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- 1 ⇨ **THE EXPORT PROCESSING ZONE AND PIONEER
STATUS ENTERPRISES**
1st Quarter 1998
- 2 ⇨ **AGRICULTURAL AND FISH PRODUCTION, YEAR 1997**

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

The Export Processing Zone and Pioneer Status Enterprises, 1st Quarter 1998

Introduction

This issue of the "Economic and Social Indicators" presents the results of the "Quarterly Survey of Employment" carried out at the end of March 1998. Figures are given separately for the Export Processing Zone and Pioneer Status Enterprises. The latter are "small and medium" enterprises engaged, mainly, in activities involving the application of high technology.

I. The Export Processing Zone (EPZ)

(i) Number of enterprises

The number of EPZ enterprises at the end of the 1st quarter of 1998 stood at 485 compared to 480 at the end of the previous quarter and 483 a year ago.

During the 1st quarter, 11 enterprises closed down and 16 new enterprises started operation resulting in a net gain of 5 enterprises. In "Wearing apparel", the most important group in the EPZ, 6 closures were reported and 4 new units came into operation bringing the number of enterprises to 234 compared to 236 at the end of the previous quarter. In the "Other" category, the number of enterprises increased by 5 from 70 to 75. This group includes enterprises engaged in the manufacture of chemicals, rubber, plastic and metal products. The distribution of enterprises by product group is given in Table 1.6.

(ii) Employment evolution, 1st quarter 1998

At the end of March 1998, employment in the EPZ stood at 86,069 showing a significant increase of 2,678 over the previous quarter. The number of female employees went up by 1,750 from 57,097 to 58,847 whilst male employment rose by 928 to 27,222.

As shown in Table 1.5, during the 1st quarter of 1998, a total of 4,666 jobs were created mainly through expansion in 32 existing enterprises. The number of jobs created by

the 16 new enterprises was 727. On the other hand, 1,988 jobs were lost: 1,501 through reduction in 16 existing enterprises and 487 following the closure of 11 enterprises.

"Wearing apparel", the product group with the highest employment witnessed an increase of 2,421 bringing the number of employees to 71,744 at the end of the quarter. Within the group, "Other garments" increased by 1,770 whilst employment in "Pullovers and other knitted garments" rose by 651. Details of net change in employment by product group are shown in Table 1.7.

Foreign workers, who numbered 8,742 at the beginning of the quarter, rose by 384 to reach 9,126 at the end of March 1998. Among males, employment fell by 75 whilst among females, there was an increase of 459. Table 1.4 shows expatriate employment by product group and sex. It will be noted that the majority of foreign workers in the EPZ are employed in the "Wearing apparel" sector.

(iii) Employment evolution, March 1997 - March 1998

Comparison of March 1997 and March 1998 figures shows a net gain of 2 in the number of enterprises and 4,497 in the EPZ workforce.

Employment in "Wearing apparel" rose by 6.4% or 4,342 despite a fall in the number of enterprises from 236 to 234. Within the group employment in "Other garments" increased by 4,467 whilst, in "Pullovers", employment fell by 125. "Textile yarn and fabrics" registered an increase of 404. Groups which witnessed moderate decreases were "Leather products and footwear" (-146), and "Food" (-126). Details of changes in employment by product group are given in Table 1.7.

(iv) Value added and labour productivity

On the basis of available figures, value added generated by EPZ enterprises in 1997, is estimated at Rs. 9,172 million at current prices. In real terms, this represents a growth of around 6%. The labour productivity index rose by slightly over 3% from 160 to 165.

II. The Pioneer Status Enterprises (PSE)

(i) Number of enterprises

During the 1st quarter of 1998, 14 new enterprises started operation whilst 6 enterprises closed bringing the total number of PSE enterprises to 164. Among these enterprises 55 were "large", that is, those operating with 10 or more workers. The activities in which the enterprises are engaged in are given in Table 2.2. The highest number of enterprises were in "Informatics" (31) followed by "Electric and Electronic products" (29).

(ii) Employment

The total workforce in the PSE sector at the end of March 1998 was 2,304 (1,383 males and 921 females), an increase of 52 over the previous quarter (Table 2.1). The "large" enterprises employed 1,837 compared to 1,813 at the end of December 1997.

During the 1st quarter 1998, a total of 198 jobs were created: 53 by the 14 new enterprises and 145 following expansion in 39 existing enterprises. On the other hand, 24 enterprises reported a reduction of 130 and job losses due to the 6 closures numbered 16 (Table 2.4).

The number of expatriates employed as at end of the 1st quarter 1998 stood at 72 (61 males and 11 females). Details of expatriate employment in the PSE sector is given in Table 2.3.

Central Statistical Office

Ministry of Economic Development and Regional Cooperation

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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	21,001	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	12,109	13,897
- Raw materials	(4,296)	(5,056)	(6,539)	(6,554)	(6,348)	(6,456)	(8,221)	(9,016)	(9,869)	(10,992)	(12,460)
- Machinery & spare parts	(505)	(834)	(963)	(794)	(719)	(677)	(1105)	(1,109)	(987)	(1,117)	(1,437)
5. Net Exports (Rs Million)	1,766	2,286	1,555	4,126	5,069	5,948	6,495	6,408	7,411	8,892	9,152
6. Net Exports to Exports (%)	26.9	28.0	17.2	36.0	41.8	45.5	41.1	38.8	40.6	42.0	40.0
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. Partial labour productivity Index³ (1982 = 100)	87	91	98	105	110	117	129	140	149	160	165
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

³ Partial labour productivity index is the variation of value added per worker in constant 1982 prices

Table 1.2:- EPZ employment, March 1997 - March 1998

Category	No. of Enterprises			Employment ¹								
				March 97			December 97			March 98		
	Mar.97	Dec. 97	Mar.98	Male	Female	Total	Male	Female	Total	Male	Female	Total
Large	388	387	390	25,143	55,026	80,169	25,950	56,126	82,076	26,881	57,902	84,783
Small (<10)	95	93	95	288	190	478	277	190	467	279	207	486
Outworkers	-	-	-	78	847	925	67	781	848	62	738	800
TOTAL	483	480	485	25,509	56,063	81,572	26,294	57,097	83,391	27,222	58,847	86,069

¹ includes expatriates : No. as at - Mar. 97: 6,952 (2,118 males, 4,834 females)

- Dec. 97: 8,742 (2,910 males; 5,832 females)

- Mar. 98: 9,126 (2,835 males; 6,291 females)

Table 1.3:- EPZ Employment by product group and sex: March 1997 - March 1998

Product group	March 97			March 98				
	No of Enterprises	Employment		No of Enterprises	Employment			
		Male	Female		Total	Male	Female	Total
1. Food	12	662	1,003	1,665	12	607	932	1,539
2. Flowers	46	266	300	566	43	256	291	547
3. Textile yarn and fabrics	34	2,853	952	3,805	34	3,194	1,015	4,209
4. Wearing apparel :	234	18,496	48,906	67,402	234	19,948	51,796	71,744
Pullovers	(30)	(3,634)	(15,349)	(18,983)	(29)	(3,610)	(15,248)	(18,858)
Other garments	(204)	(14,862)	(33,557)	(48,419)	(205)	(16,338)	(36,548)	(52,886)
5. Leather products and footwear	10	269	1,046	1,315	10	250	919	1,169
6. Wood and paper products	30	452	172	624	30	463	173	636
7. Optical goods	5	252	217	469	6	275	207	482
8. Electronic watches and clocks	3	155	271	426	3	146	249	395
9. Electric and electronic products	11	234	339	573	10	236	346	582
10. Jewellery and related articles	20	751	816	1,567	21	686	895	1,581
11. Toys and carnival articles	8	150	1,028	1,178	7	88	1,043	1,131
12. Other	70	969	1,013	1,982	75	1,073	981	2,054
TOTAL	483	25,509	56,063	81,572	485	27,222	58,847	86,069

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

Product group	March 97			March 98		
	Employment			Employment		
	Male	Female	Total	Male	Female	Total
1. Food	80	158	238	98	160	258
2. Flowers	0	0	0	0	0	0
3. Textile yarn and fabrics	262	186	448	275	221	496
4. Wearing apparel :	1,693	4,480	6,173	2,348	5,900	8,248
Pullovers	(45)	(588)	(633)	(83)	(857)	(940)
Other garments	(1,648)	(3,892)	(5,540)	(2,265)	(5,043)	(7,308)
5. Leather products and footwear	9	2	11	10	3	13
6. Wood and paper products	9	1	10	10	0	10
7. Optical goods	2	0	2	2	0	2
8. Electronic watches and clocks	1	0	1	3	0	3
9. Electric and electronic products	6	0	6	10	2	12
10. Jewellery and related articles	23	2	25	40	1	41
11. Toys and carnival articles	1	2	3	1	1	2
12. Other	32	3	35	38	3	41
TOTAL	2,118	4,834	6,952	2,835	6,291	9,126

Table 1.5 :- Analysis of net change in EPZ employment, 1st quarter 1998

	Evolution 1st qr 1998	
	Enterprises	Employment
A. Total employment creation:	...	4,666
Expansion in existing enterprises ¹	32	3,939
New enterprises	16	727
B. Total employment lost:	...	1,988
Reduction in existing enterprises ¹	16	1,501
Closures	11	487
C. Net change (A-B)	...	2,678
Male	...	928
Female	...	1,750

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 EPZ enterprises by product group, March 1997 - March 1998

Product group	No. of enterprises			Net change	
	Mar. 97	Dec. 97	Mar. 98	1st quarter	Mar. 97 - Mar. 98
1. Food	12	12	12	0	0
2. Flowers	46	43	43	0	-3
3. Textile yarn and fabrics	34	33	34	1	0
4. Wearing apparel :	234	236	234	-2	0
Pullovers	(30)	(28)	(29)	(1)	(-1)
Other garments	(204)	(208)	(205)	(-3)	(1)
5. Leather products and footwear	10	10	10	0	0
6. Wood and paper products	30	30	30	0	0
7. Optical goods	5	5	6	1	1
8. Electronic watches and clocks	3	3	3	0	0
9. Electric and electronic products	11	10	10	0	-1
10. Jewellery and related articles	20	21	21	0	1
11. Toys and carnival articles	8	7	7	0	-1
12. Other	70	70	75	5	5
TOTAL	483	480	485	5	2

Table 1.7:- Net change in EPZ employment by product group, March 1997 - March 1998

Product group	Employment			Net change	
	Mar. 97	Dec. 97	Mar. 98	1st quarter	Mar. 97 - Mar. 98
1. Food	1,665	1,609	1,539	-70	-126
2. Flowers	566	544	547	3	-19
3. Textile yarn and fabrics	3,805	4,041	4,209	168	404
4. Wearing apparel .	67,402	69,323	71,744	2,421	4,342
Pullovers	(18,983)	(18,207)	(18,858)	(651)	(-125)
Other garments	(48,419)	(51,116)	(52,886)	(1,770)	(4,467)
5. Leather products and footwear	1,315	1,196	1,169	-27	-146
6. Wood and paper products	624	635	636	1	12
7. Optical goods	469	441	482	41	13
8. Electronic watches and clocks	426	389	395	6	-31
9. Electric and electronic products	573	593	582	-11	9
10. Jewellery and related articles	1,567	1,537	1,581	44	14
11. Toys and carnival articles	1,178	1,088	1,131	43	-47
12. Other	1,982	1,995	2,054	59	72
TOTAL	81,572	83,391	86,069	2,678	4,497

Table 1.8:- New and Closures in EPZ sector: Year 1997 and 1st quarter 1998

Product group	Year 1997						1st Quarter 1998					
	New projects		Closures		Employment		New projects		Closures		Employment	
	Enterprises	Employment	Enterprises	Employment			Enterprises	Employment	Enterprises	Employment		
1. Food	-	-	-	-	-	1	5	1	1	11		
2. Flowers	-	-	3	8		-	-	-	-	-		
3. Textile yarn and fabrics	2	23	2	272		2	90	1	1	38		
4. Wearing apparel :	15	766	13	1,677		4	539	6	6	422		
Pullovers	-	-	(3)	(879)		(1)	(316)	-	-	-		
Other garments	(15)	(766)	(10)	(798)		(3)	(223)	(6)	(6)	(422)		
5. Leather products and footwear	-	-	-	-		-	-	-	-	-		
6. Wood and paper products	2	13	2	11		1	18	1	1	9		
7. Optical goods	-	-	-	-		-	-	-	-	-		
8. Electronic watches and clocks	-	-	-	-		1	9	-	-	-		
9. Electric and electronic products	-	-	1	8		-	-	-	-	-		
10. Jewellery and related articles	3	37	1	2		-	-	-	-	-		
11. Toys and carnival articles	-	-	1	86		-	-	-	-	-		
12. Other	4	17	4	27		7	66	2	2	7		
TOTAL	26	856	27	2,091		16	727	11	11	487		

Table 2.1:- Employment by size and sex: March 97 - Dec. 97 - March 98, Pioneer Status Enterprises

Employment size	No. of enterprises			Employment ¹								
	March 97	December 97	March 98	March 97			December 97			March 98		
				Male	Female	Total	Male	Female	Total	Male	Female	Total
25 and above	19	20	19	643	640	1,283	670	673	1,343	673	658	1,331
10 to < 25	28	33	36	308	100	408	347	123	470	366	140	506
less than 10	91	103	109	274	109	383	322	117	439	344	123	467
T O T A L	138	156	164	1,225	849	2,074	1,339	913	2,252	1,383	921	2,304

¹ includes expatriates: No. as at
 - Mar. 97: 68 (57 males, 11 females)
 - Dec. 97: 65 (54 males, 11 females)
 - Mar. 98: 72 (61 males, 11 females)

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

Product group	March 1997			March 1998				
	No. of enterprises	Employment		No. of enterprises	Employment			
		Male	Female		Total	Male	Female	Total
1. Watches and clocks	2	41	170	211	2	34	201	235
2. Informatics	27	251	408	659	31	290	412	702
3. Electric and Electronic products	29	161	71	232	29	179	79	258
4. Light engineering	21	229	24	253	26	246	27	273
5. Support to jewellery	3	16	26	42	4	18	26	44
6. Support to printing and publishing	10	140	65	205	10	137	61	198
7. Other support services	19	134	42	176	24	134	51	185
8. Plastic and rubber products	16	167	22	189	19	230	25	255
9. Other	11	86	21	107	19	115	39	154
TOTAL	138	1,225	849	2,074	164	1,383	921	2,304

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

Product group	March 1997			March 1998		
	Employment			Employment		
	Male	Female	Total	Male	Female	Total
1. Watches and clocks	1	0	1	1	0	1
2. Informatics	18	6	24	21	7	28
3. Electric and Electronic products	6	1	7	6	0	6
4. Light engineering	12	0	12	12	0	12
5. Support to jewellery	0	0	0	1	0	1
6. Support to printing and publishing	5	1	6	4	1	5
7. Other support services	8	2	10	5	2	7
8. Plastic and rubber products	4	0	4	5	0	5
9. Other	3	1	4	6	1	7
TOTAL	57	11	68	61	11	72

Table 2.4 :- Analysis of net change in employment: 1st quarter 1998, Pioneer Status Enterprises

	Evolution 1st quarter 1998	
	Enterprises	Employment
A. Total employment creation :	...	198
Expansion in existing enterprises	39	145
New enterprises	14	53
B. Total employment lost :	...	146
Reduction in existing enterprises	24	130
Closures	6	16
C. Net change (A-B)	8	52
Male	...	44
Female	...	8

Table 2.5: - Net change in number of enterprises by product group: March 97 - March 98, Pioneer Status Enterprises

Product group	No. of enterprises			Net change	
	March 97	December 98	March 98	1st quarter	Year
1. Watches and clocks	2	2	2	0	0
2. Informatics	27	30	31	1	4
3. Electric and electronic products	29	30	29	- 1	0
4. Light engineering	21	25	26	1	5
5. Support to jewellery	3	3	4	1	1
6. Support to printing and publishing	10	10	10	0	0
7. Other support services	19	21	24	3	5
8. Plastic and rubber products	16	18	19	1	3
9. Other	11	17	19	2	8
TOTAL	138	156	164	8	26

Table 2.6:- Net change in employment by product group: March 97 - March 98, Pioneer Status Enterprises

Product group	Employment			Net change	
	March 97	December 97	March 98	1st quarter	Year
1. Watches and clocks	211	259	235	- 24	24
2. Informatics	659	665	702	37	43
3. Electric and electronic products	232	257	258	1	26
4. Light engineering	253	254	273	19	20
5. Support to jewellery	42	42	44	2	2
6. Support to printing and publishing	205	199	198	- 1	- 7
7. Other support services	176	194	185	- 9	9
8. Plastic and rubber products	189	231	255	24	66
9. Other	107	151	154	3	47
TOTAL	2,074	2,252	2,304	52	230