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- 1 ⇨ **THE EXPORT PROCESSING ZONE AND PIONEER STATUS ENTERPRISES**
3rd Quarter 1998

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MINISTRY OF ECONOMIC DEVELOPMENT AND REGIONAL CO-OPERATION
PORT LOUIS
MAURITIUS

The Export Processing Zone and Pioneer Status Enterprises

3rd Quarter 1998

Introduction

The **Quarterly Survey of Employment** is a regular survey carried out among the EPZ and Pioneer Status Enterprises (PSE) and provides, among other details, up to date data on the evolution of the workforce in the different industry sub-groups. This issue of the "Economic and Social Indicators" presents the results of the survey carried out at the end of September 1998. Figures are given separately for the Export Processing Zone and Pioneer Status Enterprises.

The Survey results show employment increases during the 3rd quarter of 1998 both in the EPZ and in the PSE sector. In the EPZ, employment moved up by 845 to reach 87,902 maintaining an increasing trend observed since the 2nd quarter of 1996. The PSE sector, which started in 1991 with less than 100 workers in 5 enterprises, increased continually to reach 2,635 workers in 185 enterprises at the end of the 3rd quarter of 1998.

I. The Export Processing Zone (EPZ)

(i) Number of enterprises

The number of EPZ enterprises at the end of the 3rd quarter of 1998 stood at 486 compared to 485 at the end of the previous quarter.

During the 3rd quarter, 9 enterprises closed down and 10 new ones started operation resulting in a net gain of 1. In "Wearing apparel", the most important group in the EPZ, 7 new enterprises came into operation and 3 closures were reported, bringing the number of enterprises to 238 from 234 at the end of the previous quarter. The distribution of enterprises by product group is given in Table 1.6.

(ii) Employment evolution, 3rd quarter 1998

At the end of September 1998, employment in the EPZ stood at 87,902, an increase of 845 over the previous quarter. The number of female employees rose by 64 from 59,294 to 59,358 whilst male employment went up by 781 to 28,544.

As shown in Table 1.5, during the 3rd quarter of 1998, a total of 3,297 jobs were created mainly through expansion in 24

existing enterprises. The number of jobs created by the 10 new enterprises was 606. On the other hand, 2,452 jobs were lost: 1,959 through reduction in 13 existing enterprises and 493 following the 9 closures.

Foreign workers, who numbered 9,728 at the beginning of the quarter, rose by 1,262 to reach 10,990 at the end of September 1998. Among males, employment went up by 301 and among females, there was an increase of 961. The majority of the foreign workers were employed in the "Wearing apparel" group.

"Wearing apparel", the product group with the highest employment witnessed an increase of 1,601 bringing the number of employees to 74,143. Within the group, employment in "Other garments" and "Pullovers" increased by 1,308 and 293 respectively. Details of net change in employment by product group are shown in Table 1.7.

(iii) Employment evolution, 3rd quarter 1997 - 3rd quarter 1998

Comparison of September 1997 and September 1998 figures show a net gain of 6 in the number of enterprises and 5,819 (2,698 males and 3,121 females) in the EPZ workforce. It is noted that 46% of the increase is explained by the recruitment of foreign workers. In fact, employment among foreign workers rose by 2,670 to 10,990.

Employment in "Wearing apparel" rose by 6,262: 582 in the sub-group "Pullovers" and 5,680 in "Other garments. On the other hand, "Leather products and footwear", "Textile yarn and fabrics" and "Food" registered decreases of 361, 137 and 118 respectively. Other changes in employment by product group are given in Table 1.7.

II. The Pioneer Status Enterprises (PSE)

(i) Number of enterprises

During the 3rd quarter of 1998, 12 new enterprises started operation whilst 3 enterprises closed down bringing the total number of PSE enterprises to 185. Among these enterprises 65 had 10 or more employees. The activities in which the enterprises

are engaged are given in Table 2.2. The highest number of enterprises was in "Informatics" (36).

(ii) Employment

The total workforce in the PSE sector at the end of September 1998 was 2,635 (1,604 males and 1,031 females), an increase of 207 over the previous quarter. Those having 10 or more employees employed 2,091 compared to 1,943 at the end of June 1998 (Table 2.1).

During the 3rd quarter of 1998, a total of 310 jobs were created: 105 by the 12 new enterprises and 205 following expansion in 47 existing enterprises. On the other hand, job losses numbered 103 of which 84 following reduction in 23 enterprises (Table 2.4).

The number of expatriates employed as at the end of the 3rd quarter of 1998 stood at 100 (88 males and 12 females).

Central Statistical Office
Ministry of Economic Development, Productivity and Regional Development
PORT LOUIS
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Table 1.1:- Main economic indicators: 1987 - 1997, EPZ Sector

	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996 ¹	1997 ²
1. No of enterprises as at December	531	591	563	568	586	558	536	494	481	481	480
- New	141	95	79	62	52	33	38	27	25	43	26
- Closures	18	35	107	57	34	61	60	69	38	43	27
2. Employment as at December	87,905	89,080	88,658	89,906	90,861	86,937	85,621	82,176	80,466	79,793	83,391
- Net change	+13,890	+1,175	-422	+1,248	+955	-3,924	-1,316	-3,445	-1,710	-673	+3,598
- Growth rate (%)	+18.8	+1.3	-0.5	+1.4	+1.1	-4.3	-1.5	-4.0	-2.1	-0.8	+4.5
3. Exports (f.o.b, Rs Million)	6,567	8,176	9,057	11,474	12,136	13,081	15,821	16,533	18,267	21,000	23,049
4. Imports (c.i.f, Rs Million) :	4,801	5,890	7,502	7,348	7,067	7,133	9,326	10,125	10,856	12,077	13,880
- Raw materials	(4,296)	(5,056)	(6,539)	(6,554)	(6,348)	(6,456)	(8,221)	(9,016)	(9,869)	(10,960)	(12,442)
- Machinery & spare parts	(505)	(834)	(963)	(794)	(719)	(677)	(1105)	(1,109)	(987)	(1,117)	(1,438)
5. Net Exports (Rs Million)	1,766	2,286	1,555	4,126	5,069	5,948	6,495	6,408	7,411	8,893	9,169
6. Net Exports to Exports (%)	26.9	28.0	17.2	36.0	41.8	45.5	41.1	38.8	40.6	42.3	39.8
7. Value added at current prices (Rs Million)	2,585	3,125	3,400	3,975	4,406	5,011	5,702	6,373	7,097	8,163	9,172
- Share in Manufacturing(%)	51.9	53.4	51.1	51.1	50.3	50.4	51.0	50.2	49.6	49.5	50.1
- Share in GDP(%)	13.1	13.5	12.7	12.5	12.2	11.8	11.9	11.7	11.7	12.0	12.2
8. Value added at constant '82 prices (Rs Million)	1,390	1,557	1,650	1,766	1,854	1,965	2,083	2,173	2,281	2,441	2,587
- Growth rate (%)	+22.0	+12.0	+6.0	+7.0	+5.0	+6.0	+6.0	+4.3	+5.0	+7.0	+6.0
9. Labour productivity Index* (1982 = 100)	87	91	98	105	110	117	129	138	147	159	163
10. Investment (Rs Million)	655	870	900	690	648	560	900	900	815	930	1,245
- Machinery	(530)	(730)	(840)	(640)	(610)	(540)	(875)	(880)	(805)	(915)	(1200)

¹ revised

² provisional

Table 1.2:- Employment by size and sex: September 1997 - September 1998, EPZ Sector

Enterprise		Employment ¹											
		Number as at			September 97			June 98			September 98		
Category	Sept. 97	June 98	Sept. 98	Male	Female	Total	Male	Female	Total	Male	Female	Total	
Large	383	390	390	25,479	55,221	80,700	27,403	58,286	85,689	28,203	58,334	86,537	
Small (<10)	97	95	96	285	189	474	295	199	494	288	203	491	
Outworkers	-	-	-	82	827	909	65	809	874	53	821	874	
TOTAL	480	485	486	25,846	56,237	82,083	27,763	59,294	87,057	28,544	59,358	87,902	

¹ includes expatriates: No. as at Sept. 97: 8,320 (2,698 males; 5,622 females)

June 98: 9,728 (3,070 males; 6,658 females)

Sept. 98: 10,990 (3,371 males; 7,619 females)

Table 1.3:- Employment by product group and sex: September 1997 - September 1998, EPZ Sector

Product group	September 1997			September 1998				
	No of Enterprises	Employment		No of Enterprises	Employment			
		Male	Female		Total	Male	Female	Total
1. Food	12	674	964	1,638	13	601	919	1,520
2. Flowers	44	252	295	547	41	238	275	513
3. Textile yarn and fabrics	34	2,971	944	3,915	34	2,933	845	3,778
4. Wearing apparel :	233	18,642	49,239	67,881	238	21,554	52,589	74,143
Pullovers	(28)	(3,379)	(14,968)	(18,347)	(30)	(4,018)	(14,911)	(18,929)
Other garments	(205)	(15,263)	(34,271)	(49,534)	(208)	(17,536)	(37,678)	(55,214)
5. Leather products and footwear	10	274	1,041	1,315	7	209	745	954
6. Wood and paper products	33	532	189	721	33	556	210	766
7. Optical goods	5	261	205	466	6	251	230	481
8. Electronic watches and clocks	3	146	244	390	3	163	294	457
9. Electric and electronic products	10	244	354	598	10	222	368	590
10. Jewellery and related articles	22	769	859	1,628	22	664	911	1,575
11. Toys and carnival articles	7	130	939	1,069	7	107	1,010	1,117
12. Other	67	951	964	1,915	72	1,046	962	2,008
TOTAL	480	25,846	56,237	82,083	486	28,544	59,358	87,902

Table 1.4 :- Expatriate employment by product group and sex: September 1997 - September 1998, EPZ Sector

Product group	September 97			September 1998		
	Employment			Employment		
	Male	Female	Total	Male	Female	Total
1. Food	104	140	244	132	155	287
2. Flowers	4	0	4	0	0	0
3. Textile yarn and fabrics	288	174	462	296	231	527
4. Wearing apparel :	2,202	5,302	7,504	2,821	7,177	9,998
Pullovers	(74)	(812)	(886)	(122)	(987)	(1,109)
Other garments	(2,128)	(4,490)	(6,618)	(2,699)	(6,190)	(8,889)
5. Leather products and footwear	8	2	10	7	4	11
6. Wood and paper products	10	1	11	6	1	7
7. Optical goods	3	0	3	2	0	2
8. Electronic watches and clocks	3	0	3	3	1	4
9. Electric and electronic products	8	1	9	8	0	8
10. Jewellery and related articles	36	1	37	40	1	41
11. Toys and carnival articles	0	1	1	16	45	61
12. Other	32	0	32	40	4	44
TOTAL	2,698	5,622	8,320	3,371	7,619	10,990

Table 1.5:- Analysis of net change in employment - 3rd quarter 1998, EPZ Sector

	Net change from June 98 to September 98	
	Enterprises	Employment
A. Total employment creation :	...	3,297
Expansion in existing enterprises ¹	24	2,691
New enterprises	10	606
B. Total employment lost :	...	2,452
Reduction in existing enterprises ¹	13	1,959
Closures	9	493
C. Net change (A-B)	1	845
Male	...	781
Female	...	64

¹ No. of enterprises relates to those reporting expansion/reduction in their workforce by more than 25 while employment is total expansion/reduction

Table 1.6: - Net change in number of enterprises by product group: Sept.1997 - Sept.1998, EPZ Sector

Product group	No. of enterprises			Net change from	
	Sept. 97	June 98	Sept. 98	June 98 to Sept. 98	Sept.97 to Sept. 98
1. Food	12	13	13	0	1
2. Flowers	44	43	41	-2	-3
3. Textile yarn and fabrics	34	34	34	0	0
4. Wearing apparel :	233	234	238	4	5
Pullovers	(28)	(30)	(30)	(0)	(2)
Other garments	(205)	(204)	(208)	(4)	(3)
5. Leather products and footwear	10	9	7	-2	-3
6. Wood and paper products	33	33	33	0	0
7. Optical goods	5	6	6	0	1
8. Electronic watches and clocks	3	3	3	0	0
9. Electric and electronic products	10	11	10	-1	0
10. Jewellery and related articles	22	22	22	0	0
11. Toys and carnival articles	7	7	7	0	0
12. Other	67	70	72	2	5
TOTAL	480	485	486	1	6

Table 1.7:- Net change in employment by product group: Sept.1997 - Sept.1998, EPZ Sector

Product group	Employment			Net change from	
	Sept. 97	June 98	Sept. 98	June 98 to Sept. 98	Sept. 97 to Sept. 98
1. Food	1,638	1,532	1,520	-12	-118
2. Flowers	547	525	513	-12	-34
3. Textile yarn and fabrics	3,915	4,341	3,778	-563	-137
4. Wearing apparel :	67,881	72,542	74,143	1,601	6,262
Pullovers	(18,347)	(18,636)	(18,929)	(293)	(582)
Other garments	(49,534)	(53,906)	(55,214)	(1,308)	(5,680)
5. Leather products and footwear	1,315	1,118	954	-164	-361
6. Wood and paper products	721	765	766	1	45
7. Optical goods	466	468	481	13	15
8. Electronic watches and clocks	390	454	457	3	67
9. Electric and electronic products	598	607	590	-17	-8
10. Jewellery and related articles	1,628	1,620	1,575	-45	-53
11. Toys and carnival articles	1,069	1,133	1,117	-16	48
12. Other	1,915	1,952	2,008	56	93
TOTAL	82,083	87,057	87,902	845	5,819

Table 1.8:- New and Closures - 2nd and 3rd Quarter 1998, EPZ Sector

Product group	2nd Quarter 1998						3rd Quarter 1998					
	New projects			Closures			New projects			Closures		
	Enterprise	Employment		Enterprise	Employment		Enterprise	Employment		Enterprise	Employment	
1. Food	1	34		0	0		0	0		0	0	
2. Flowers	0	0		0	0		0	0		2	10	
3. Textile yarn and fabrics	0	0		1	13		0	0		0	0	
4. Wearing apparel :	3	33		3	440		7	592		3	215	
Pullovers	(1)	(3)		(0)	(0)		(1)	(4)		(1)	(109)	
Other garments	(2)	(30)		(3)	(440)		(6)	(588)		(2)	(106)	
5. Leather products and footwear	0	0		1	5		0	0		2	256	
6. Wood and paper products	1	12		0	0		1	5		1	7	
7. Optical goods	0	0		0	0		0	0		0	0	
8. Electronic watches and clocks	0	0		0	0		0	0		0	0	
9. Electric and electronic products	1	9		0	0		0	0		1	5	
10. Jewellery and related articles	1	3		0	0		0	0		0	0	
11. Toys and carnival articles	0	0		0	0		0	0		0	0	
12. Other	1	40		3	54		2	9		0	0	
TOTAL	8	131		8	512		10	606		9	493	

Table 2.1:- Employment by size and sex: September 1997 - September 1998, Pioneer Status Enterprises

Employment size	No. of enterprises			Employment ¹											
				September 97			June 98			September 98					
	Sept. 97	June 98	Sept. 98	Male	Female	Total	Male	Female	Total	Male	Female	Total			
25 and above	20	20	23	643	653	1,296	698	684	1,382	750	747	1,497			
10 to < 25	33	40	42	354	109	463	415	146	561	437	157	594			
less than 10	100	116	120	316	124	440	366	119	485	417	127	544			
T O T A L	153	176	185	1,313	886	2,199	1,479	949	2,428	1,604	1,031	2,635			

¹ includes expatriates: No. as at Sept. 97: 66 (54 males, 12 females)
 June 98: 83 (71 males, 12 females)
 Sept. 98: 100 (88 males, 12 females)

Table 2.2:- Employment by product group and sex: September 1997 - September 1998, Pioneer Status Enterprises

Product group	September 1997			September 1998				
	No of enterprises	Employment		No of enterprises	Employment			
		Male	Female		Total	Male	Female	Total
1. Watches and clocks	2	40	192	232	2	49	234	283
2. Informatics	30	273	400	673	36	310	433	743
3. Electric and Electronic products	30	172	77	249	30	194	91	285
4. Light engineering	25	251	32	283	28	268	31	299
5. Support to jewellery	3	16	26	42	4	16	30	46
6. Support to printing and publishing	10	131	65	196	14	155	72	227
7. Other support services	19	138	44	182	30	182	65	247
8. Plastic and rubber products	18	192	23	215	20	266	27	293
9. Other	16	100	27	127	21	164	48	212
TOTAL	153	1,313	886	2,199	185	1,604	1,031	2,635

Table 2.3 :- Expatriate employment by product group and sex: September 1997 - September 1998, Pioneer Status Enterprises

Product group	September 1997			September 1998		
	Employment			Employment		
	Male	Female	Total	Male	Female	Total
1. Watches and clocks	1	0	1	1	0	1
2. Informatics	18	5	23	29	6	35
3. Electric and Electronic products	6	1	7	6	0	6
4. Light engineering	11	0	11	23	0	23
5. Support to jewellery	0	0	0	1	0	1
6. Support to printing and publishing	4	2	6	7	3	10
7. Other support services	6	3	9	9	2	11
8. Plastic and rubber products	4	0	4	6	0	6
9. Other	4	1	5	6	1	7
TOTAL	54	12	66	88	12	100

Table 2.4:- Analysis of net change in employment - 3rd quarter 1998, Pioneer Status Enterprises

	Net change from June 98 to September 98	
	Enterprises	Employment
A. Total employment creation :	...	310
Expansion in existing enterprises	47	205
New enterprises	12	105
B. Total employment lost :	...	103
Reduction in existing enterprises	23	84
Closures	3	19
C. Net change (A-B)	9	207
Male	...	125
Female	...	82

Table 2.5:- Net change in number of enterprises by product group: Sept. 1997 - Sept. 1998, Pioneer Status Enterprises

Product group	No. of enterprises			Net change from	
	Sept. 97	June 98	Sept. 98	Sept. 97 to Sept.98	June 98 to Sept. 98
1. Watches and clocks	2	2	2	0	0
2. Informatics	30	35	36	6	1
3. Electric and electronic products	30	30	30	0	0
4. Light engineering	25	27	28	3	1
5. Support to jewellery	3	4	4	1	0
6. Support to printing and publishing	10	12	14	4	2
7. Other support services	19	27	30	11	3
8. Plastic and rubber product	18	19	20	2	1
9. Other	16	20	21	5	1
TOTAL	153	176	185	32	9

Table 2.6:- Net change in employment by product group: Sept. 1996 - Sept. 1997, Pioneer Status Enterprises

Product group	Employment			Net change from	
	Sept. 97	June 98	Sept. 98	Sept. 97 to Sept. 98	June 98 to Sept. 98
1. Watches and clocks	232	242	283	51	41
2. Informatics	673	736	743	70	7
3. Electronic and electronic products	249	276	285	36	9
4. Light engineering	283	281	299	16	18
5. Support to jewellery	42	40	46	4	6
6. Support to printing and publishing	196	213	227	31	14
7. Other support services	182	193	247	65	54
8. Plastic and rubber products	215	260	293	78	33
9. Other	127	187	212	85	25
TOTAL	2,199	2,428	2,635	436	207