

Poverty & Equity Brief

Sub-Saharan Africa

Mauritius

April 2020

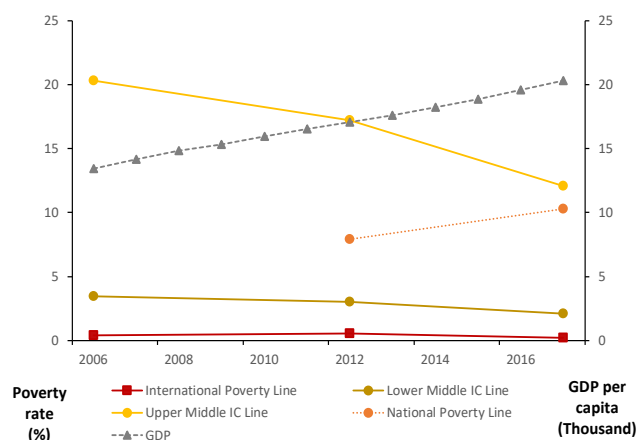
Mauritius has eradicated extreme poverty. At 2.1 percent in 2017, the incidence of poverty measured at the \$3.20 a day line (2011 PPP) is low. Only about 1 in 10 Mauritians are below the upper middle-income class poverty line. Due to Covid-19 and the country lockdown, GDP is expected to decline steeply in 2020. Tourism, but also manufacturing and financial services are expected to be hit hard by the global pandemic. Although about 1 in 2 poor in Mauritius are inactive and live off public transfers, some of the working poor are employed in tourism, manufacturing and household services and are therefore likely to lose their jobs or work shorter hours. Poverty is projected to increase in 2020 from 10.7 to 12 percent and decline more slowly than expected to 9.5 percent by 2022 when measured against the USD 5.5 per day 2011 PPP line.

Over the first 15 years of the 2000s, the increase in household income inequality was driven by the dynamic of individual earnings, with the latter rising much faster at the top relative to the bottom of the distribution. This dynamic was ascribable to the skills shortage associated with structural changes of the economy from traditional and low-skills sectors toward services. The structural transformation generated an increase in the demand for skilled workers that was not matched by an equally rapid increase in their supply. In addition, the system of public transfers contributed to mitigate the rise in total income inequality.

POVERTY	Number of Poor (thousand)	Rate (%)	Period
National Poverty Line	130.3	10.3	2017
International Poverty Line 40.9 in Mauritian rupee (2017) or US\$1.90 (2011 PPP) per day per capita	2.7	0.2	2017
Lower Middle Income Class Poverty Line 68.9 in Mauritian rupee (2017) or US\$3.20 (2011 PPP) per day per capita	26.2	2.1	2017
Upper Middle Income Class Poverty Line 118.4 in Mauritian rupee (2017) or US\$5.50 (2011 PPP) per day per capita	152.9	12.1	2017
Multidimensional Poverty Measure		0.4	2017
SHARED PROSPERITY			
Annualized Consumption Growth per capita of the bottom 40 percent		2.71	2012-2017
INEQUALITY			
Gini Index		36.8	2017
Shared Prosperity Premium = Growth of the bottom 40 - Average Growth		0.70	2012-2017
GROWTH			
Annualized GDP per capita growth		3.52	2012-2017
Annualized Consumption Growth per capita from Household Survey		2.02	2012-2017
MEDIAN INCOME			
Growth of the annual median income/consumption per capita		2.56	2012-2017

Sources: WDI for GDP, National Statistical Offices for national poverty rates, POVCALNET as of February 2020, and Global Monitoring Database for the rest.

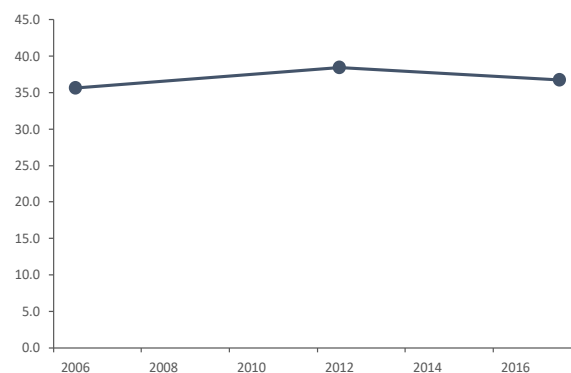
POVERTY HEADCOUNT RATE, 2006-2017



Source: World Bank using HBS/SSAPOV/GMD

INEQUALITY TRENDS, 2006-2017

Gini Index



Note: The Gini index has been revised based on the final expenditure microdata shared by Statistics Mauritius.

Source: World Bank using HBS/SSAPOV/GMD

KEY INDICATORS

	Upper Middle Income line(%)		Relative group (%)		Multidimensional Poverty Measures (% of people):	2017
	Non-Poor	Poor	Bottom 40	Top 60		
Urban population				N/A	Monetary poverty (Consumption)	
Rural population				N/A	Daily consumption less than US\$1.90 per person	0.2
Males				N/A	Education	
Females				N/A	At least one school-aged child is not enrolled in school	0.2
0 to 14 years old				N/A	No adult has completed primary education	7.2
15 to 64 years old				N/A	Access to basic infrastructure	
65 and older				N/A	No access to limited-standard drinking water	N/A
Without education (16+)				N/A	No access to limited-standard sanitation	N/A
Primary education (16+)				N/A	No access to electricity	N/A
Secondary education (16+)				N/A		
Tertiary/post-secondary education (16+)				N/A		

Source: World Bank using HBS/SSAPOV/GMD

Source: World Bank using HBS/SSAPOV/GMD

Notes: N/A missing value, N/A* value removed due to less than 30 observations

POVERTY DATA AND METHODOLOGY

Statistics Mauritius produces high-quality and comparable household budget surveys (HBS) at regular five-year intervals. Increasing the frequency of the HBS from five to three years would be desirable in order to produce more frequent poverty and inequality updates. In addition to the HBS, Statistics Mauritius has carried out a continuous labor force survey (Continuous Multipurpose Household Survey—CMPHS) since 2001. CMPHS is the official source of high-quality labor market statistics, including individual earnings, and has been used to provide reliable measures of inequality for time periods in between HBS rounds.

Statistics Mauritius adopts an income-based measure of poverty and a relative poverty line. Disposable income includes employment income for both employees and the self-employed, property income (interests, dividends, and rent of buildings, land, etc.), transfer income (pensions, allowances, and other social benefits), other income derived from self-produced goods, and imputed rent for non-renting households. The relative poverty line adopted by Statistics Mauritius is 50 percent of the median monthly household income per adult equivalent and is estimated at rupees 7,497 in 2017. However, for international comparison, poverty measures are based on consumption.

HARMONIZATION

The numbers presented in this brief are based on the SSAPOV database. SSAPOV is a database of harmonized nationally representative household surveys managed by Sub-Saharan Team for Statistical Development. It contains more than 100 surveys covering 45 out of the 48 countries in the SSA region. The four countries not covered in the database are Eritrea, Equatorial Guinea, and Somalia. Terms of use of the data adhere to agreements with the original data producers.