full-Time employees – 2017			Number of Full-Time employees – 2018			Number of Full-Time employees – 2019		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Up to 3,500	3,848	14,751	18,600	2,823	11,779	14,602	3,001	8,627	11,628
3,501 – 4,000	1,716	4,465	6,182	365	3,975	4,340	1,282	2,737	4,019
4,001 – 4,500	1,080	2,950	4,030	359	1,334	1,692	306	1,001	1,307
4,501 – 5,000	2,344	5,880	8,224	2,497	5,051	7,548	1,614	4,812	6,426
5,001 – 6,000	5,683	11,280	16,963	3,231	3,896	7,127	2,255	5,687	7,942
6,001 – 7,000	6,457	8,005	14,462	2,259	4,731	6,990	1,554	4,246	5,800
7,001 – 8,000	10,182	9,779	19,961	5,017	5,924	10,940	4,643	6,101	10,744
8,001 – 9,000	15,382	10,923	26,305	21,485	28,985	50,470	13,889	20,842	34,731
9,001 – 10,000	18,754	9,467	28,221	20,820	15,564	36,384	16,878	19,601	36,479
10,001 – 11,000	16,638	7,395	24,032	14,743	9,543	24,286	16,552	9,910	26,462
11,001 – 12,000	15,190	5,499	20,689	15,165	6,605	21,770	16,143	6,983	23,126
12,001 – 13,000	12,029	5,576	17,605	13,636	3,411	17,046	13,781	6,184	19,965
13,001 – 14,000	14,515	6,127	20,641	15,572	6,527	22,098	16,480	4,709	21,189
14,001 – 15,000	12,446	4,743	17,189	12,561	4,838	17,399	11,317	5,683	17,000
15,001 – 20,000	39,035	16,932	55,967	39,590	16,858	56,448	48,480	18,419	66,899
20,001 – 25,000	20,834	11,519	32,353	20,757	10,623	31,380	21,597	12,824	34,421
25,001 – 30,000	11,451	8,260	19,710	13,137	9,819	22,956	13,636	9,563	23,199
30,001 – 35,000	9,188	5,908	15,095	8,888	7,285	16,173	10,172	6,820	16,992
35,001 – 40,000	8,430	4,353	12,783	8,060	3,860	11,920	8,622	4,611	13,233
40,001 – 50,000	10,244	5,434	15,678	10,252	6,736	16,988	10,758	6,929	17,687
50,001 – 60,000	5,831	2,438	8,270	5,721	2,776	8,497	7,301	1,995	9,296
60,001 – 70,000	3,801	843	4,644	3,231	2,380	5,612	3,630	2,168	5,798
70,001 – 75,000	1,267	494	1,760	1,590	240	1,829	2,162	423	2,585
75,001 and over	7,387	2,125	9,513	8,820	2,111	10,931	10,830	1,496	12,326
Total	253,733	165,144	418,878	250,576	174,851	425,427	256,882	172,371	429,253

Source: Statistics Mauritius – (The 2019 figures are based on the CMPHS Q2)

3.10 It is noted that:

- (a) male employment decreased from 253,733 in 2017 to 250,576 in 2018 and increased to 256,882 in 2019 i.e. representing an increase of 1.2% on 2017 and 2.5% on 2018;
- (b) female employment increased by 5.9% from 165,144 in 2017 to 174,851 in 2018, then falling by 2% to 172,371 in 2019. It is, however, noted female employment is estimated to be higher by 4.4% in 2019 compared to 2017; and
- (c) in 2019, the number of female employees exceed the number of male employees in all wage brackets up to Rs 10,000 while the number of male employees exceed the number of female employees in all wage brackets of more than Rs 10,000.

Distribution of NPF Contributing Employees by Sectors, Gender, and Age Groups (June 2018 & June 2019)

3.11 The information with regards to the evolution of wage distribution in respect of occupations and worker status is not available at the Council at this stage. The Council is therefore reporting only on information with regards to the number of contributors to the NPF by sectors, age group and gender as at June 2018.

3.12 **Annex VIII** and **Annex VIIIA** respectively give the distribution of employees contributing to NPF by sectors, gender, and age groups at June 2018 and at June 2019. The number of employees refer to those in respect of whom contributions are made to the MRA and include foreign workers with more than two years' service.

Distribution of NPF Contributing Employees by Sectors (June 2018 & June 2019)

3.13 Table 18 below (Annex VIII and Annex VIIIA) gives the proportion of private sector employees (in respect of whom contributions are made to the NPF) by sector at June 2018 and at June 2019.

Table 18: Percentage of employees (contributing to NPF) by sectors – June 2018 & June 2019

Sectors	Total No. of Employees (June 2018)	%	Total No. of Employees (June 2019)	%
Primary	809	0.3	8,504	2.8
Secondary	89,281	28.5	83,128	27.7
Tertiary	221,803	70.7	207,023	68.9
Others	1885	0.6	1,832	0.6
GRAND TOTAL	313,778	100	300,487	100

Source: Council's Computation based on MRA Figures

- 3.14 **The total number of employees in respect of whom contributions are made to the NPF has decreased from 313,778 in June 2018 to 300,487 in June 2019 i.e. by 13,291 representing a decrease of 4.2%.**
- 3.15 **In addition, while the percentage of employees in respect of whom contributions are made to the NPF was 27.7% for the secondary sector and 68.9% for the tertiary sector in June 2019, the percentage for the primary sector increased from 0.3 in June 2018 to 2.8 in June 2019 indicating the inducement to contribute to the NPF following the introduction of the national minimum wage.**

Distribution of NPF Contributing Employees by Gender (June 2018 & June 2019)

- 3.16 Table 19 below (Annex VIII and Annex VIII A) gives the proportion of private sector employees (in respect of whom contributions are made to NPF) by gender at June 2018 and June 2019:

Table 19: Percentage of workers (contributing to NPF) by gender – June 2018 & June 2019

Gender	Total No. of Employees (June 2018)	%	Total No. of Employees (June 2019)	%
Male	182,818	58.3	175,794	58.5
Female	130,960	41.7	124,693	41.5
Grand Total	313,778	100	300,487	100

Source: Council's Computation based on MRA Figures

- 3.17 **The ratio of male contributors to female contributors in the private sector remained unchanged at around 3:2 at June 2019.**

Distribution of NPF Contributing Employees by Age Group (June 2018 & June 2019)

- 3.18 Table 20 below (Annex VIII and Annex VIII A) gives the proportion of private sector employees (contributing to NPF) by age group:

Table 20: Percentage of workers (contributing to NPF) by age group – June 2018 & June 2019

Age Group	Total No. of Employees (June 2018)	%	Total No. of Employees (June 2019)	%
Less than 18	7	0.002	13	0.0043
Between 18 and 24	36,827	11.7	37,185	12.4
25 and above	276,944	88.26	263,289	87.6
Grand Total	313,773	100	300,487	100

Source: Council's Computation based on MRA Figures

- 3.19 ***The number of young workers (less than 18), in respect of whom contributions were made to NPF, increased between June 2018 and June 2019.***
- 3.20 ***The number of young persons of less than 25 also increased as a proportion of the workforce.***

Chapter 4: Compliance with the National Minimum Wage Regulations

- 4.1 Compliance with National Minimum Wage Regulations, both in terms of absolute and relative levels, remains a key consideration in examining the effects of the National Minimum Wage.
- 4.2 It is important, through systematic measures of compliance and non-compliance, to monitor the extent to which the laws are being enforced 18 months' after the introduction of the national minimum wage.

Evolution of the National Minimum Wage payable by the Employer

- 4.3 Table 21 below gives the national minimum wage payable by the employer in both the EOE's and the Non-EOE's with effect from 01 January 2018.

Table 21: National Minimum Wage payable by the Employer – January 2018

Particulars	Non – EOE's (Rs)	EOE's (Rs)
National Minimum Wage	8,140	8,140 (includes salary compensation)
Salary compensation 2018	360	
National Minimum Wage payable by the Employer	8,500	8,140

- 4.4 In January 2019, as per the National Minimum Wage (Amendment) Regulations 2019, the National Minimum Wage was increased with the additional remuneration of Rs 400 payable under the Additional Remuneration and Other Allowances (2019) Act 2018 for workers.
- 4.5 The monthly national minimum wage applicable as from 01 January 2019 for employees in the EOE's and the Non-EOE's, are indicated in Table 22 below.

Table 22: National Minimum Wage payable by the Employer as at January 2019

Particulars	Non-EOE's (Rs)	EOE's (Rs)
National Minimum Wage	8,140	8,140 (includes salary compensation)
Salary compensation 2018	360	
Salary compensation 2019	400	400
National Minimum Wage payable by the Employer	8,900	8,540

- 4.6 The national minimum wage in Non-EOE's stands at Rs 8,140 plus additional remuneration Rs 360 for the year 2018 and Rs 8,140 plus additional remuneration Rs 360 and Rs 400 for the year 2018 and 2019 i.e. Rs 8,900 with effect from 01 January 2019.

- 4.7 The national minimum wage in EOE's which, in 2019 stands at Rs 8,140 plus additional remuneration of Rs 400, is inclusive of (a) the basic wage; (b) the housing and/or food allowances or housing and/or food up to a maximum of Rs 2,500 per month, wherever relevant; and/or (c) other fixed pay components paid every month of the year. However, the basic wage component in EOE's cannot be less than Rs 6,075 for factory workers and Rs 5,696 for unskilled worker i.e. the prescribed basic wage in the Remuneration Regulations together with the additional remuneration of 2018 and 2019.
- 4.8 Consequently, all cases, in 2019, where full time employees draw basic wages of less than Rs 8,900 a month in the Non-EOE's and less than Rs 6,075 a month for factory workers and Rs 5,696 a month for unskilled worker in the EOE's are cases of non-compliance to the NMW Regulations.

Compliance with the National Minimum Wage Regulations

- 4.9 The compliance to the NMW Regulations is examined based on (a) the wage distribution in the private sector using the SM wage distribution by basic wage range of full-time Mauritian employees and (b) the MRA distribution of full-time employees in respect of whom contributions are made to the National Pension Fund (NPF).
- 4.10 Table 23, which is an extract of **Annex IX**, gives the distribution of full-time employees for the private and public sectors using SM figures by basic wage range in 2019.

Table 23: Number of full-time Mauritian Employees by basic wage range in the Private and Public Sectors – 2019

Basic wage range (Rs)	Private sector	Cumulated No. of Employees (Private)	Public Sector	Cumulated No. of Employees (Public)	Total Cumulated No. of Employees
Up to Rs 8,000*	47,867	47,867	-	-	47,867
8,001 – 9,000	32,978	80,844	1,753	1,753	82,597
9,001 – 10,000	34,924	115,768	1,555	3,308	119,076
10,000 and above	206,745	322,513	103,432	106,740	429,253
Total	322,513		106,740		429,253

Source: Statistics Mauritius - (The 2019 figures are based on the CMPHS Q2)

- 4.11 As per SM there are some 66,600 full-time Mauritian employees in both the Public and the private sector earning a basic wage of less than Rs 8,900 monthly.
- 4.12 Table 24 below gives the distribution of full-time Mauritian employees in respect of whom contributions are made to the NPF using MRA figures by basic wage group in EOE's.

Table 24: Number of full-time Mauritian employees in EOE's contributing to the NPF by basic wage group – June 2019

Basic Salary	No. of full-time Mauritian Workers
< Rs 5,696	840
Rs 5,696 up to < Rs 8,540	6,936
Rs 8,540 up to < Rs 8,900	1,608
Rs 8,900 up to < Rs 10,000	1,750
10,000 and above	7,847
Total	18,981

Source: Mauritius Revenue Authority

4.13 It is noted from the above table that:

(a) there are 840 full-time Mauritian workers who draw basic wage of less than Rs 5,696 monthly, that is, the lowest prescribed basic wage of an unskilled worker in the Export Enterprises Remuneration Regulations. These cases are not compliant with the NMW Regulations in 2019.

(b) there are 8,544 full-time Mauritian workers who draw a basic wage of Rs 5,696 up to less than Rs 8,900. These cases would comply with the NMW if the basic wage together with the fixed pay components amount to at least Rs 8,540 a month.

4.14 *It is, therefore, concluded from the above that some 8,544 full-time Mauritian workers out of the 66,600 full-time Mauritian employees in both the public and private sector based on CMPHS (Q2) 2019 earning a basic wage of less than Rs 8,900 monthly may be complying to the NMW in the EOE's.*

4.15 Assuming that all the 66,600 employees drawing less than Rs 8,900 are, as reported by SM, full-time employees, the number of workers not complying to the NMW is estimated at 58,056.

4.16 **The non-compliance rate which measures the proportion of cases not complying with the NMW as a proportion of the total number of full-time Mauritian workers is estimated at 13.5% for the country and 18% for the private sector in 2019.**

Lower Non-Compliance Rates

4.17 These non-compliance rates could actually be lower if account is taken of a number of part-time employees, particularly household workers, who may have been reported as full-time employees.

4.18 It is to be noted that as per the Worker's Right Act, "a **part-time worker** is a worker whose normal hours of work are less than those of a comparable full-time worker." The normal hours of work of a full-time worker is prescribed in the relevant labour legislations. However, the hours of work of a **full-time worker** may be stipulated in

his written contract of employment or verbally agreed upon between himself and his employer and may be lesser than prescribed in the labour legislations.

- 4.19 However, workers on task work could be working lower number of hours due to the specificity of their work and/or to the requirement of the relevant legislation.
- 4.20 Some 42,144 Mauritian workers draw basic wage less than Rs 8,540 and are employed in small establishments. Among these employees, around 25,456 work for up to 30 hours weekly as shown in Table 25 below.

Table 25: Full-Time Employees in small establishments earning less than Rs 8,540 a month as at June 2019 by working hours

Hours of work	No. of full-time employees	%
0 up to ≤ 24	19,857	47.1
> 24 up to ≤ 30	5,599	13.3
> 30 up to ≤ 40	7,811	18.5
> 40 up to ≤ 45	3,615	8.6
more than 45	5,262	12.5
Total	42,144	100.0

Source: Statistics Mauritius

Note: There are 6,704 full-time employees who work 45 hours or more representing 15.9% of the total number of full-time employees in small establishment.

- 4.21 Considering that a significant proportion of the employees work for less than 45 hours and comprise household workers the majority of whom may not in effect be full-time workers, the cases of non-compliance to the NMW Regulations are further analysed in Table 26 below:

Table 26: Percentage of cases of non-compliance to the NMW Regulations

Assumptions	All workers* are full-time (%) (58,056/429,253)	All workers minus Household Workers are full-time (%) i.e. [37,835/409,032] (58,056 – 20,221 = 37,835) (429,253 – 20,221 = 409,032)	Only workers working for more than 30 hours are full time (%) i.e. [32,600/403,797] (58,056 – 25,456 = 32,600) (429,253 – 25,456 = 403,797)	Only workers working for 40 hours or more are full time (%) i.e. [24,789/395,986] (58,056 – 33,267 = 24,789) (429,253 – 33,267 = 395,986)	Only workers working for 45 hours or more are full time (%) i.e. [23,012/393,813] (58,056 – 35,440 = 23,012) (429,253 – 35,440 = 393,813)
Non-Compliance Rate for all workers including the Private and the Public sectors but excluding the foreign workers	13.5	9.2	8.1	6.3	5.8
Non-Compliance Rate for Mauritian Private sector workers only	18.0 (58,056/322,513)	12.5 [37,835/302,292] (58,056 – 20,221 = 37,835) (322,513 – 20,221 = 302,292)	11.0 [32,600/297,057] (58,056 – 25,456 = 32,600) (322,513 – 25,456 = 297,057)	8.6 [24,789/289,246] (58,056 – 33,267 = 24,789) (322,513 – 33,267 = 289,246)	8.0 [23,012/287,073] (58,056 – 35,440 = 23,012) (322,513 – 35,440 = 287,073)

Source: Council's Computation based on CMPHS Q2 2019 and SM Figures

Note: The estimated non-compliance rate refers to the number of cases not complying to the NMW as a proportion of the (a) total number of Mauritian workers; and (b) total number of Mauritian workers in the private sector.

*All workers refer to the estimated 58,055 full-time Mauritian workers not complying to the national minimum wage

- 4.22 The non-compliance rates would actually be lower if account is taken of a number of part-time employees, particularly household workers, who may have been reported as full-time employees.
- 4.23 It is noted that the non-compliance rate for the country works out to 8.1% if only workers working for more than 30 hours are considered full-time Mauritian workers.

Deviation from NMW

- 4.24 Table 27 below gives the average basic wage (Rs) for full-time employees in Non-EOEs in June 2018 and June 2019.

Table 27: Average Basic Wage (Rs) for full-time employees in Non-EOEs – June 2018 and June 2019

Average Basic Wage – June 2018				Average Basic Wage – June 2019			
Basic Salary	Foreign	Local	Both	Basic Salary	Foreign	Local	Both
< 8,500	6,164	6,170	6,170	< 8,900	6,316	7,085	6,695

Source: Council's Computation based on MRA Figures

- 4.25 As shown the average basic wage of non-compliant cases stood at Rs 6,695 in June 2019 against a minimum basic wage of Rs 8,900 in the Non-EOEs. The deviation from the NMW is given Table 28 below.

Table 28: Deviation from the minimum basic wage component of the NMW in Non-EOEs

Basic Salary	Average Basic Wage	Deviation from Rs 8,900
Rs 8,900	Rs 6,695	24.8%

Source: Council's Computation based on MRA Figures

- 4.26 The deviation from the national minimum wage i.e. the depth of underpayment is estimated at around 24.8% in the Non-EOEs.
- 4.27 Table 29 below gives the average basic wage (Rs) for non-conforming full-time employees in EOE's in June 2018 and June 2019.

Table 29: Average Basic Wage (Rs) for full-time employees in EOE's – June 2018 & June 2019

Average Basic Wage – June 2018				Average Basic Wage – June 2019			
Basic Salary	Foreign	Local	Both	Basic Salary	Foreign	Local	Both
< 5,295	4,221	4,026	4,106	< 5,696	4,496	4,167	4,276
≥ 5,295 to < 5,675	5,362	5,495	5,391	≥ 5,696 to < 6,075	5,786	5,878	5,810

Source: Council's Computation based on MRA Figures

- 4.28 The average basic wage of non-compliant cases stood at Rs 4,276 and Rs 5,810 for the two lowest basic wage brackets in June 2019 against a minimum basic wage of Rs 5,696 for unskilled worker and Rs 6,075 for factory worker in the EOE's. The deviation from the minimum basic wage component of the NMW scheme is given in Table 30 below.

Table 30: Deviation from the minimum basic wage component of the NMW in EOE's

Basic Salary	Average Basic Wage	Deviation from Rs 5,696	Deviation from Rs 6,075
< 5,696	4,276	24.9%	29.6%
≥ 5,696 and < 6,075	5,810	Not Applicable	4.4%

Source: Council's Computation based on MRA Figures

Proportion of contributors to the NPF contributing on a lesser than prescribed wage in the Non-EOEs

- 4.29 Employers are required, by virtue of the National Pension Fund Act, to make contributions on the prescribed or agreed basic wages of their employees to the

NPF. The lowest prescribed basic wage in the Non-EOEs cannot be less than the national minimum wage. Consequently, all cases where contributions are made on a basic wage lesser than the national minimum wage i.e. Rs 8,900 (Rs 8,140 plus additional remuneration of Rs 360 in 2018 and Rs 400 in 2019 in the Non-EOEs) would not comply with the law and would be cases of under conformity to the NPF.

4.30 Table 31 below gives the distribution of full-time workers (Mauritian and Foreign workers) contributing to the NPF in the Non-EOEs at June 2018 and June 2019.

Table 31: Number of Full-time Workers in Non-EOEs contributing to NPF by basic wage ranges – June 2018 & June 2019

Basic Salary	June 2018			June 2019		
	Mauritian Workers	Foreign Workers	TOTAL	Mauritian Workers	Foreign Workers	TOTAL
< Rs 5696	5,831	391	6,222	5,072	155	5,227
Rs 5696 to < Rs 8540	23,199	1,152	24,351	10,967	1,306	12,273
8,540 to < 8900	6,293	461	6,754	2,977	262	3,239
8900 to < 10,000	22,286	863	23,149	31,024	2,008	33,032
10,000 and above	163,490	5,638	169,128	174,820	8,255	183,075
Total	221,099	8,505	229,604	224,860	11,986	236,846

Source: Mauritius Revenue Authority

4.31 It is noted that out of 236,846 full-time workers (Mauritian & Foreign) in the private sector in respect of whom contributions are made to the NPF in the Non-EOEs as at June 2019, for 20,739 cases or 8.8% of employees, contributions have been made on a basic wage lesser than the NMW plus relevant additional remuneration.

Proportion of contributors to the NPF contributing on a lesser than prescribed wage in the EOE

4.32 Employers are required, by virtue of the National Pension Fund Act, to make contributions on the prescribed or agreed basic wages of their employees to the NPF. In the EOE, the national minimum wage comprises the basic wage of 2017 and other fixed pay components as defined in the Regulations. The lowest prescribed basic wage in 2019 stands at Rs 5,696 (i.e. the basic wage of 2017 plus the additional remuneration 2018 and 2019). Consequently, all cases where contributions are made on a basic wage lesser than Rs 5,696 would not comply with the law and would be cases of under conformity to the NPF.

4.33 Table 32 below gives the distribution of full-time Mauritian employees contributing to the NPF in the EOE's at June 2018 and at June 2019.

Table 32: Number of Full-time Mauritian Employees in EOE's contributing to NPF by basic wage ranges – June 2018 & June 2019

June 2018				June 2019			
Basic Salary	Mauritian Workers	Foreign Workers	Total	Basic Salary	Mauritian Workers	Foreign Workers	Total
< Rs 5,295	976	653	1,629	< Rs 5,696	840	415	1,255
Rs 5,295 up to < Rs 5,675	941	3,976	4,917	Rs 5,296 up to < Rs 8,540	6,936	8,954	15,890
Rs 5,675 up to < Rs 8,100	8,547	6,857	15,404	Rs 8,540 up to < Rs 8,900	1,608	310	1,918
Rs 8,100 up to < Rs 8,140	174	50	224	Rs 8,900 up to < Rs 10,000	1,750	333	2,083
Rs 8,140 up to < Rs 8,500	2,311	376	2,687	10,000 and above	7,847	549	8,396
Rs 8,500 and above Rs 10,000	11,468	915	12,383				
Total	24,417	12,827	37,241	Total	18,981	10,561	29,542

Source: Mauritius Revenue Authority

4.34 It is noted that the number of Mauritian full-time workers in EOE's on behalf of whom contributions are made to the NPF on a wage lower than the lowest prescribed basic wage fell from 976 at June 2018 to 840 at June 2019.

Sectors of High Non-Compliance

4.35 The rate of non-compliance in Non-EOE's are mostly in respect of employees working in household activities and wholesale/retail trade e.g. carer, cleaner, cook, housemaid, maid, labourer etc.

Household employees drawing less than Rs 8,540

4.36 Table 33 gives the number of full-time household workers drawing basic wages of up to Rs 8,540 a month by hours of work for Q2 2019 in Non-EOE's. A number of these household employees reported as full-time may in fact be part-time workers.

Table 33: Number of full-time household workers by hours of work for 2019

Hours of work	Number of household workers
0 up to ≤ 24	12,245
> 24 up to ≤ 40	5,341
more than 40	2,635
Total	20,221

Source: Statistics Mauritius - (The 2019 figures are based on the CMPHS Q2)

Enforcement of compliance to the National Minimum wage

- 4.38 Following the introduction of the National Minimum Wage as from 01 January 2018, the Inspection and Enforcement Section (I.E.S) of the MLHRDT carried out inspection visits at workplaces island wide to ensure compliance with the NMW.
- 4.39 For the period January to December 2018, it was reported that 22 enterprises closed down, thus, laying off of 311 workers. Moreover, 104 enterprises had recourse to downsizing and 1,129 workers were laid off (**Annex X**). According to the MLHRDT, the causes for the closures and downsizings were factors other than the NMW.
- 4.40 For period January to September 2019, out of 1,554 enterprises inspected, 1518 were compliant with the NMW Regulations i.e. 97.7%. Out of 39,144 workers covered, 39,027 were benefitting from the NMW i.e. 99.7%. (**Annex XI**)

CHAPTER 5: Other Pertinent Observations & Findings

Compliance to the National Pension Fund for Mauritian employees

- 5.1 Table 34 below compares the number of employees contributing to the NPF as obtained from the MRA with the employment figures as estimated by Statistics Mauritius. The number of employees contributing to the NPF as a proportion of the number of private sector employees gives the compliance rate to the NPF. The difference gives an indication of non-compliance.

Table 34: Number of employees contributing to the NPF

MRA		SM	% of Compliance to NPF for Mauritian Employees
No. of Employees contributing to NPF including Foreign Workers	No. of Mauritian Employees contributing to NPF	No of Private Sector Mauritian Employees	
300,487	275,400	322,513	85.4%

Source: Council's Computation based on MRA's Data and SM

- 5.2 **As per SM, there are 322,513 full-time Mauritian private sector employees in 2019. Based on MRA figures, contributions are made in respect of 275,400 employees to the NPF as at June 2019. It is estimated that contributions are made for only 85.4% of full-time Mauritian employees.**
- 5.3 **The high rate of non-compliance, in terms of contribution to the NPF is to a large extent, in respect of employment in the informal sector including household employees (maid, gardeners and babysitters), and sales persons.**
- 5.4 Notwithstanding the fact that the contributions to the NPF is mandatory, it was surmised during discussions with stakeholders for the first impact study that the non-compliance could also be partly explained by the following factors which could still hold true today:
- employees request their employer not to make contribution on their behalf in order not to forego other benefits such as social aid;
 - employers are not making contributions on behalf of their employees; and
 - employees could be unaware of non-contributions to the NPF since they may not have been issued a payslip, despite the provisions of the Worker's Rights Act 2019 that every employer shall issue to every worker, at the time of paying remuneration, with a payslip in the form specified in the Second Schedule.

Contributions to NPF on less than the prescribed basic wage

- 5.5 Table 35 below gives the number of full-time Mauritian employees in respect of whom contributions are made to the NPF on less than the prescribed basic wage as at June 2019.

Table 35: Contributions to NPF on less than the prescribed Basic Wage in EOE's and Non EOE's – June 2019

Basic Wage Range	EOEs	Basic Wage Range	Non-EOEs
< Rs 5,696	840	< Rs 8,900	19,016

Source: Mauritius Revenue Authority

5.6 As at June 2019, it is noted that:

- (a) contributions to the NPF are made on a basic wage lesser than Rs 5,696 that is the basic wage for unskilled workers in the Export Enterprise Remuneration Regulations in respect of some 840 full-time Mauritian workers; and
- (b) contributions to the NPF are being made on a basic wage lesser than Rs 8,900 that is lesser than the prescribed national minimum wage in respect of some 19,016 full-time Mauritian workers in Non-EOEs.

Number of Persons benefitting from Special Allowance/Negative Income Tax

5.7 Table 36 below gives (a) the distribution of workers benefitting from the special allowance; and (b) the distribution of workers by range of basic wage benefitting from the Negative Income Tax in EOE's and Non-EOEs.

Table 36: No. of workers obtaining Special Allowance/Negative Income Tax for the month of June 2019

As at June 2019	Number of Workers		Total
	EOEs	Non-EOEs	
Monthly Special Allowance			
Up to Rs 500	593	16,254	16,847
Rs 501 - Rs 860	12,090	6,128	18,218
Total	12,683	22,382	35,065
Negative Income Tax			
For employees drawing up to Rs 9,000 as basic wage	3,566	11,561	15,127
For employees drawing above Rs 9,000 as basic wage	876	11,642	12,518
Total	4,442	23,203	27,645
GRAND TOTAL	17,125	45,585	62,710

Source: Mauritius Revenue Authority

5.8 As at June 2019, some 35,065 workers benefitted from the monthly Special Allowance and some 27,645 from the Negative Income Tax.

Income distribution of Self-Employed in 2017, 2018 and 2019

5.9 Table 37 below compares the distribution of self-employed by income range in year 2017, 2018 and 2019.

Table 37: Distribution of Self Employed by Income Range – 2017, 2018 and 2019

Income Range	Self-Employment – 2017			Self-Employment – 2018			Self-Employment – 2019		
	No. of Self-Employed	Cumulated No. of Self-Employed	Annual income* (Rs MN)	No. of Self-Employed	Cumulated No. of Self-Employed	Annual income* (Rs MN)	No. of Self-Employed	Cumulated No. of Self-Employed	Annual income* (Rs MN)
Up to 3,500	15,263	15,263	371.2	9,978	9,978	247	8,246	8,246	187.1
3,501 – 4,000	2,722	17,985	130.4	3,020	12,998	145	2,855	11,101	137.0
4,001 – 4,500	782	18,767	41.9	448	13,446	24	176	11,276	9.5
4,501 – 5,000	5,941	24,708	356.1	5,260	18,705	315	5,307	16,583	318.4
5,001 – 6,000	4,329	29,037	310.2	4,130	22,835	295	3,649	20,233	262.2
6,001 – 7,000	4,197	33,234	348.9	3,456	26,291	288	2,496	22,729	209.3
7,001 – 8,000	6,332	39,566	603.9	5,552	31,843	530	4,433	27,162	425.6
8,001 – 9,000	2,885	42,451	309.4	2,298	34,141	245	2,089	29,251	225.6
9,001 – 10,000	10,588	53,039	1,268.9	8,523	42,664	1,021	8,645	37,896	1036.1
10,001 – 11,000	553	53,592	71.8	806	43,469	105	357	38,253	46.8
11,001 – 12,000	3,917	57,509	563.3	4,731	48,200	681	5,965	44,217	858.9
12,001 – 13,000	971	58,480	150.5	1,631	49,831	254	1,385	45,603	215.8
13,001 – 14,000	1,080	59,560	180.7	935	50,766	157	759	46,362	126.8
14,001 – 15,000	9,208	68,768	1,656.7	10,697	61,463	1,926	10,762	57,123	1936.8
15,001 – 20,000	13,122	81,890	2,977.3	12,889	74,352	2,934	13,735	70,858	3138.1
20,001 – 25,000	5,942	87,832	1,735.8	7,932	82,283	2,343	9,935	80,793	2924.2
25,001 – 30,000	4,381	92,213	1,559.0	4,730	87,014	1,674	5,190	85,982	1827.6
30,001 – 35,000	1,948	94,161	806.2	1,807	88,821	749	2,859	88,842	1199.6
35,001 – 40,000	1,946	96,107	924.0	1,871	90,692	893	2,494	91,336	1189.4
40,001 – 50,000	2,394	98,501	1,400.5	2,485	93,176	1,451	3,884	95,220	2244.0

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Income Range	Self-Employment – 2017			Self-Employment – 2018			Self-Employment – 2019		
	No. of Self-Employed	Cumulated No. of Self-Employed	Annual income* (Rs MN)	No. of Self-Employed	Cumulated No. of Self-Employed	Annual income* (Rs MN)	No. of Self-Employed	Cumulated No. of Self-Employed	Annual income* (Rs MN)
50,001 – 60,000	547	99,048	379.7	1,076	94,252	758	830	96,050	597.6
60,001 – 70,000	415	99,463	327.7	538	94,790	443		96,050	
70,001 – 75,000	339	99,802	305.3	463	95,254	414	334	96,384	300.2
75,001 and over	1,801	101,603	2,938.3	1,754	97,008	2,894	2,336	98,720	3962.7
Total	101,600		19,718	97,008		20,786	98,720		23,379.3

Source: Statistics Mauritius

***Annual Income=monthly income x 12**

- 5.10 It is noted that:
- (a) the number of self-employed which decreased from 101,600 in 2017 to 97,008 in 2018 increased to 98,720 in 2019; and
 - (b) the average monthly income of self-employed has increased from Rs16,172 in 2017 to Rs 17,856 in 2018 and to Rs 19,735 in 2019.
- 5.11 It is noted that the number of self-employed generating a monthly income of up to Rs 10,000, that is around the guaranteed income of a minimum wage worker inclusive of end of year bonus, fell down from 53,039 in 2017 to 42,664 in 2018 and to 37,896 in 2019.
- 5.12 As mentioned in the first Impact Report, the number of hours that the self-employed have to put in to earn the income is not known.
- 5.13 It is also argued that there may be a number of cases of underreporting of income for obvious reasons.

The evolution of Economic Indicators following the implementation of the National Minimum Wage

I. Domestic Developments

1. The Mauritian economy has displayed a fair degree of resilience in the face of prolonged uncertainty surrounding the global economy. Sound economic policies continue to support macroeconomic stability; thereby sustaining the domestic growth momentum and ensuring inclusive growth. Government's initiatives have been reflected in its efforts to further improve the business climate, with Mauritius ranked 13th in the World Bank's 2020 Doing Business Report. In the 2019 Report, Mauritius was ranked 20th globally.
2. Economic growth remains broad-based, benefitting from both business and consumer optimism and supported by positive contributions from all but one sector. Growth performance in 2018 remains commendable, with only the *Agriculture, Forestry & Fishing* sector estimated to contract in 2018, due to lower production of sugarcane and fish. Economic activity continues to be driven by key services sectors such as the financial, wholesale and retail trade and tourism, which would contribute more than one-third of the growth performance in 2018. This will be supplemented by robust growth in the construction sector, which is expected to contribute 0.4 point to growth, and create spill-over effects on other sectors of the economy.
3. On the expenditure side, growth remains underpinned by strong consumption and investment growth. Investment growth is projected to accelerate to nearly 11 per cent in 2018, driven by double-digit growth of 10.4 per cent and 12.7 per cent in private investment and public investment, respectively.
4. **Based on Statistics Mauritius National Accounts data for 2019H1, the growth momentum is being pulled by trade, construction, financial and professional sectors.** To a certain extent, growth in these sectors have offset the weaker performance of the manufacturing and tourism sectors, which have had their growth projection for 2019 revised down from 1.1 per cent to 0.8 per cent and from 2.5 per cent to 1.8 per cent, respectively. Other services sectors with a downward revision in growth include transportation and storage, administrative and support service and public administration.
5. Domestic growth performance remains backed by buoyant domestic demand conditions. Final consumption expenditure performance in 2019H1 moderated somewhat as a result of a slowdown in Government consumption growth. Consumer optimism continues to back household consumption expenditure, which is also upheld by fiscal incentives such as the negative income tax and minimum wages. The government's infrastructure push and stable FDI are expected to support investment growth. Heavy public spending in infrastructural projects continue to positively impact real GDP, imparting the associated second-round impetus to other sectors of the economy. The prevailing somewhat accommodative monetary conditions continue to favourably influence domestic economic activity, notwithstanding challenges facing some major sectors of the economy. Against such a background and based on latest projections (27 November 2019), the Bank has forecast real GDP at 3.7 per cent in 2019 and about 4% in 2020.

6. Improvements in the business environment for private sector development, including the SME sector, will also contribute positively to the domestic growth agenda. These policies are consistent with the country's structural change programme, underpinned by digital and business processes transformation as well as continued efforts in enhancing domestic revenue mobilization, maintaining prudent monetary policy stance and fostering financial deepening. Against this background, Moody's Investors Service has kept the Baa1 rating for Mauritius and maintained its stable outlook, reflecting the country's robust and stable growth performance as well as the expectation for government to stabilize the debt-to-GDP ratio. It may be noted that Mauritius is the only country, besides Botswana, which has an investment-grade rating in terms of sovereign rating in Africa.
7. Ongoing infrastructural projects and employment of new recruits in the public sector have contributed to employment creation. The labour market has continued to strengthen, such that the unemployment rate remains on a downtrend, with some challenges persisting for the youth and women. The labour force in Mauritius is expected to increase from 583,800 in 2018 to 589,300 in 2019 and, employment to rise from 543,700 to 549,500, combining to decrease unemployment by 300. The unemployment rate is projected to drop to 6.8 per cent in 2019, from 6.9 per cent in 2018.
8. Growth in the wage rate index also points towards confidence in the economy. The wage rate index (WRI) rose by 4.2 per cent in 2018-19, lower compared to an average growth of 4.8 per cent over the two previous fiscal years. This was due to an increase of 5.3 per cent in the private sector mainly a result of marked increases in wages in manufacturing (9.5 per cent), administration (7.9 per cent), wholesale and retail trade (6.4 per cent) and transport (6.3 per cent) and sectors. The rise in the WRI also reflected higher public sector wages of 2.8 per cent due to higher wages in financial (10.8 per cent), electricity and gas (8.3 per cent) and transportation (6.4 per cent) sectors.
9. The minimum wage policy implemented since the beginning of 2018 would appear not to have had a significant impact on the overall wage rate index. However, within the different sectors of the economy, wages in the manufacturing sector increased by 8.8 per cent and 9.5 per cent, respectively, in 2017-18 and 2018-19. Moreover, wages grew at a faster rate in the private sector compared to the public sector, partly indicating the application of the minimum wage policy.
10. Broadly, the growth in labour productivity has continued to lag the pace of average compensation of employees. In 2018, labour productivity grew at a higher rate of 3.7 per cent compared to 2.4 per cent in 2017. This was the result of a stable Gross Value Added growth of 3.6 per cent, while labour input declined slightly by 0.1 per cent in 2019 compared to a growth of 1.1 per cent in 2017. A further increase in compensation of employees would dent gains in labour productivity and thus, affect competitiveness.
11. The current account deficit is estimated to have widened from Rs21.4 billion in FY2017-18 to Rs28.0 billion in FY2018-19. As a ratio to GDP, the current account deficit is projected to have increased from 4.6 per cent to 5.7 per cent over that period. The goods account deficit deteriorated by Rs12.8 billion, from Rs94.9 billion (or 20.2 per cent of GDP) in FY2017-18 to Rs107.7 billion (or 21.9 per cent of GDP) in FY2018-19. Total imports (c.i.f) soared by Rs17.7 billion, from Rs182.6 billion in FY2017-18 to Rs200.3 billion in FY2018-

- 19, reflecting to a large extent higher imports related to infrastructure projects and refined petroleum products. Total exports (f.o.b.) increased by Rs3.2 billion, or 4.0 per cent, from Rs78.9 billion (or 16.8 per cent of GDP) in FY2017-18 to Rs82.1 billion (or 16.7 per cent of GDP) in FY2018-19, reflecting the pick-up in the exports of 'Ship's stores and bunkers', 'Domestic exports' and 'Re-exports'. The surplus on the services account declined from Rs33.3 billion (or 7.1 per cent of GDP) in FY2017-18 to Rs30.2 billion (or 6.2 per cent of GDP) in FY2018-19 due to lower tourism receipts. The surplus on the primary income account increased from Rs50.1 billion in FY2017-18 to Rs58.9 billion in FY2018-19. The deficit on the secondary income account declined from Rs9.9 billion to Rs9.4 billion over the same period. The current account deficit is projected to worsen, as a proportion of GDP, from 5.8 per cent in 2018 to 6.4 per cent in 2019, due to a widening in the goods account deficit emanating from infrastructure-related imports.
12. The recent widening of the current account deficit, in absolute terms, has been driven by imports of capital goods, raw materials and intermediate/manufactured goods related to infrastructure investment and overall strong domestic demand. While goods' export growth is expected to remain subdued, infrastructure investment including port development and higher oil prices are driving imports up, thereby increasing the trade deficit. The impact on the current account is, however, mitigated by continued surpluses on both the services and income accounts. Looking ahead, the current account balance is projected to improve over the medium-term as measures under the "*Made in Moris*" policy, new and diversified export products and markets, and investments in the services sector through the financial services sector blueprint would start bearing fruit. In addition, Government has strategized Mauritius as a reputed and effective trade and investment platform for the African continent, which is expected to contribute to the country's gross national product.
13. The Gross Official International Reserves (GOIR) of the country, comprising principally the gross foreign assets of the Bank of Mauritius and reserve position in the IMF, increased by Rs22.9 billion, from Rs230.5 billion as at end-June 2018 to Rs253.4 billion as at end-June 2019. In US dollar terms, the GOIR increased from USD6,668.5 million as at end-June 2018 to USD7,161.4 million as at end-June 2019. Based on the value of imports of goods (f.o.b.) and non-factor services for the calendar year 2018, the GOIR of the country represented 11.8 months of imports as at end-June 2019 compared to 10.8 months as at end-June 2018. The high level of GOIR provides adequate buffer against potential external headwinds.
14. Public sector debt increased by 7.6 per cent, from Rs298.1 billion as at end-June 2018 to Rs320.7 billion as at end-June 2019, reflecting a build-up in public enterprises' domestic debt. As a share to GDP, public sector debt rose from 63.4 per cent as at end-June 2018 to 64.6 per cent as at end-June 2019. Public sector domestic debt increased by 11.2 per cent to Rs267.7 billion as at end-June 2019, representing 53.9 per cent as a share to GDP. However, public sector external debt declined by 7.6 per cent, from Rs57.3 billion as at end-June 2018 to Rs53.0 billion as at end-June 2019. Public sector external debt as a ratio to GDP dropped to 10.7 per cent, from 12.2 per cent as at end-June 2018. Budgetary central Government external debt remained concentrated in the two most liquid and largest reserve currencies: euro (41.9 per cent) and the US dollar (31.8 per cent) as at end-June 2019. The debt service ratio, a key indicator of a country's external debt burden, fell to 4.0 per cent as at end-June 2019, from 5.5 per cent at end-June 2018.

15. The rupee exchange rate remained influenced by developments on the global currency markets as well as domestic demand and supply conditions, and was rather stable over the year. The Bank continued to intervene on the domestic foreign exchange market to smooth out undue volatility in the rupee exchange rate and ensure that the rupee broadly reflects domestic economic fundamentals. On a point-to-point basis, between end-June 2018 and end-June 2019, the weighted average dealt selling rate of the rupee depreciated by 2.7 per cent against the US dollar from Rs34,623 to Rs35,768. In contrast, the rupee appreciated by 0.2 per cent against the euro from Rs40.557 to Rs40,465 and by 0.9 per cent vis-à-vis the Pound sterling from Rs45,670 to Rs45,276. In nominal effective terms, as gauged by MER11, the rupee depreciated by 1.4 per cent and on a real effective exchange rate basis, the rupee appreciated marginally by 0.1 per cent between June 2018 and June 2019.
16. The banking sector remains broadly sound, underpinned by strong regulatory and supervisory frameworks and bank credit continues to outpace the rate of economic growth. The banking sector's capital adequacy ratio remains above the minimum requirement under Basel III, and the Non-Performing Loans ratio has continued to decline. The Bank introduced the Liquidity Coverage Ratio since November 2017, which aims to promote short term resilience of the liquidity risk profile of banks to ensure that they have sufficient High Quality Liquid Assets to survive a significant stress scenario lasting 30 calendar days. In addition, important steps have been made in reforming the banking sector's legal, regulatory, and supervisory frameworks.
17. Bank credit to corporates also gathered momentum during 2018-19, benefitting from the dynamism of some sectors in the economy and the low interest rate environment. The weighted average lending rate has been hovering around 6.2 per cent since October 2017. Corporates' borrowings from banks increased from Rs210.8 billion at the end of June 2018 to Rs234.3 billion at the end of June 2019. Corporate credit stood at nearly 49 per cent of GDP. Year-on-year, corporate credit increased by 11 per cent, indicating a strong demand for credit, thus supporting real activity in the economy. It is worth noting, the major sectors drawing additional credit included the financial services and tourism which account for 22 per cent and 20 per cent of total corporate credit, respectively. The '*Financial and Business Services*', '*Real Estate*' and '*Administrative*' sectors were the major contributors to the rise in credit to the private sector.
18. Household debt kept pace on account of borrowings for housing purposes. Bank credit to household increased from nearly Rs97.0 billion in June 2018 to Rs107.6 billion in June 2019, that is, by Rs10.6 billion, of which additional credit for housing purposes amounted to Rs3.8 billion. Credit for housing purposes increased from Rs65.3 billion to Rs69 billion over the same period. As a ratio to GDP, household credit stood at about 22 per cent. The continuous increase in household credit reflects increasing demand for credit by a buoyant construction sector.
19. Growth in Broad Money Liabilities (BML) slowed in FY2018-19, albeit being backed by all of its components and the overall growth of loans to the private sector continued on a gradual uptrend. The annual growth rate of BML slowed from 9.4 per cent as at end-June 2018 to 6.4 per cent at the end of June 2019 and was broadly consistent with the nominal increase in GDP. Currency with public and deposit liabilities rose by 3.3 per cent and 5.4 per cent, respectively, in FY2018-19 compared to 2.2 per cent and 7.1 per cent in FY2017-

18. Growth in rupee deposits included in BML slowed from 6.4 per cent in FY2017-18 to 4.7 per cent in FY2018-19.
20. The Bank's open market operations have contributed to keep the level of rupee excess liquidity in the banking system within tolerable limits such that short-term interest rates, particularly the 91-Day yield, have hovered within the interest rate corridor around the Key Repo Rate, its policy rate. Rupee excess reserves averaged around Rs12 billion in FY 2019-19 and the Bank estimated that of this amount, some Rs6 billion is held by banks as precautionary free reserves, such that the true excess reserves in the banking system would be about Rs6 billion. The Bank has continued issuance of its own instruments to manage excess liquidity and preserve short-term yields within the interest rate corridor. The Bank has reduced its FX interventions on the domestic foreign exchange market as banks' foreign exchange positions were more or less stable.
21. Banks' interest rates have remained broadly unchanged in FY 2018-19, albeit a few banks increased their Savings Deposit Rates (SDR) following the rise in short-term money market rates. However, banks' have adjusted their interest rates on rupee savings deposits, rupee term deposits and Prime lending rates following the 15 basis point reduction of the Key Repo Rate (KRR) at the August 2019 MPC meeting. The Prime lending rate varied between 5.50 per cent and 8.50 per cent in August 2019, lower compared to a range of 5.65-8.50 per cent since September 2017. Interest rates on rupee savings deposits with banks varied within a range of 1.35-2.00 per cent in August 2019 while interest rates on rupee term deposits fluctuated between 0.10 per cent and 4.65 per cent. The weighted average interest rate on rupee deposits and weighted average rupee lending rate declined to 1.63 per cent and 6.11 per cent, respectively, in August 2019. As a result, the spread between the rupee weighted lending and weighted deposit rates, a key determinant of profitability in the banking sector, narrowed to 4.48 per cent in August 2019.
22. Domestic inflation in FY2018-19 remained at low levels against a background of moderate global economic activity, low global inflation and subdued domestic demand conditions. Headline inflation, as measured by the percentage change in the yearly average Consumer Price Index (CPI), remained on a downtrend and reached a trough of 1.0 per cent in June 2019. Y-o-y inflation, defined as the percentage change in the CPI of a given month compared to the same month of the preceding year, showed contrasting path, albeit moderate, reflecting the inherent dynamics in the CPI as a result of the impact of gyrations in the prices of vegetables and to some extent, the base effect. Y-o-y inflation went up from 1.0 per cent in June 2018 to 1.8 per cent in December 2018 before receding to 0.6 per cent in June 2019 on account of the downward adjustment in the prices of both fresh vegetables and some administered goods. The underlying inflationary pressures, as reflected in the Bank's CORE1 and CORE2 measures of inflation, remained subdued during FY2018-19. On a 12-month average basis, CORE1 inflation fell from 2.6 per cent in June 2018 to 1.5 per cent in June 2019, while CORE2 inflation remained unchanged at 1.9 per cent compared to June 2018.
23. The inflation dynamics remain under the spell of benign demand-side pressures in the absence of supply shocks. The limited pass-through of exchange rate and economic slack to domestic price formation have combined to endure mild inflationary pressures. The announced fiscal policies in the June 2018 Budget, such as targeted administered products and no-tax on demerit goods, have also enabled to reduce inflationary impulses.

24. Global inflation is projected to remain same over the medium-term. Our trading partners' inflation continue to remain moderate and imported inflation is expected to be low in the near-term. Inflation in major advanced economies such as United States, United Kingdom and Eurozone is expected to remain contained in 2019. Pressures from global commodity prices are expected to remain mild over the medium term, while the volatility in global oil prices would add to the uncertainty in predicting its path and hence, its consequence on the inflation path.
25. Thanks to the decline in food prices and the prevalence of a negative output gap, inflation has been trending down and has remained low. While supply-side factors explain much of the decline in headline inflation, demand-side pressures also played some role. The price change in core services, which is less affected by those factors and hence a better indicator of domestic demand pressure, has remained subdued since the past two years. The Bank forecasts headline inflation at 0.5 per cent in 2019, conditional on the absence of a major supply shock and unchanged prices of administered products.
26. External risks could pose hurdles to Mauritius' quest toward reaching its potential output. Rising global protectionism and a no-deal Brexit could weigh on trade, potentially hurting exports and investment. Domestic risks could include unpredictable weather, delay in the implementation of planned infrastructure projects, together with risks of further adverse movements in international commodity prices. In this context, policies should, on the hand, cement the improved macroeconomic conditions by preserving low inflation and, on the other, continue to increase external buffers, and maintain internal stability by ensuring that productivity growth broadly matches wage growth. The Bank's monetary policy framework has contributed positively to price stability and has maintained a broadly neutral monetary policy stance, supporting the domestic growth momentum.
27. Growth and socially-oriented structural reforms will be important to enhancing the economy's potential. Ongoing reforms to strengthen the doing-business environment and improve outcomes in health, education and infrastructure, as well as to advance the reform agenda for the green energy, are welcome and will help to boost the economy's growth potential. External vulnerabilities appear to be somewhat contained at the current juncture. The external debt of the country remains low and sustainable. The Bank will also aim to intervene on the domestic foreign exchange market to smooth out undue volatility in the rupee exchange rate and ensure that the rupee broadly reflects domestic economic fundamentals. Higher reserve buffers have contributed to enhance the resilience of the economy.
28. The Bank is quite optimistic about the domestic economic outlook, which should benefit from the positive impact of recent public investments and medium-term policies. While recognizing downside risks to the outlook linked to potential adverse weather conditions, volatile global commodity prices and revision in global GDP growth, it remains confident that economic prospects offered by recent and current investment projects, tourism-related activities, and the services sector, would keep a check on these risks.

II. External Developments

29. Global economic growth continued to be relatively weak. According to the latest publications of the IMF and the OECD, GDP growth projections for the global economy reached their lowest level since the global financial crisis. Economic activity has been adversely affected by mounting trade tensions, leading to a slowdown in global trade, new exports orders and declining output in the manufacturing sector. Rising uncertainty has also had a negative bearing on investment, which could weigh on hiring intentions of firms in the medium term and productivity in the longer term. The IMF revised downward its forecast for global growth for 2019 in its October 2019 World Economic Outlook (WEO). Global growth is now projected to soften at 3.0 per cent in 2019 (0.2 percentage point lower than in the July 2019 WEO Update projections) compared to global growth of 3.6 per cent in 2018. The growth downgrade was the result of a broad-based slowdown in economic activity across both advanced and emerging market and developing economies. The IMF forecast global growth to recover at 3.4 per cent in 2020, mostly attributed to recovery in growth performance of stressed economies.
30. GDP growth in the US has been resilient over the past quarters, but it decelerated in 2019Q2. The US economy grew by 2.3 per cent in 2019Q2, slowing by 0.4 percentage point compared to 2019Q1. The increases in real GDP were driven by positive contributions of consumer and government spending. The slower pace in 2019Q2 reflected weakness in the manufacturing sector that weighed on inventory investment, exports and non-residential fixed investment. Growth in the euro area lost steam during 2019Q2. In the euro area, real GDP growth slowed to 1.2 per cent in 2019Q2, compared with 1.3 per cent in the previous quarter, amid the slowdown in global trade and falling exports. Political uncertainties over the outcome of Brexit took a toll on confidence and business investment, thereby acted as a drag on the euro area economic activity. In the UK, GDP growth rose by 1.2 per cent in 2019Q2, down from 1.8 per cent in 2019Q1 and mostly attributable to uncertainties surrounding Brexit.
31. Activity in China has softened during the second quarter of 2019 being directly impacted by the ongoing trade conflict with US. China GDP growth slid from 6.4 per cent in 2019Q1 to 6.2 per cent in 2019Q2, the slowest since 1992. Economic activity was weighed by the drop in exports of the country and Chinese ongoing trade dispute with US has raised scepticism of firms, thereby influencing investment sentiments. The Indian GDP growth stood at a six-year low of 5.1 per cent in 2019Q2, down from 5.8 per cent in 2019Q1 and 7.9 per cent in 2018Q2. Consumer demand weakened, indicating fragile sentiments, while investment was flat in the aftermath of uncertainty following the general elections of April-May 2019
32. Crude oil prices recovered in 2019H1, averaging US\$64 per barrel (bbl), supported by production cuts among OPEC and its non-OPEC partners, as well as the United States' decision to terminate waivers for its sanctions on Iran. On 2 July 2019, OPEC producers and several non-OPEC producers, extended production cuts announced in December 2018 through the end of 2020Q1. Saudi Arabia has contributed the most to the fall in supply, reducing output by 1 million barrels per day (mb/d), while the Russian Federation has cut production by 0.2 mb/d. Nevertheless, concerns about slowing global demand, and trade tensions between the United States and China have resulted in substantial downgrades to estimates for oil demand this year, weighing on prices.

33. Global inflationary pressures remained subdued during 2019Q3 on the back of broad-based softening in growth across all regions that resulted in dissipated demand influences on commodity prices. Core inflation continued to remain below central bank targets in advanced economies, and below the historical averages in several EMEs. The IMF has, in its World Economic Outlook October 2019, projected inflation in advanced economies to decline from 2.0 per cent in 2018 to 1.5 per cent in 2019, and tick down from 4.8 per cent to 4.7 per cent in EMDEs in 2019.
34. Global economic slowdown coupled with benign inflationary pressures has triggered a shift towards easier monetary policy stances by central banks across both advanced economies as well as emerging market economies, with the exception being the Bank of England. Against a backdrop of weakening global economic activity, subdued inflationary pressures and negative impact of the ongoing US-China trade dispute, the US Federal Reserve (US Fed) opted to cut the Federal Funds rate by a 25 basis points in July 2019 followed an additional cut of 25 basis points in September 2019, bringing the benchmark rate to a range of 1.75-2.00 per cent. The interest rate cuts by US Fed provided a breathing space to EMEs which, in turn, lowered their own policy rates in view of driving their economies to a higher growth path. In parallel, the European Central Bank has at its September 2019 lowered its deposit rate further by 10 basis point into negative territory at -0.5 per cent and has proposed that it would restart its quantitative-easing scheme.
35. Global exchange market was dominated by global growth uncertainties which was driven by trade frictions, geopolitical tensions, Brexit and more accommodative stance by central banks. The US dollar stood strong, on a monthly average basis, against a basket of currencies in September 2019. The US dollar continued to be the preferred currencies among investors despite ongoing global growth concern and rising uncertainty surrounding the US-China trade tension.

Source: Bank of Mauritius

Number of Employees in Non-EOEs Contributing to NPF by Basic Wage Group – December 2017

Row Labels	Full Time	Part Time	Not Available	Total No. of Employees	Cumulated No. of Employees
< 3,500	2,032	1,009	2,189	5,230	5,230
≥ 3,500 & ≤ 5,000	3,181	1,098	2,670	6,949	12,179
≥ 5,001 & ≤ 7,000	9,510	1,623	5,256	16,389	28,568
≥ 7,001 & ≤ 8,140	11,733	700	4,338	16,771	45,339
≥ 8,141 & ≤ 8,500	6,849	182	2,101	9,132	54,471
≥ 8,501 & ≤ 9,000	8,598	195	2,288	11,081	65,552
≥ 9,001 & ≤ 10,000	18,359	334	4,133	22,826	88,378
≥ 10,001 & ≤ 11,000	15,326	192	3,524	19,042	107,420
≥ 11,001 & ≤ 12,000	13,408	156	2,853	16,417	123,837
≥ 12,001 & ≤ 13,000	10,529	95	2,201	12,825	136,662
≥ 13,001 & ≤ 14,000	9,691	108	1,535	11,334	147,996
≥ 14,001 & ≤ 15,000	9,023	93	1,333	10,449	158,445
≥ 15,001 & ≤ 20,000	27,931	687	3,550	32,168	190,613
≥ 20,001 & ≤ 25,000	13,104	158	1,366	14,628	205,241
≥ 25,001 & ≤ 30,000	9,173	97	798	10,068	215,309
≥ 30,001 & ≤ 35,000	6,597	85	584	7,266	222,575
≥ 35,001 & ≤ 40,000	4,524	63	394	4,981	227,556
≥ 40,001 & ≤ 50,000	6,536	108	577	7,221	234,777
≥ 50,001 & ≤ 60,000	3,694	65	387	4,146	238,923
≥ 60,001 & ≤ 70,000	2,530	54	499	3,083	242,006
≥ 70,001 & ≤ 75,000	933	16	117	1,066	243,072
≥ 75,001	6,730	235	1,698	8,663	251,735
Grand Total	199,991	7,353	44,391	251735	

Number of Employees Contributing to NPF in Non-EOEs by Wage Groups - December 2018 to June 2019

Row Labels	Non-EOEs – December 2018					Non-EOEs – June 2019				
	Local Residents	Foreign Residents	Full-Time	Total (FT/PT/NA)	Cumulated No. of Employees	Local Residents	Foreign Residents	Full-Time	Total (FT/PT/NA)	Cumulated No. of Employees
≤ 5695	13,788	667	5,511	14,455	14,455	12,737	487	5,227	13,224	13,224
≥ 5696 & ≤ 6075	2,126	672	1,522	2,798	17,253	1,554	104	818	1,658	14,882
≥ 6076 & ≤ 8500	30,444	1,082	23,792	31,526	48,779	14,437	1,321	11,199	15,758	30,640
≥ 8501 & ≤ 8540	820	31	696	851	49,630	385	28	359	413	31,053
≥ 8541 & ≤ 8900	7,791	674	7,034	8,465	58,095	12,174	593	11,103	12,767	43,820
≥ 8901 & ≤ 9400	15,456	881	14,175	16,337	74,432	14,737	1,212	14,104	15,949	59,769
≥ 9401 & ≤ 10000	15,543	958	14,244	16,501	90,933	14,523	887	13,754	15,410	75,179
≥ 10,001 & ≤ 11,000	22,103	924	19,413	23,027	113,960	21,551	1,190	20,673	22,741	97,920
≥ 11,001 & ≤ 12,000	16,959	1,721	15,540	18,680	132,640	16,113	1,495	16,000	17,608	115,528
≥ 12,001 & ≤ 13,000	14,518	1,359	13,393	15,877	148,517	14,880	2,080	15,267	16,960	132,488
≥ 13,001 & ≤ 14,000	13,277	374	11,290	13,651	162,168	13,199	514	12,470	13,713	146,201
≥ 14,001 & ≤ 15,000	10,876	214	9,524	11,090	173,258	10,357	260	9,702	10,617	156,818
≥ 15,001 & ≤ 20,000	34,242	680	30,540	34,922	208,180	36,380	762	33,918	37,142	193,960
≥ 20,001 & ≤ 25,000	17,899	301	16,441	18,200	226,380	18,193	300	17,356	18,493	212,453
≥ 25,001 & ≤ 30,000	11,746	210	10,912	11,956	238,336	12,253	180	11,684	12,433	224,886
≥ 30,001 & ≤ 35,000	8,511	258	8,043	8,769	247,105	8,877	300	8,750	9,177	234,063
≥ 35,001 & ≤ 40,000	5,708	101	5,342	5,809	252,914	6,010	114	5,912	6,124	240,187
≥ 40,001 & ≤ 50,000	8,706	175	8,310	8,881	261,795	8,557	204	8,417	8,761	248,948
≥ 50,001 & ≤ 60,000	4,622	124	4,371	4,746	266,541	4,781	128	4,703	4,909	253,857
≥ 60,001 & ≤ 70,000	3,529	388	3,582	3,917	270,458	3,597	405	3,782	4,002	257,859

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Row Labels	Non-EOEs – December 2018					Non-EOEs – June 2019				
	Local Residents	Foreign Residents	Full-Time	Total (FT/PT/NA)	Cumulated No. of Employees	Local Residents	Foreign Residents	Full-Time	Total (FT/PT/NA)	Cumulated No. of Employees
≥ 70,001 & ≤ 75,000	1,223	72	1,181	1,295	271,753	1,234	89	1,268	1,323	259,182
≥ 75,001 & ≤ 100,000	3,711	236	3,592	3,947	275,700	3,773	275	3,856	4,048	263,230
> 100,000	6,142	660	6,248	6,802	282,502	6,117	721	6,524	6,838	270,068
GRAND TOTAL	269,740	12,762	234,696	282,502		256,419	13,649	236,846	270,068	

Source: Mauritius Revenue Authority

Number of Employees in EOE's Contributing to NPF by Basic Wage Group – December 2017

Row Labels	Full Time	Part Time	Not Available	Total No. Of Employees	Cumulated No. of Employees
< 3500	330	11	226	567	567
≥ 3500 & ≤ 5000	2,630	15	661	3,306	3,873
≥ 5001 & ≤ 7000	13,018	32	3,521	16,571	20,444
≥ 7001 & ≤ 8140	5,549	11	604	6,164	26,608
≥ 8141 & ≤ 8500	886	2	120	1,008	27,616
≥ 8501 & ≤ 9000	958	4	97	1,059	28,675
≥ 9001 & ≤ 10000	1,393	5	139	1,537	30,212
≥ 10001 & ≤ 11000	1,084	2	111	1,197	31,409
≥ 11001 & ≤ 12000	867	2	79	948	32,357
≥ 12001 & ≤ 13000	710		62	772	33,129
≥ 13001 & ≤ 14000	541	2	59	602	33,731
≥ 14001 & ≤ 15000	450	5	38	493	34,224
≥ 15001 & ≤ 20000	1,554	4	133	1,691	35,915
≥ 20001 & ≤ 25000	757	7	47	811	36,726
≥ 25001 & ≤ 30000	458	1	34	493	37,219
≥ 30001 & ≤ 35000	275		13	288	37,507
≥ 35001 & ≤ 40000	209		8	217	37,724
≥ 40001 & ≤ 50000	223		33	256	37,980
≥ 50001 & ≤ 60000	125	3	24	152	38,132
≥ 60001 & ≤ 70000	91	2	22	115	38,247
≥ 70001 & ≤ 75000	42		4	46	38,293
≥ 75001	245	2	93	340	38,633
GRAND TOTAL	32,395	110	6,128	38,633	

Number of Employees Contributing to NPF in EOE by Wage Groups - December 2018 and June 2019

Row Labels	EOEs – December 2018			EOEs – June 2019		
	Full Time	Total (PT/FT/NA)	Cumulated No. of Employees	Full Time	Total (PT/FT/NA)	Cumulated No. of Employees
≤ 5695	3,053	3,462	3,462	1,255	1,332	1,332
≥ 5696 & ≤ 6075	5,282	5,625	9,087	2,689	2,761	4,093
≥ 6076 & ≤ 8500	12,594	13,424	22,511	13,122	13,356	17,449
≥ 8501 & ≤ 8540	281	285	22,796	1,014	1,110	18,559
≥ 8541 & ≤ 8900	1,155	1,227	24,023	1,173	1,186	19,745
≥ 8901 & ≤ 9400	1,686	1,752	25,775	930	959	20,704
≥ 9401 & ≤ 10000	1,616	1,676	27,451	1,027	1,053	21,757
≥ 10,001 & ≤ 11,000	1,430	1,501	28,952	1,245	1,301	23,058
≥ 11,001 & ≤ 12,000	1,041	1,074	30,026	851	873	23,931
≥ 12,001 & ≤ 13,000	930	964	30,990	705	721	24,652
≥ 13,001 & ≤ 14,000	694	718	31,708	596	610	25,262
≥ 14,001 & ≤ 15,000	708	733	32,441	572	592	25,854
≥ 15,001 & ≤ 20,000	1,826	1,927	34,368	1,620	1,689	27,543
≥ 20,001 & ≤ 25,000	943	967	35,335	863	895	28,438
≥ 25,001 & ≤ 30,000	496	509	35,844	497	514	28,952
≥ 30,001 & ≤ 35,000	328	335	36,179	309	316	29,268
≥ 35,001 & ≤ 40,000	244	255	36,434	208	211	29,479
≥ 40,001 & ≤ 50,000	268	282	36,716	249	256	29,735
≥ 50,001 & ≤ 60,000	152	160	36,876	122	130	29,865
≥ 60,001 & ≤ 70,000	122	128	37,004	120	126	29,991
≥ 70,001 & ≤ 75,000	54	62	37,066	54	63	30,054

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Row Labels	EOEs – December 2018			EOEs – June 2019		
	Full Time	Total (PT/FT/NA)	Cumulated No. of Employees	Full Time	Total (PT/FT/NA)	Cumulated No. of Employees
≥ 75,001 & ≤ 100,000	114	133	37,199	105	121	30,175
> 100,000	225	259	37,458	216	244	30,419
GRAND TOTAL	35,242	37,458		29,542	30,419	

Source: Mauritius Revenue Authority

Distribution of Firms and Employees in Export Enterprises by Sector of Activity as at June 2018 and June 2019

SECTOR OF ACTIVITY	Employees at June 2018										Employees at June 2019									
	IN REPORTED EOE					IN EOE CURRENTLY EXPORTING					IN REPORTED EOE					IN EOE CURRENTLY EXPORTING				
	No. of Firms	1. FT	2. PT	3. N/A	TOTAL	No. of Firms	1. FT	2. PT	3. N/A	TOTAL	No. of Firms	1. FT	2. PT	3. N/A	TOTAL	No. of Firms	1. FT	2. PT	3. N/A	TOTAL
MANUFACTURE OF FOOD PRODUCTS	13	3,756	3	379	4,138	8	3,637	1	379	4,017	13	840	3	9	852	8	683	3	7	693
CROP ANI PROD, HUNT & REL SER ACT	6	616	2	42	660	6	616	2	42	660	6	641	-	40	681	6	641	2	40	683
MANUFACTURE OF BEVERAGES	1	12	-	-	12	1	12	-	-	12	1	15	-	-	15	1	15	-	-	15
FOOD & BEVERAGES	20	4,384	5	421	4,810	15	4,265	3	421	4,689	20	1,496	3	49	1,548	15	1,339	5	47	1,391
FISHING AND AQUACULTURE	2	140	-	-	140	2	140	-	-	140	2	142	-	-	142	2	142	-	-	142
FISHING AND AQUACULTURE	2	140	-	-	140	2	140	-	-	140	2	142	-	-	142	2	142	-	-	142
MAN. OF LEATHER AND REL PROD	4	707	-	4	711	4	707	-	4	711	4	663	-	1	664	4	663	-	1	664
LEATHER PRODUCTS & RELATED PRODUCTS	4	707	-	4	711	4	707	-	4	711	4	663	-	1	664	4	663	-	1	664
MANUFACTURE OF TEXTILES	26	8,480	7	220	8,707	17	7,996	3	193	8,192	24	6,914	11	54	6,979	16	6,491	2	23	6,516
MANUFACTURE OF WEARING APPAREL	78	16,571	31	1,891	18,493	64	17,530	24	1,860	19,414	67	15,170	16	577	15,763	54	16,189	9	587	16,785

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SECTOR OF ACTIVITY	Employees at June 2018										Employees at June 2019									
	IN REPORTED EOES					IN EOES CURRENTLY EXPORTING					IN REPORTED EOES					IN EOES CURRENTLY EXPORTING				
	No. of Firms	1. FT	2. PT	3. N/A	TOTAL	No. of Firms	1. FT	2. PT	3. N/A	TOTAL	No. of Firms	1. FT	2. PT	3. N/A	TOTAL	No. of Firms	1. FT	2. PT	3. N/A	TOTAL
TEXTILE, FABRICS & WEARING APPAREL	104	25,051	38	2,111	27,200	81	25,526	27	2,053	27,606	91	22,084	27	631	22,742	70	22,680	11	610	23,301
MAN. OF BASIC METALS	1	38	-	-	38	1	38	-	-	38	1	42	-	-	42	1	42	-	-	42
MAN. OF FAB METAL PROD, ECP MA	5	139	1	50	190	3	107	-	50	157	5	200	1	-	201	3	166	-	-	166
MAN. OF PAPER AND PAPER PROD	3	245	-	3	248	3	245	-	3	248	3	234	-	-	234	3	234	-	-	234
MAN. OF RUBBER & PLASTIC PRODS	10	566	2	6	574	7	519	1	6	526	9	539	1	2	542	6	494	-	2	496
MAN. OF WOOD PROD OF CORK STRA	5	116	2	2	120	2	72	2	1	75	5	108	2	-	110	2	69	2	-	71
METALS, WOOD, PAPER, RUBBER & PLASTIC PRODUCTS	24	1,104	5	61	1,170	16	981	3	60	1,044	23	1,123	4	2	1,129	15	1,005	2	2	1,009
MAN. OF COMPU, ELEC AND OPT PR	7	600	4	5	609	7	600	4	6	610	6	390	3	19	412	6	390	3	19	412
MAUFACTURE OF ELECTRICAL EQUI	4	148	2	1	151	2	53	2	1	56	4	148	2	1	151	2	53	2	1	56
ELECTRICAL, ELECTRONIC & COMPUTER PRODUCTS	11	748	6	6	760	9	653	6	7	666	10	538	5	20	563	8	443	5	20	468
MAN. OF BASIC PHARMA PROD	1	50	-	-	50	1	50	-	-	50	1	48	-	-	48	1	48	-	-	48

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SECTOR OF ACTIVITY	Employees at June 2018										Employees at June 2019									
	IN REPORTED EOEES					IN EOEES CURRENTLY EXPORTING					IN REPORTED EOEES					IN EOEES CURRENTLY EXPORTING				
	No. of Firms	1. FT	2. PT	3. N/A	TOTAL	No. of Firms	1. FT	2. PT	3. N/A	TOTAL	No. of Firms	1. FT	2. PT	3. N/A	TOTAL	No. of Firms	1. FT	2. PT	3. N/A	TOTAL
MAN. OF CHEMICAL & PRODUCTS	3	35	-	47	82	3	35	-	47	82	3	29	-	58	87	3	29	-	58	87
PHARMACEUTICAL & CHEMICAL PRODUCTS	4	85	-	47	132	4	85	-	47	132	4	77	-	58	135	4	77	-	58	135
MAN. OF FURNITURE	3	63	-	4	67	2	25	-	4	29	2	52	-	2	54	1	-	-	2	2
FURNITURE	3	63	-	4	67	2	25	-	4	29	2	52	-	2	54	1	-	-	2	2
RETAIL TRADE EXCEPT MOTOR VEH	5	54	2	6	62	1	11	-	-	11	5	60	1	-	61	1	13	-	-	13
WHOLESALE TRADE EXCEPT MOTOR VEH	9	340	11	1	352	5	72	1	1	74	8	301	7	2	310	4	71	1	-	72
RETAIL & WHOLESALE TRADE	14	394	13	7	414	6	83	1	1	85	13	361	8	2	371	5	84	1	-	85
COMPUTER PROGRAMMING, CONSULTA	4	245	-	2	247	1	228	-	-	228	4	275	2	3	280	1	257	-	-	257
PRINTING & REP OF REC.MEDIA	4	132	-	11	143	2	69	-	1	70	4	126	-	10	136	2	58	-	-	58
PUBLISHING ACTIVITIES	1	1	-	-	1	-	-	-	-	-	1	1	-	-	1	-	-	-	-	-
REAL ESTATE ACTIVITIES	1	8	-	-	8	-	-	-	-	-	1	8	-	-	8	-	-	-	-	-
WASTE COLLECTION, TREATMENT AN	4	78	-	5	83	4	78	-	5	83	4	94	-	6	100	4	94	-	6	100

Second Report on Impact of the Introduction of the National Minimum Wage

SECTOR OF ACTIVITY	Employees at June 2018										Employees at June 2019									
	IN REPORTED EOES					IN EOES CURRENTLY EXPORTING					IN REPORTED EOES					IN EOES CURRENTLY EXPORTING				
	No. of Firms	1. FT	2. PT	3. N/A	TOTAL	No. of Firms	1. FT	2. PT	3. N/A	TOTAL	No. of Firms	1. FT	2. PT	3. N/A	TOTAL	No. of Firms	1. FT	2. PT	3. N/A	TOTAL
SERVICES	14	464	-	18	482	7	375	-	6	381	14	504	2	19	525	7	409	-	6	415
OTHER MINING AND QUARRYING	1	128	-	-	128	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
MINING & QUARRYING	1	128	-	-	128	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
OTHER MANUFACTURING	23	2,477	8	34	2,519	20	2,461	8	26	2,495	24	2,543	32	23	2,598	20	2,510	32	22	2,564
MAN. OF OTH NON-METALLIC PRODS	1	20	-	-	20	1	20	-	-	20	1	-	-	16	16	1	-	-	16	16
OTHER MANUFACTURING	24	2,497	8	34	2,539	21	2,481	8	26	2,515	25	2,543	32	39	2,614	21	2,510	32	38	2,580
SCIENTIFIC RESEARCH & DEVELOP	1	3	-	-	3	-	-	-	-	-	1	3	-	-	3	-	-	-	-	-
RESEARCH & DEVELOPMENT	1	3	-	-	3	-	-	-	-	-	1	3	-	-	3	-	-	-	-	-
TOTAL	226	35,768	75	2,713	38,556	165	35,321	48	2,629	37,998	209	29,586	81	823	30,490	152	29,352	56	784	30,192

Source: Council's Computation based on Mauritius Revenue Authority figures

Distribution of the Firms in EOE's by Sector based on MRA Returns

Row Labels	JUNE 2019								
	SECTOR	DISTRIBUTION OF EOE's				DISTRIBUTION OF EOE's CURRENTLY EXPORTING			
		1. FULL-TIME	2. PART-TIME	3. NOT AVAILABLE	Total	1. FULL-TIME	2. PART-TIME	3. NOT AVAILABLE	Total
Computer Programming, Consultancy	Tertiary	275	2	3	280	257			257
Crop Animal Product, Hunt & Related Activities	Primary	641		40	681	641	2	40	683
Fishing And Aquaculture	Primary	142			142	142			142
Manufacture of Basic Metals	Secondary	42			42	42			42
Manufacture of Basic Pharma Products	Secondary	48			48	48			48
Manufacture of Chemical & Products	Secondary	29		58	87	29		58	87
Manufacture of Computer, Electrical And Optical Products	Secondary	390	3	19	412	390	3	19	412
Manufacture of Fabricated Metal Products	Secondary	200	1		201	166			166
Manufacture of Furniture	Secondary	52		2	54			2	2
Manufacture of Leather And Related Products	Secondary	663		1	664	663		1	664
Manufacture of Other Non-Metallic Products	Secondary			16	16			16	16
Manufacture off Paper And Paper Products	Secondary	234			234	234			234
Manufacture of Rubber & Plastic Products	Secondary	539	1	2	542	494		2	496
Manufacture of Wood Product of Cork Straw materials	Secondary	108	2		110	69	2		71
Manufacture of Beverages	Secondary	15			15	15			15
Manufacture of Food Products	Secondary	840	3	9	852	683	3	7	693
Manufacture of Textiles	Secondary	6,914	11	54	6,979	6,491	2	23	6,516
Manufacture of Wearing Apparel	Secondary	15,170	16	577	15,763	16,189	9	587	16,785
Manufacture of Electrical Equipment	Secondary	148	2	1	151	53	2	1	56
Other Manufacturing	Secondary	2,543	32	23	2,598	2,510	32	22	2,564
Other Mining And Quarrying	Primary				-				-
Printing & Media	Secondary	126		10	136	58			58

Second Report on Impact of the Introduction of the National Minimum Wage

Row Labels	JUNE 2019								
	SECTOR	DISTRIBUTION OF EOE _s				DISTRIBUTION OF EOE _s CURRENTLY EXPORTING			
		1. FULL-TIME	2. PART-TIME	3. NOT AVAILABLE	Total	1. FULL-TIME	2. PART-TIME	3. NOT AVAILABLE	Total
Publishing Activities	Secondary	1			1				-
Real Estate Activities	Tertiary	8			8				-
Retail Trade Except Motor Vehicle	Tertiary	60	1		61	13			13
Scientific Research & Develop	Tertiary	3			3				-
Waste Collection, Treatment and Disposal	Tertiary	94		6	100	94		6	100
Wholesale Trade Except Motor Vehicle	Tertiary	301	7	2	310	71	1		72
Total		29,586	81	823	30,490	29,352	56	784	30,192

Source: Ministry of Industrial Development, SMEs and Cooperatives based on Mauritius Revenue Authority Figures

Glossary of Terms

- ***NPF Contributors***

In this Report, NPF contributors refer to the number of employees in respect of whom contributions are made to the NPF.

- ***Gini Coefficient***

The degree of inequality in income is measured by the Gini coefficient that ranges between 0 (complete equality) and 1 (complete inequality).

- ***Relative Poverty Line (RPL)***

The relative poverty line is set at half median monthly household income per adult equivalent. The household income comprises disposable income and 'imputed rent' i.e. a rental value for non-renting households. Disposable income consists of income from work (paid and self-employment), transfers (e.g. government pensions and other social security benefits, regular allowances from relatives, organisations, alimony, etc.), property income and income received from own produced goods; it excludes compulsory deductions such as income tax and contributions to pension and social security schemes.

- ***Primary, Secondary and Tertiary Sectors***

The primary sector comprises "Agriculture, forestry and fishing" and "Mining and quarrying".

The secondary sector includes "Manufacturing", "Electricity, gas, steam and air conditioning supply", "Water supply; sewerage, waste management and remediation activities" and "Construction".

The tertiary sector includes "Wholesale and retail trade; repair of motor vehicles and motorcycles", "Transportation and storage", "Accommodation and food service activities", "Information and communication", "Financial and insurance activities", "Real estate activities", "Professional, scientific and technical activities", "Administrative and support service activities", "Public administration and defence; compulsory social security", "Education", "Human health and social work", "Arts, entertainment, recreation" and "Other services activities".

- ***Full-Time Employee***

"If a worker performs a number of working hours as prescribed in the relevant labour legislation or specified in his written contract of employment or agreed upon between himself and his employer, he is considered to be a **full-time employee**."

- **Part-Time**

In the event that a worker puts in a lesser number of hours of work than specified above, he is considered to be a **part-time employee** according to the Workers' Rights Act 2019.”

- **Non-Compliance**

The non-compliance rate refers to the number of cases not complying to the national minimum wage as a proportion of the (a) total number of Mauritian workers; and (b) total number of Mauritian workers in the private sector.

Distribution of Full-Time Employees by Basic Wage Range – Year 2017

Basic wage range (Rs)	Number of Full Time Employees					
	Public sector	Private sector	Public and Private sectors	Distribution of employees %	Cumulated no. of employees	Cumulated distribution of employees %
Up to 3,500	48	18,552	18,600	4.4	18,600	4.4
3,501 - 4,000	6	6,176	6,182	1.5	24,781	5.9
4,001 - 4,500	10	4,020	4,030	1.0	28,812	6.9
4,501 - 5,000	17	8,207	8,224	2.0	37,036	8.8
5,001 - 6,000	91	16,872	16,963	4.0	53,999	12.9
6,001 - 7,000	135	14,327	14,462	3.5	68,460	16.3
7,001 - 8,000	790	19,171	19,961	4.8	88,421	21.1
8,001 - 9,000	759	25,546	26,305	6.3	114,726	27.4
9,001 - 10,000	985	27,236	28,221	6.7	142,947	34.1
10,001 - 11,000	506	23,526	24,032	5.7	166,980	39.9
11,001 - 12,000	971	19,718	20,689	4.9	187,669	44.8
12,001 -13,000	1,631	15,974	17,605	4.2	205,274	49.0
13,001 -14,000	3,560	17,081	20,641	4.9	225,915	53.9
14,001 - 15,000	3,774	13,415	17,189	4.1	243,104	58.0
15,001 - 20,000	23,113	32,854	55,967	13.4	299,072	71.4
20,001 - 25,000	17,377	14,976	32,353	7.7	331,424	79.1
25,001 - 30,000	11,016	8,694	19,710	4.7	351,135	83.8
30,001 – 35,000	9,296	5,799	15,095	3.6	366,230	87.4
35,001 - 40,000	8,452	4,331	12,783	3.1	379,013	90.5
40,001 – 50,000	9,423	6,255	15,678	3.7	394,691	94.2

Second Report on Impact of the Introduction of the National Minimum Wage

Basic wage range (Rs)	Number of Full Time Employees					
	Public sector	Private sector	Public and Private sectors	Distribution of employees %	Cumulated no. of employees	Cumulated distribution of employees %
50,001 - 60,000	4,517	3,753	8,270	2.0	402,961	96.2
60,001 – 70,000	2,348	2,296	4,644	1.1	407,605	97.3
70,001 - 75,000	861	899	1,760	0.4	409,365	97.7
75,001 and over	2,289	7,224	9,513	2.3	418,878	100.0
Total	101,975	316,903	418,878			

Source: Statistics Mauritius

Distribution of Full-Time Mauritian Employees by Basic Wage Range – Year 2018

Basic wage range (rupees)	Number of Full-Time employees					
	Public sector	Private sector	Public and Private sectors	Distribution of employees %	Cumulated no. of employees	Cumulated distribution of employees %
Up to 3,500		14,602	14,602	3.4	14,602	3.4
3,501 – 4,000		4,340	4,340	1.0	18,942	4.5
4,001 – 4,500		1,692	1,692	0.4	20,635	4.9
4,501 – 5,000		7,548	7,548	1.8	28,182	6.6
5,001 – 6,000		7,127	7,127	1.7	35,309	8.3
6,001 – 7,000		6,990	6,990	1.6	42,300	9.9
7,001 – 8,000		10,940	10,940	2.6	53,240	12.5
8,001 – 8,499		4,898	4,898	1.2	58,138	13.7
8,500 – 9,000	2,407	43,165	45,572	10.7	103,710	24.4
9,001 – 10,000	487	35,897	36,384	8.6	140,094	32.9
10,001 – 11,000	706	23,580	24,286	5.7	164,381	38.6
11,001 – 12,000	751	21,019	21,770	5.1	186,151	43.8
12,001 – 13,000	1,704	15,342	17,046	4.0	203,197	47.8
13,001 – 14,000	3,148	18,950	22,098	5.2	225,295	53.0
14,001 – 15,000	4,329	13,070	17,399	4.1	242,694	57.0
15,001 – 20,000	22,801	33,647	56,448	13.3	299,142	70.3

Second Report on Impact of the Introduction of the National Minimum Wage

Basic wage range (rupees)	Number of Full-Time employees					
	Public sector	Private sector	Public and Private sectors	Distribution of employees %	Cumulated no. of employees	Cumulated distribution of employees %
20,001 – 25,000	15,960	15,420	31,380	7.4	330,522	77.7
25,001 – 30,000	12,778	10,178	22,956	5.4	353,478	83.1
30,001 – 35,000	9,818	6,355	16,173	3.8	369,651	86.9
35,001 – 40,000	7,064	4,856	11,920	2.8	381,571	89.7
40,001 – 50,000	10,599	6,389	16,988	4.0	398,558	93.7
50,001 – 60,000	4,809	3,688	8,497	2.0	407,055	95.7
60,001 – 70000	2,877	2,735	5,612	1.3	412,667	97.0
70,001 – 75,000	908	921	1,829	0.4	414,496	97.4
75,001 and over	2,684	8,247	10,931	2.6	425,427	100.0
Total	103,830	321,597	425,427			

Source: Statistics Mauritius

Distribution of Employees by Sectors, Age Group and Gender – June 2018

Row Labels	Full Time			Part Time			Not Available			Grand Total
	Foreign	Local	Total	Foreign	Local	Total	Foreign	Local	Total	
▪ PRIMARY	71	692	763		34	34		12	12	809
• FEMALE	5	145	150		11	11		2	2	163
BETWEEN 18 AND 24		12	12		1	1				13
25 AND ABOVE	5	133	138		10	10		2	2	150
• MALE	66	547	613		23	23		10	10	646
BETWEEN 18 AND 24	1	26	27		3	3		3	3	33
25 AND ABOVE	65	521	586		20	20		7	7	613
▪ SECONDARY	17,915	62,435	80,350	131	2,128	2,259	1,367	5,305	6,672	89,281
• FEMALE	5,056	24,912	29,968	4	819	823	36	1,624	1,660	32,451
BETWEEN 18 AND 24	52	2,285	2,337		95	95	2	123	125	2,557
25 AND ABOVE	5,004	22,627	27,631	4	724	728	34	1,501	1,535	29,894
• MALE	12,859	37,523	50,382	127	1,309	1,436	1,331	3,681	5,012	56,830
LESS THAN 18		1	1							1
BETWEEN 18 AND 24	686	3,224	3,910	8	149	157	146	392	538	4,605
25 AND ABOVE	12,173	34,298	46,471	119	1,160	1,279	1,185	3,289	4,474	52,224
▪ TERTIARY	4,147	187,015	191,162	58	7,818	7,876	525	22,240	22,765	221,803
• FEMALE	803	80,163	80,966	20	4,447	4,467	129	11,270	11,399	96,832
LESS THAN 18		1	1							1
BETWEEN 18 AND 24	54	12,012	12,066	1	539	540	33	1,693	1,726	14,332
25 AND ABOVE	749	68,150	68,899	19	3,908	3,927	96	9,577	9,673	82,499
• MALE	3,344	106,852	110,196	38	3,371	3,409	396	10,970	11,366	124,971
LESS THAN 18		4	4					1	1	5

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Row Labels	Full Time			Part Time			Not Available			Grand Total
	Foreign	Local	Total	Foreign	Local	Total	Foreign	Local	Total	
BETWEEN 18 AND 24	294	13,029	13,323	5	468	473	37	1,412	1,449	15,245
25 AND ABOVE	3,050	93,819	96,869	33	2,903	2,936	359	9,557	9,916	109,721
▪NOT AVAILABLE	2	303	305	1	195	196	7	1,377	1,384	1,885
•FEMALE		138	138		134	134	5	1,237	1,242	1,514
BETWEEN 18 AND 24		8	8		3	3		12	12	23
25 AND ABOVE		130	130		131	131	5	1,225	1,230	1,491
•MALE	2	165	167	1	61	62	2	140	142	371
BETWEEN 18 AND 24		14	14		2	2		3	3	19
25 AND ABOVE	2	151	153	1	59	60	2	137	139	352
Grand Total	22,135	250,445	272,580	190	10,175	10,365	1,899	28,934	30,833	313,778

Source: Mauritius Revenue Authority

Distribution of Employees by Sectors, Age Group and Gender – June 2019

Row Labels	FULL-TIME			PART-TIME			NOT AVAILABLE			Grand Total
	FOREIGN	LOCAL	TOTAL	FOREIGN	LOCAL	TOTAL	FOREIGN	LOCAL	TOTAL	
1. PRIMARY	572	6,841	7,413	9	394	403	37	651	688	8,504
1. MALE	564	5,181	5,745	9	185	194	36	384	420	6,359
1. 16 - 17	-	-	-	-	-	-	-	-	-	-
2. 18 - 24	48	306	354	-	19	19	2	41	43	416
3. 25 & ABOVE	516	4,875	5,391	9	166	175	34	343	377	5,943
2. FEMALE	8	1,660	1,668	-	209	209	1	267	268	2,145
2. 18 - 24	-	129	129	-	9	9	-	10	10	148
3. 25 & ABOVE	8	1,531	1,539	-	200	200	1	257	258	1,997
2. SECONDARY	17,417	56,979	74,396	131	2,488	2,619	1,162	4,951	6,113	83,128
1. MALE	13,855	35,289	49,144	125	1,244	1,369	1,104	3,398	4,502	55,015
1. 16 - 17	-	1	1	-	-	-	-	-	-	1
2. 18 - 24	877	3,110	3,987	7	182	189	84	455	539	4,715
3. 25 & ABOVE	12,978	32,178	45,156	118	1,062	1,180	1,020	2,943	3,963	50,299
2. FEMALE	3,562	21,690	25,252	6	1,244	1,250	58	1,553	1,611	28,113
1. 16 - 17	-	-	-	-	-	-	-	-	-	-
2. 18 - 24	30	2,129	2,159	-	125	125	4	180	184	2,468
3. 25 & ABOVE	3,532	19,561	23,093	6	1,119	1,125	54	1,373	1,427	25,645
3. TERTIARY	4,553	179,698	184,251	54	6,180	6,234	494	16,044	16,538	207,023

Second Report on Impact of the Introduction of the National Minimum Wage

Row Labels	FULL-TIME			PART-TIME			NOT AVAILABLE			Grand Total
	FOREIGN	LOCAL	TOTAL	FOREIGN	LOCAL	TOTAL	FOREIGN	LOCAL	TOTAL	
1. MALE	3,400	100,181	103,581	30	2,362	2,392	411	7,636	8,047	114,020
1. 16 - 17	2	4	6	-	-	-	-	2	2	8
2. 18 - 24	317	13,081	13,398	1	370	371	43	1,080	1,123	14,892
3. 25 & ABOVE	3,081	87,096	90,177	29	1,992	2,021	368	6,554	6,922	99,120
2. FEMALE	1,153	79,517	80,670	24	3,818	3,842	83	8,408	8,491	93,003
1. 16 - 17	2	2	4	-	-	-	-	-	-	4
2. 18 - 24	146	12,710	12,856	3	404	407	2	1,227	1,229	14,492
3. 25 & ABOVE	1,005	66,805	67,810	21	3,414	3,435	81	7,181	7,262	78,507
4. OTHERS	5	323	328	1	126	127	9	1,368	1,377	1,832
1. MALE	3	172	175	1	38	38	-	186	186	400
2. 18 - 24	-	15	15	-	2	2	-	7	7	24
3. 25 & ABOVE	3	157	160	1	36	37	-	179	179	376
2. FEMALE	2	151	153	-	88	88	9	1,182	1,191	1,432
2. 18 - 24	-	11	11	-	1	1	-	18	18	30
3. 25 & ABOVE	2	140	142	-	87	87	9	1,164	1,173	1,402
Grand Total	22,547	243,841	266,388	195	9,188	9,383	1,702	23,014	24,716	300,487

Source: Mauritius Revenue Authority

Distribution of Employees by Basic Wage Range for Mauritian Full-Time Employees – 2019

Basic wage range (rupees)	Number of Full-Time employees					Distribution of employees %	Cumulated no. of employees	Cumulated distribution of employees %
	Public sector	Cu. Public	Private sector	Cu. Private	Public and Private sectors			
Up to 3,500			11,628	11,628	11,628	2.7	11,628	2.7
3,501 – 4,000			4,019	15,646	4,019	0.9	15,646	3.6
4,001 – 4,500			1,307	16,954	1,307	0.3	16,954	3.9
4,501 – 5,000	-	-	6,426	23,380	6,426	1.5	23,380	5.4
5,001 – 6,000			7,942	31,322	7,942	1.9	31,322	7.3
6,001 – 7,000			5,800	37,122	5,800	1.4	37,122	8.6
7,001 – 8,000			10,744	47,867	10,744	2.5	47,867	11.2
8,001 – 9,000	1,753	1,753	32,978	80,844	34,731	8.1	82,597	19.2
9,001 – 10,000	1,555	3,308	34,924	115,768	36,479	8.5	119,076	27.7
10,001 – 11,000	536	3,844	25,926	141,694	26,462	6.2	145,538	33.9
11,001 – 12,000	424	4,268	22,702	164,396	23,126	5.4	168,664	39.3
12,001 – 13,000	1,392	5,660	18,573	182,969	19,965	4.7	188,629	43.9
13,001 – 14,000	2,613	8,273	18,576	201,545	21,189	4.9	209,818	48.9
14,001 – 15,000	2,905	11,178	14,095	215,640	17,000	4.0	226,818	52.8
15,001 – 20,000	25,539	36,717	41,360	257,000	66,899	15.6	293,717	68.4

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Basic wage range (rupees)	Number of Full-Time employees					Distribution of employees %	Cumulated no. of employees	Cumulated distribution of employees %
	Public sector	Cu. Public	Private sector	Cu. Private	Public and Private sectors			
20,001 – 25,000	16,067	52,784	18,354	275,354	34,421	8.0	328,138	76.4
25,001 – 30,000	12,858	65,642	10,341	285,695	23,199	5.4	351,337	81.8
30,001 – 35,000	10,313	75,955	6,679	292,375	16,992	4.0	368,330	85.8
35,001 – 40,000	7,941	83,896	5,292	297,666	13,233	3.1	381,562	88.9
40,001 – 50000	10,400	94,296	7,287	304,953	17,687	4.1	399,249	93.0
50,001 – 60,000	5,389	99,685	3,907	308,859	9,296	2.2	408,544	95.2
60,001 – 70,000	2,896	102,581	2,902	311,761	5,798	1.4	414,342	96.5
70,001 – 75,000	799	103,380	1,786	313,547	2,585	0.6	416,927	97.1
75,001 and over	3,360	106,740	8,966	322,513	12,326	2.9	429,253	100.0
Total	106,740		322,513		429,253	100.0		

Source: Statistics Mauritius - (The 2019 figures are based on the CMPHS Q2)

Laid off Workers due to closures and downsizing notified at the Ministry of Labour												
YEAR 2018												
Month	Closures				Downsizing				Closures & downsizing			
	No. of estabs	No. of laid off workers			No. of estabs	No. of laid off workers			No. of estabs	No. of laid off workers		
		Mauritian	Foreign	Total		Mauritian	Foreign	Total		Mauritian	Foreign	Total
January	2	2		2	5	6		6	7	8	0	8
February	2	33		33	6	8		8	8	41	0	41
March	1	6		6	16	57	2	59	17	63	2	65
April	2	14		14	7	27	1	28	9	41	1	42
May	1	3		3	12	35		35	13	38	0	38
June	3	39		39	7	120		120	10	159	0	159
July	3	142		142	9	30		30	12	172	0	172
August	2	2		2	13	128		128	15	130	0	130
September	1	1		1	7	88		88	8	89	0	89
October				0	3	77		77	3	77	0	77
November	2	33		33	4	46	2	48	6	79	2	81
December	3	36		36	15	191		191	18	227	0	227
Total	22	311	0	311	104	813	5	818	126	1,124	5	1,129

SUMMARY					
JAN - SEPT 2019					
			Number	%	
Number of enterprises visited		A	1,554		
Number of employees covered		C+E+G	39,144		
Number of employers complied with NMW		B+F	1,518	97.7	
Number of employers NOT complied with NMW		D	36	2.3	
Number of employees benefiting from NMW		C+G	39,027	99.7	
Number of employees NOT benefiting from NMW		E	117	0.3	
Closure** following introduction of NMW			0		
		Male	Female	Total	checks
Job losses		0	0	0	0
Resigned		0	9	9	9
Number of employees involved in closure**		0	0	0	0
Number of employees benefiting from NMW (inclusive of follow up)			39,027		
	Male	18,530			
	Female	20,497			
Number of employees NOT benefiting from NMW			117		
	Male	29			
	Female	88			
Number of EXPATRIATE workers benefiting from NMW (inclusive of follow up)			14,788		
	Male	8,337			
	Female	6,451			
Number of EXPATRIATE workers not benefiting from NMW			24		
	Male	24			
	Female	0			

Total number of inspection carried out - National Minimum Wage										
	Ent	*C	*C FU	Total *C	*N/ C	Total	% C	% NC	Region	
AD Mr Teeluck	115	105	1	106	9	115	92.2	7.8	North	
AD Ms Ramsamy	20	20	0	20	0	20	100.0	0.0	Port Louis	
AD Mrs Jagarnath	231	224	0	224	7	231	97.0	3.0	East	
AD Ms Jeetoo	27	19	4	23	4	27	85.2	14.8	West	
AD Ms Moonian	253	245	2	247	6	253	97.6	2.4	South	
AD Ms Imrith	163	157	0	157	6	163	96.3	3.7	Central	
AD Mr Kuppan	745	740	1	741	4	745	99.5	0.5	SMWU	
TOTAL	1,554	1,510	8	1,518	36	1,554	97.7	2.3	%Total	100.0
*C - Complied										
*C FU - Complied after final Follow Up										
*N/C - Not Complied										
Ent - Number of Enterprises visited										

BOARD MEMBERS

SN	NAME	DESIGNATION	ORGANISATION
1	Mr APPANNA Beejaye Coomar	Chairperson	
2	Mr BADURALLY Adam S. Abdool	Ag Deputy Director	Pay Research Bureau
3	Mr BHEEKHARRY Vicken Kumar	Manager Human Resource	Ministry of Tourism
4	Mr BHONOO Sanjev	Statistician	Statistics Mauritius
5	Mr BIZLALL Jack	Representative of FPU	Federation of Progressive Unions
6	Mr CHELLUM Jayen	Secretary	Association des Consommateurs de L'Ile Maurice (ACIM)
7	Mr CHUTTOO M. Reez	President	Confederation des Travailleurs du Secteur Privé
8	Mr CONHYE Dhanraj	Deputy Permanent Secretary	Ministry of Industrial Development, SMEs and Cooperatives
9	Mr DURSUN Pradeep	Chief Operating Officer	Business Mauritius
10	Miss GOPAUL Chandrani Devi	Lead Analyst	Ministry of Finance, Economic Planning and Development
11	Mr GUILDHARY Paul Desire Armand	President	Free Democratic Unions Federation
12	Mr IMRITH Rashid	President	Federation of Public Sector & Other Unions (FPSOU)
13	Mrs JHOWRY Chandanee	Deputy Permanent Secretary	Ministry of Agro Industry and Food Security
14	Mr KWOK YIN SIONG Yen Jocelyn	Chief Executive Officer	AHRIM
15	Mr L'ACARIATE Didier	Human Resource Manager	AVIPRO Co Ltd (Groupe Eclasia)
16	Mr LAN HIN PO Pierre	Assistant General Secretary	Mauritius Labour Federation
17	Mr LI YUEN FONG Jean	Consultant	Business Mauritius
18	Mr NUNDLOLL Santaram	Manager Human Resource	Prime Minister's Office

19	Mr NUNDOO Satiawan	Director	Ministry of Labour, Human Resource Development and Training
20	Mrs RAJMUN-JOOSEERY Lilowtee	Director	Mauritius Export Association
21	Mr RUHOMUTALLY Shahbaan	Human Resource Coordinator	Mauritius Export Association
22	Mr SADIEN Radhakrisna	President	State and Other Employees Federation (SEF)
23	Mrs SAWMY Heemawtee Amrita	Head Remuneration Analyst	National Remuneration Board
24	Mr SUNGKUR Rajcoomar	Principal Analyst (Industry)	Ministry of Industrial Development, SMEs and Cooperatives
25	Mrs TANDRAYEN-RAGOOBUR Verena	Associate Professor	Dept of Economics and Statistics, Faculty of Social Studies and Humanities – UOM
26	Mr TENGUR Suttuhudeo	President	Association for the Protection of the Environment and Consumers (APEC)

National Wage Consultative Council, Ministry of Labour, Human Resource Development and Training

a) Staff

SN	NAME	DESIGNATION
1	Mr MUDHOO Vijay Kumar	Officer in Charge
2	Miss DEERPAUL Saveetah	Senior Analyst

b) Support Team

Ms ROJAH Kulshid, Management Support Officer

Mr MOONEEGADOO Kuzhagen, Management Support Officer

Mr PAUPIAH Atish, Management Support Officer

LIST OF MEETING HELD

SN	BOARD MEETING	TECHNICAL COMMITTEE (With Officials)
1	28 January 2019	8 May 2019
2	28 August 2019	29 May 2019
3	25 November 2019	10 July 2019
4	28 November 2019	17 July 2019
5		19 July 2019
6		27 September 2019
7		4 November 2019
8		20 November 2019
9		27 November 2019