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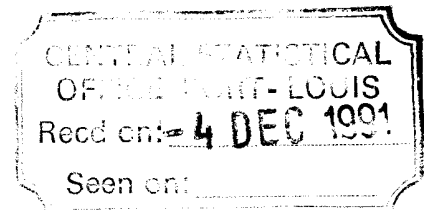
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THE EXPORT PROCESSING ZONE - 3 RD QUARTER 1991



MINISTRY OF ECONOMIC PLANNING & DEVELOPMENT
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The Export Processing Zone - 3rd Quarter 1991

1. Introduction

The results of the employment survey carried out in September 1991 and other data pertaining to the performance of the Export Processing Zone (EPZ) enterprises are presented in this third issue of Economic Indicators on that sector.

2. Employment evolution during the 3rd quarter 1991

The 3rd quarter has witnessed the setting up of 16 new enterprises and the closing down of 9 others. Consequently at the end of September 1991, the EPZ sector comprised of 585 enterprises employing 90850 workers compared to a workforce of 89,300 in the 578 companies at the end of June 1991, resulting in a net creation of 1,550 jobs during the third quarter of 1991.

A detailed analysis of employment data shows that during that quarter, the 16 new enterprises created 1,250 jobs and 4,300 workers joined the existing companies expanding their activities. The total employment creation of 5,550 was partly offset by a contraction to the tune of 4,000:- Some 35 companies reported the departure of 3,400 employees whereas the 9 closures laid off 600 workers.

A sector-wise analysis shows that the sectors which have registered increases in their workforce are:- 'wearing apparel' (+1,900), 'wood and paper' (+60) and the residual sector 'other' (+160). On the other hand, due to closures, two sectors namely 'textile yarn' and 'electric and electronic' have suffered consequent losses of 400 and 100 respectively.

3. Employment evolution, September 1990 - September 1991

During the twelve-month period September 1990 - September 1991, employment in the EPZ Sector has increased by 2,600 from 88,250 to 90,850. 3,150 additional female workers were recruited, but there was a reduction of around 550 in male employment.

The increase is partly explained by the continuous intake of expatriates, mainly female to work in the textile sector. It is worth pointing out that the number of foreign workers employed in the EPZ Sector stood at 1,100 at the end of September 1991 compared to 750 twelve months ago.

The table on analysis of net change in employment by sector (table 5 refers) during the twelve-month period ending September 1991, shows decreases in the following sectors: 'pullovers' (-650), 'leather products and footwear' (-100), 'watches' (-200) and 'electric and electronic' (-100). Sectors which have recorded increases are 'food'(+200), the 'textile other than woollen' (+2150) and 'jewellery' (+100). The flower sector may be a small contributor to total employment but is one which shows constant expansion, be it in employment or exports. Total employment in that Sector as at end of September 1991 stood at about 600.

4. EPZ exports and imports

Preliminary figures for the first nine months of 1991 show that the EPZ enterprises have exported goods worth Rs 8,700 million whilst their import bills amounted to Rs 5,400 million. Comparative figures for the same period of 1990 are Rs 8,300 million and Rs 5,700 million.

On the basis of the trade performance for the nine months, it is estimated that total EPZ exports and imports for the year 1991 will be around Rs 12,000 million and Rs 7,500 million respectively thus yielding a net export earnings of about Rs 4,500 million or 38% of exports.

Central Statistical Office,
Ministry of Economic Planning
and Development,
PORT LOUIS.

November, 1991

Table A - Main Indicators of EPZ Sector 84-91

Particulars	1984	1985	1986	1987	1988	1989	1990	1991 (forecast)
1. No. of enterprises as at December	195	290	408	531	591	563	568	585*
2. Employment as at December	37,522	53,951	74,015	87,905	89,080	88,658	89,906	90,850*
3. Exports for calendar year (Rs mn)	2,151	3,283	4,951	6,567	8,176	9,057	11,474	12,000
4. Imports for calendar year (Rs mn)	1,650	2,530	3,863	4,801	5,890	7,502	7,348	7,500
5. Net exports for calendar year (Rs mn)	501	753	1,088	1,766	2,286	1,555	4,126	4,500
6. Net exports % exports (%)	23.3	22.9	22.0	26.9	28.0	17.2	36.0	37.5
7. Value added (Rs mn)	865	1,333	1,860	2,585	3,125	3,450	4,000	4,500
8. Growth rate (%)	+32.9	+30.0	+34.9	+22.0	+12.0	+6.0	+8.0	+6.0

* As at September 1991

Table 1 - EPZ :- Employment as at June 1991 and September 1991 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 1991	September 1991	June 1991			September 1991			Male	Female	Total
			Male	Female	Total	Male	Female	Total			
Large 1/	482	484	26,729	59,510	86,239	26,975	61,098	88,073	+246	+1,588	+1,834
Small	93	98	306	195	501	289	223	512	- 17	+ 28	+ 11
Cutworkers 2/	3	3	141	2,425	2,566	72	2,193	2,265	- 69	- 232	- 301
TOTAL	578	585	27,176	62,130	89,306	27,336	63,514	90,850	+160	+1,384	+1,544

* 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 1,050 expatriates at June 91 and 1,100 at September 91

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 September 1990 & September 1991 by category of enterprise and by sex

Category of enterprise*	Number of enterprises as at end of		Employment as at end of						Net change			
	September 1991		September 1990			September 1991			Male	Female	Total	
	September 1990	September 1991	Net change	Male	Female	Total	Male	Female				Total
Large ^{1/}	482	484	+2	27,562	57,849	85,411	26,975	61,098	88,073	-587	+3,249	+2,662
Small	90	98	+8	278	179	457	289	223	512	+11	+44	+55
Outworkers ^{2/}	2	3	+1	46	2,344	2,390	72	2,193	2,265	+26	-151	-125
TOTAL	574	585	+11	27,886	60,372	88,258	27,336	63,514	90,850	-550	+3,142	+2,592

* 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 750 expatriates at September 1990 & 1,100 at September 1991

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

Table 3 - Employment evolution in the EPZ sector during the 3rd quarter 1991.

Description	Number of enterprises	Employment
1. SITUATION AS AT END OF JUNE 1991	578	<u>89,306</u>
2. Total employment creation	...	<u>5,545</u>
of which through:		
Expansion <u>✓</u>	(29)	4,276
of existing enterprises	16	1,269
New enterprises	...	<u>4,001</u>
3. Total loss	(35)	3,405
of which through:	9	596
Reduction in activities of existing enterprises <u>✓</u>	+1	+ 1,544
Closing down of enterprises	585	<u>20,850</u>
4. Net change		
5. SITUATION AS AT END OF SEPTEMBER 1991		

✓ No. of enterprises relates to those which have increased/decreased their workforce by 25 or more employees whilst employment relates to total expansion/contraction

Table 4 - EPZ:- Analysis of net change in employment during period June 1991 -
September 1991 by product group

Product group	Employment as at end of		Net change in employment
	June 1991	September 1991	
1. Food	1,155	1,155	-
2. Flowers	567	593	+26
3. Textile yarn and fabrics	5,541	5,156	-385
4. Wearing apparels	74,426	76,321	+1,895
of which (a) pullovers	(27,918)	(28,199)	(+281)
(b) gloves & other garments	(46,508)	(48,122)	(+1,614)
5. Leather products and footwear	1,360	1,290	-70
6. Wood and paper products	600	660	+60
7. Optical goods	510	492	-18
8. Watches, electronic watches & clocks	703	658	-45
9. Electric & other electronic products	441	344	-97
10. Jewellery & related articles	1,443	1,453	+10
11. Toys and carnival articles	1,034	1,043	+9
12. Other	1,526	1,685	+159
TOTAL	89,306	90,850	+1,544

Table 5 - EPZ:- Analysis of net change in employment during period September 1990 - September 1991 by product group

Product group	Employment as at end of		Net change in employment
	September 1990	September 1991	
1. Food	955	1,155	+200
2. Flowers	499	593	+94
3. Textile yarn and fabrics	4,221	5,156	+935
4. Wearing apparels	74,798	76,321	+1,523
of which (a) pullovers	(28,837)	(28,199)	(-638)
(b) gloves & other garments	(45,961)	(48,122)	(+2,161)
5. Leather products and footwear	1,402	1,290	-112
6. Wood and paper products	539	660	+121
7. Optical goods	494	492	-2
8. Watches, electronic watches and clocks	851	658	-193
9. Electric and other electronic products	465	344	-121
10. Jewellery and related articles	1,336	1,453	+117
11. Toys and carnival articles	1,000	1,043	+43
12. Other	1,698	1,685	-13
TOTAL	88,258	90,850	+2,592

Table 6 - Distribution of EPZ enterprises by employment size - as at September 1991

Employment size	No. of enterprises			No. of persons employed		
	Number	%	Cum. %	Number	%	Cum. %
Under 10	98	16.8	16.8	517	0.6	0.6
10 - 50	219	37.4	54.2	5,529	6.1	6.7
51 - 100	81	13.8	68.0	5,809	6.4	13.1
101 - 300	107	18.3	86.3	19,641	21.6	34.7
301 - 500	38	6.5	92.8	14,737	16.2	50.9
501 - 1000	26	4.4	97.2	18,479	20.3	71.2
1000 and above	16	2.8	100.0	26,138	28.8	100.0
TOTAL	585	100.0	100.0	90,850	100.0	100.0

Table 7 - EPZ:- Employment evolution by product group and sex, (September 1989 - September 1991)

Product group	September 1989			September 1990			September 1991		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
1. Food	399	499	898	411	544	955	378	777	1,155
2. Flowers	190	215	405	240	259	499	292	301	593
3. Textile yarn & fabrics	2,815	1,522	4,337	2,717	1,504	4,221	3,431	1,725	5,156
4. Wearing apparels	22,391	54,115	76,506	21,307	53,491	74,798	20,169	56,152	76,321
of which(a) pullovers	(6,637)	(24,572)	(31,209)	(5,897)	(22,940)	(28,837)	(5,487)	(22,712)	(28,199)
(b) gloves & other garments	(15,754)	(29,543)	(45,297)	(15,410)	(30,551)	(45,961)	(14,682)	(33,440)	(48,122)
5. Leather products and footwear	284	947	1,231	327	1,075	1,402	321	969	1,290
6. Wood and paper products	298	183	481	327	212	539	335	325	660
7. Optical goods	360	227	587	281	213	494	281	211	492
8. Watches, electronic watches and clocks	226	682	908	213	638	851	181	477	658
9. Electric and other electronic products	104	80	184	233	232	465	162	182	344
10. Jewellery & related articles	1,150	499	1,649	897	439	1,336	912	541	1,453
11. Toys and carnival articles	67	811	878	94	906	1,000	111	932	1,043
12. Other	907	698	1,605	839	859	1,698	763	922	1,685
TOTAL	29,191	60,478	89,669	27,886	60,372	88,258	27,336	63,514	90,850

Table 8 - EPZ:- Number of enterprises by product group, quarterly series, (year 1990, 1st, 2nd & 3rd quarters 1991)

Product group	1990				1991		
	1st Qr.	2nd Qr.	3rd Qr.	4th Qr.	1st Qr.	2nd Qr.	3rd Qr.
1. Food	13	13	13	13	14	14	15
2. Flowers	36	42	43	43	44	46	49
3. Textile yarn and fabrics	31	31	31	32	37	37	36
4. Wearing apparels	340	344	346	339	337	336	333
of which (a) pullovers	(58)	(58)	(59)	(56)	(54)	(54)	(54)
(b) gloves & other garments	(282)	(286)	(287)	(283)	(283)	(282)	(279)
5. Leather products and footwear	12	13	13	13	13	12	12
6. Wood and paper products	14	15	16	15	16	17	19
7. Optical goods	4	5	5	6	7	7	7
8. Watches, electronic watches & clocks	5	5	6	6	6	6	7
9. Electric and other electronic products	9	12	13	12	14	14	14
10. Jewellery	17	18	19	19	19	19	20
11. Toys and carnival articles	8	8	8	8	8	8	8
12. Other	59	60	61	62	63	62	65
TOTAL	548	566	574	568	578	578	585

Table 2 - EPZ :- Employment by product group, Quarterly Series, (year 1990, 1st, 2nd and 3rd Quarters 1991)

Product group	1990				1991		
	1st Qr.	2nd Qr.	3rd Qr.	4th Qr.	1st Qr.	2nd Qr.	3rd Qr.
1. Food	969	971	955	1,161	1,052	1,155	1,155
2. Flowers	473	477	499	544	561	567	593
3. Textile yarn and fabrics	4,387	4,360	4,221	4,789	5,536	5,541	5,156
4. Wearing apparels or which (a) pullovers (b) gloves & other garments	76,237 (29,415) (46,822)	76,397 (29,591) (46,806)	74,798 (28,837) (45,961)	75,709 (28,802) (46,907)	74,913 (28,367) (46,546)	74,426 (27,918) (46,508)	76,321 (28,199) (48,122)
5. Leather products and footwear	1,295	1,424	1,402	1,336	1,438	1,360	1,290
6. Wood and paper products	474	511	539	517	481	600*	660
7. Optical goods	465	479	494	570	540	510	492
8. Watches, electronic watches and clocks	940	966	851	850	839	703	658
9. Electric and other electronic products	254	349	465	408	441	441	344
10. Jewellery and related articles	1,673	1,589	1,336	1,380	1,482	1,443	1,453
11. Toys and carnival articles	896	1,031	1,000	978	1,030	1,034	1,043
12. Other	1,692	1,657	1,698	1,664	1,595	1,526	1,685
TOTAL	89,755	90,211	88,258	89,906	89,908	89,306	90,850

* Increase in figure is due partly to a change in classification

Table 10 - EPZ.- Number of enterprises and employment - quarterly series (1984 - 1991)

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	586	591	90,590	91,617	90,738	89,080
1989	573	575	564	563	89,286	89,265	88,669	88,650
1990	548	566	574	568	89,755	90,211	88,258	89,906
1991	578	578	585		89,908	89,306	90,850	