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THE EXPORT PROCESSING ZONE - (EPZ) -
2ND QUARTER 1988

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1. Employment evolution during 2nd quarter 1988

During the second quarter of 1988, 31 new enterprises were set up and around 1,000 additional workers were recruited compared to 4,700 during the corresponding quarter of last year and 2,700 during the first quarter of 1988.

An analysis of employment data by enterprise shows that during the period March-June 1988, in fact 4,800 additional workers were recruited by the new enterprises as well as the existing ones which were expanding their activities. Since, at the same time, some other firms have reported reductions in their personnel, to the tune of around 3,800, the net change in employment during the second quarter of 1988 has been around 1,000 of whom the majority, some 900, were female workers.

2. Employment as at June 1988

As at the end of June 1988, there were 579 enterprises operating in the EPZ Sector with a workforce of around 91,600 workers of whom 59,300 or nearly two-thirds, were female and 32,300 male workers. Included in this figure are around 650 expatriates as well as 2,500 outworkers who are employed by the firms and work at their home on materials provided by the establishments.

The first semester of this year has therefore seen the overall recruitment of around 3,700 additional workers compared to around 8,700 registered during the first six months of 1987 and around 12,000 during the corresponding period of 1986. These figures clearly indicate a slowing down in the rate of employment creation in the EPZ Sector.

On this trend, it is estimated that total additional jobs created this year will be around 8,000 thus bringing the EPZ workforce to around 96,000 by December 1988.

3. Distribution of enterprises by size of employment

The distribution of the enterprises by size of employment given in table 7 shows that 54% of the enterprises were operating with a personnel of less than 50 persons. In fact, 78 of these even had a staff of less than 10 workers. On the other hand, there were 17 enterprises which employed each more than 1,000 workers and accounted for a total of nearly 30,000 employees representing 31% of the EPZ workforce.

4. Distribution of enterprises by product groups

As at June 1988, 427 or 75% of the enterprises were engaged in the production of textile yarn, fabrics and wearing apparel and employed the bulk or 92% of the total EPZ workforce. The remaining firms included 28 engaged in the cultivation of andreanums and orchids, 15 in wood and paper products, 13 in jewellery, 12 in leather and footwear and 10 in watches and optical goods.

5. Exports and Imports

Preliminary trade data indicate that during the first half of the year 1988, the EPZ enterprises have exported over Rs 3,700 mn worth of goods while imports of raw materials and equipment goods are estimated to be around Rs 3,000 mn.

On this trend, it is estimated that total EPZ exports during 1988 may reach around Rs 8,500 mn.

Central Statistical Office
Rose Hill

August, 1988

Table 1 - EPZ :- Employment as at March 1988 and June 1988 by category of enterprise and by sex

Category of enterprise*	Number of enterprises as at end of			Employment as at end of						Net change		
	March 1988	June 1988	Net change	March 1988			June 1988					
				Male	Female	Total	Male	Female	Total			
Large ^{1/}	479	500	+ 21	31,862	56,135	87,997	31,944	56,913	88,857	+ 82	+ 778	+ 860
Small	73	77	+ 4	252	191	443	278	187	465	+ 26	- 4	+ 22
Outworkers ^{2/}	(2)	(2)	(-)	45	2,105	2,150	69	2,226	2,295	+ 24	+ 121	+ 145
TOTAL	554	579	+ 25	32,159	58,431	90,590	32,291	59,326	91,617	+ 132	+ 895	+1,027

*Category of enterprise :

Large : Enterprise employing 10 or more persons

Small : Enterprise employing less than 10 persons

Outworkers : Persons working at their home, on materials provided by enterprise

^{1/} Employment data include around 650 expatriates as at 30th June 1988

^{2/} Number of enterprises relate to enterprises employing exclusively outworkers, whilst employment refers to total number of persons employed as outworkers

Table 2 - EPZ :- Employment as at December 1987 and June 1988 by category of enterprise and by sex

Category of enterprise*	Number of enterprises as at end of		Employment as at end of						Net Change		
	December 1987	June 1988	December 1987			June 1988			Male	Female	Total
			Male	Female	Total	Male	Female	Total			
Large ^{1/}	454	500	31,081	53,889	84,970	31,944	56,913	88,857	+ 863	+ 3,024	+ 3,887
Small	73	77	246	183	429	278	187	465	+ 32	+ 4	+ 36
Outworkers ^{2/}	(4)	(2)	45	2,464	2,506	69	2,226	2,295	+ 24	- 235	- 211
TOTAL	531	579	31,372	56,533	87,905	32,291	59,326	91,617	+ 919	+ 2,793	+ 3,712

*Category of enterprise :

Large : Enterprise employing 10 or more persons

Small : Enterprise employing less than 10 persons

Outworkers : Persons working at their home, on materials provided by enterprise

^{1/} Employment data include around 650 expatriates as at 30th June 1988

^{2/} Number of enterprises relate to enterprises employing exclusively outworkers, whilst employment refers to total number of persons employed as outworkers

Table 3 - Employment evolution in the EPZ sector during the 2nd Quarter 1988

Description	Number of enterprises	Employment
1. SITUATION AS AT END OF MARCH 1988	554	90,590
2. Total employment creation of which through : Expansion of existing enterprises ^{1/} New enterprises	... (37) (31)	4,849 (3,762) (1,087)
3. Total loss of which through : Contraction of existing enterprises ^{2/} Closing down of enterprises	... (38) (6)	3,822 (3,642) (180)
4. Net change	+25	+1,027
5. SITUATION AS AT END OF JUNE 1988	579	91,617

^{1/} Expansion relates to only enterprises which have increased their work force by 25 or more employees

^{2/} Contraction relates to enterprises which have reduced their workforce by 25 or more employees

Table 4 - EPZ:- Analysis of net change in employment during period March 1988 - June 1988 by product group

Product group	Employment as at end of		Net change in employment
	March 1988	June 1988	
1. Food	693	697	+ 4
2. Flowers	340	333	- 7
3. Textile yarn and fabrics	3,526	3,539	+ 13
4. Wearing apparels	79,110	80,295	+ 1,185
of which (a) pullovers	(35,075)	(34,909)	(- 166)
(b) gloves	(1,196)	(1,019)	(- 177)
(c) other garments	(42,839)	(44,367)	(+ 1,528)
5. Leather products and footwear	809	854	+ 45
6. Wood and paper products	507	508	+ 1
7. Optical goods	636	621	- 15
8. Watches and clocks	840	903	+ 63
9. Jewellery and related articles	1,324	1,395	+ 71
10. Fishing tackles and flies	149	149	-
11. Toys and carnival articles	742	746	+ 4
12. Other	1,914	1,577	- 337
T O T A L	90,590	91,617	+ 1,027

Table 5 - EPZ :- Employment as at June 1987 and June 1988 by category of enterprise and by sex

Category of enterprise*	Number of enterprises as at end of		Employment as at end of						Net Change		
	June 1987	June 1988	June 1987			June 1988			Male	Female	Total
			Male	Female	Total	Male	Female	Total			
Large ^{1/}	422	500	27,902	52,561	80,463	31,944	56,913	88,857	+ 4,042	+ 4,352	+ 8,394
Small	46	77	152	97	249	278	187	465	+ 126	+ 90	+ 216
Outworkers ^{2/}	(4)	(2)	41	1,987	2,028	69	2,226	2,295	+ 28	+ 239	+ 267
TOTAL	472	579	28,095	54,645	82,740	32,291	59,326	91,617	+ 4,196	+ 4,681	+ 8,877

*Category of enterprise :

Large : Enterprise employing 10 or more persons

Small : Enterprise employing less than 10 persons

Outworkers : Persons working at their home, on materials provided by enterprise

1/ Employment data include around 650 expatriates as at 30th June 1988

2/ Number of enterprises relate to enterprises employing exclusively outworkers, whilst employment refers to total number of persons as outworkers

Table 6 - EPZ:- Analysis of net change in employment during period June 1987 -
June 1988 by product group

Product group	Employment as at end of		Net change in employment
	June 1987	June 1988	
1. Food	664	697	+ 33
2. Flowers	304	333	+ 29
3. Textile yarn and fabrics	3,119	3,539	+ 420
4. Wearing apparels	72,872	80,295	+ 7,423
of which (a) pullovers	(34,553)	(34,909)	(+ 356)
(b) gloves	(1,404)	(1,019)	(- 385)
(c) other garments	(36,915)	(44,367)	(+ 7,452)
5. Leather products and footwear	774	854	+ 80
6. Wood and paper products	628	508	- 120
7. Optical goods	539	621	+ 82
8. Watches and clocks	710	903	+ 193
9. Jewellery and related articles	1,110	1,395	+ 285
10. Fishing tackles and flies	155	149	- 6
11. Toys and carnival articles	714	746	+ 32
12. Other	1,151	1,577	+ 426
T O T A L	82,740	91,617	+ 8,877

Table 7 - Distribution of EPZ enterprises by employment size as at June 1988

Employment size	No. of enterprises			No. of persons employed		
	No.	%	Cum. %	No.	%	Cum. %
Under 10	78*	14	14	472	-	-
10 - 50	234	40	54	6,051	7	7
51 - 100	88	15	69	6,072	7	4
101 - 300	97	17	86	16,507	18	32
301 - 500	38	7	93	14,904	16	48
501 - 1000	27	5	98	18,816	21	69
1000 and above	17	2	100	28,795	31	100
T O T A L	579	100	100	91,617	100	100

*Includes one enterprise employing exclusively outworkers

Table 8 - EPZ: - Employment by product group, Quarterly Series, (year 1987, 1st & 2nd Quarters 1988)

Product group	1987				1988	
	1st Qr.	2nd Qr.	3rd Qr.	4th Qr.	1st Qr.	2nd Qr.
1. Food	555	664	717	703	693	697
2. Flowers	270	304	297	327	340	333
3. Textile yarn and fabrics	2,530	3,119	3,316	3,341	3,526	3,539
4. Wearing apparels	68,822	72,872	75,360	77,375	79,110	80,295
of which (a) pullovers	(32,767)	(34,553)	(34,755)	(34,603)	(35,075)	(34,909)
(b) gloves	(1,580)	(1,404)	(1,310)	(1,296)	(1,196)	(1,019)
(c) other garments	(34,475)	(36,915)	(39,295)	(41,476)	(42,839)	(44,367)
5. Leather products and footwear	757	774	817	865	809	854
6. Wood and paper products	637	628	590	481	507	508
7. Optical goods	458	539	581	612	636	621
8. Watches and clocks	621	710	750	747	840	903
9. Jewellery and related articles	1,007	1,110	1,140	1,192	1,324	1,395
10. Fishing tackles and flies	584	155	170	163	149	149
11. Toys and carnival articles	672	714	706	705	742	746
12. Other	1,094	1,151	1,241	1,394	1,914	1,577
T O T A L	78,007	82,740	85,685	87,905	90,590	91,617

Table 9 - EPZ :- Number of enterprises by product group, Quarterly Series, (year 1987, 1st & 2nd Quarters 1988)

Product group	1987				1988	
	1st Qr.	2nd Qr.	3rd Qr.	4th Qr.	1st Qr.	2nd Qr.
1. Food	11	11	11	11	11	10
2. Flowers	25	25	26	28	28	28
3. Textile yarn and fabrics	20	22	24	23	23	23
4. Wearing apparels	294	320	340	364	382	404
of which (a) Pullovers	(55)	(56)	(59)	(61)	(62)	(62)
(b) Gloves	(5)	(5)	(5)	(5)	(5)	(5)
(c) Other garments	(234)	(259)	(276)	(298)	(315)	(337)
5. Leather products and footwear	10	11	12	12	12	12
6. Wood and paper products	11	12	12	13	15	15
7. Optical goods	3	3	4	4	4	4
8. Watches and clocks	5	6	6	6	6	6
9. Jewellery and related articles	9	11	11	12	13	13
10. Fishing tackles and flies	4	3	3	3	3	3
11. Toys and carnival articles	6	6	7	7	6	6
12. Other	39	42	44	48	51	55
T O T A L	437	472	500	531	554	579

Table 10 - EPZ:- Employment evolution by product group and sex (June 1986 - June 1988)

Product group	June 1986			June 1987			June 1988		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
1. Food	193	349	542	303	361	664	325	372	697
2. Flowers	119	123	242	164	140	304	162	171	333
3. Textile yarn and fabrics	1,164	834	1,998	1,886	1,233	3,119	2,296	1,243	3,539
4. Wearing apparels	16,959	40,979	57,938	23,047	49,825	72,872	26,138	54,157	80,295
of which (a) pullovers	(6,397)	(23,863)	(30,260)	(8,075)	(26,478)	(34,553)	(3,158)	(26,751)	(34,909)
(b) gloves	(216)	(1,309)	(1,525)	(240)	(1,164)	(1,404)	(237)	(782)	(1,019)
(c) other garments	(10,346)	(15,807)	(26,153)	(14,732)	(22,183)	(36,915)	(17,743)	(26,624)	(44,367)
5. Leather products and footwear	253	449	702	259	515	774	267	587	854
6. Wood and paper products	348	329	677	349	279	628	341	167	508
7. Optical goods	230	158	388	312	227	539	374	247	621
8. Watches and clocks	184	485	669	211	499	710	253	650	903
9. Jewellery and related articles	622	320	942	718	392	1,110	974	421	1,395
10. Fishing tackles and flies	32	526	558	8	147	155*	20	129	149*
11. Toys and carnival articles	55	664	719	60	654	714	55	691	746
12. Other	363	262	625	778	373	1,151	1,086	491	1,577
T O T A L	20,522	45,478	66,000	28,095	54,645	82,740	32,291	59,326	91,617

* Decrease in employment figure due to change in economic classification of enterprise

Table 11 - Number of enterprises and employment - quarterly series (1984 - 1988)

Year	Number of enterprises as at end of				Employment as at end of			
	March	June	September	December	March	June	September	December
1984	153	161	184	197	28,954	32,686	35,748	37,532
1985	215	237	257	290	43,134	46,669	50,218	53,951
1986	321	343	377	408	63,010	66,000	70,519	74,015
1987	437	472	500	531	78,007	82,740	85,685	87,905
1988	554	579			90,590	91,617		