



**MAURITIUS RESEARCH COUNCIL**

# **A STUDY OF GENDER, MIGRANT LABOUR AND THE EPZ IN MAURITIUS**

**Final Report**

*August 1999*

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**NEW INDUSTRIAL STRATEGIES:  
A STUDY OF GENDER, MIGRANT  
LABOUR AND THE EPZ  
IN MAURITIUS**

Sponsored by the Mauritius Research Council

and undertaken by

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The Research Team

# Executive Summary

## Objectives

The Report is based on research carried out from 1996 to 1998 on “New Industrial Strategies: The experiences of migrant workers in the Mauritian EPZ”. The research was carried out using qualitative and quantitative methodological approaches.

This research is based on an earlier study on workers in the EPZ ( See Kothari and Nababsing 1996). One of the key findings of this project was the increasing reliance on foreign workers to this industrial sector. At the same time we also became aware that the area of temporary worker migrations had been largely understudied. This current research emerged out of our concern of an absence of detailed material on the use and experiences of migrant workers particularly in regions outside of Europe and North America. The report does not only provide details of processes of industrialisation and the importation of labour but also information that will enable the formulation and effective implementation of appropriate policies. We hope that this preliminary study has raised important issues and identified areas for further investigation and analysis. We expect this report to be of direct interest to migrant workers, industrialists and policy makers and of more general interest to those concerned with the role of labour movements within global economic strategies.

## Main Findings

1. There has been an increasing employment of migrant workers in the EPZ mainly because migrant workers are seen to provide the necessary flexibility and availability for the specific needs of this industrial sector. Whilst the strategy of employing foreign labour in the EPZ is relatively new, it does not appear to be one which is temporary.
2. There are a variety of recruitment practices which involve local contractors, middle men and recruitment agencies. Most of the workers interviewed for this study stressed that this was a difficult and problematic process and one which is often corrupt. Indeed, many industrialists also thought the recruitment procedures were unsatisfactory and some had taken to travelling to countries to monitor the process or recruit labour directly.
3. Almost three-quarters of the migrant labour force are female and contrary to commonly held beliefs, almost half of the women are married with children. Higher earnings in Mauritius than in their home country make migration an attractive option for many migrant workers. Whilst most workers confirmed that they had migrated because they would earn more here and because of the low standards of living in their own countries, a significant proportion stressed the importance to them of having the opportunity to travel and have new experiences. This challenges previous research which focuses on labour migration as purely an economic strategy.
4. Most foreign workers are employed on three-year contracts as machinists with a few as supervisors. They earn an average of Rs.5000/month which includes an average of 15 hours overtime a week. Some of the workers interviewed were disappointed by the limited availability of overtime work which had been previously guaranteed and their actual earnings which they had been led to believe would be much higher. They also found the cost of living in Mauritius to be much higher than they had envisaged and there are concerns about living conditions particularly accommodation. However, migrant workers are willing to accept poor working and living conditions because they view their employment opportunities abroad as being only temporary.
5. There is limited contact between local and migrant workers partly due to language differences but also the segregation of the workforce within the factory. In addition there are restrictions placed upon the mobility of migrant workers most of whom live in dormitories. Migrant workers are not unionised but some belong to religious and cultural associations.
6. Local labour confirm that migrants work harder and that they perform more overtime. There does not seem to be any overt hostility on the part of local workers towards foreign workers with whom they socialise, although language is a barrier.

### **Policy Implications**

1. Review of existing legislations and regulations governing the recruitment procedures, and living and working conditions of migrants and ensuring that these are closely monitored and effectively enforced.
2. Organisations which support foreign workers need to be established to ensure tht their working and living needs are adequately met and their problems addressed.
3. Given the expressed desire among workers for more contact with Mauritian workers, there is need to explore strategies for their greater integration.

### **Future Research**

1. Further research needs to be carried out into whether the employment of cheap and flexible migrant labour is discouraging industrialists from adopting more technologically based production processes.
2. More research needs to be carried out into why local labour are not working in the factories; is it an issue of productivity levels alone? A further issue to be addressed is what changes may take place with rising levels of local unemployment and economic insecurity.
3. One of the areas not covered in this research but whihc is iomportant in terms of understanding the wider implications of temporary workers is the impact on labour-sending countries where wage renittances from workers abroad are often of critical importance.

# INTRODUCTION

## RESEARCH OBJECTIVES AND METHODOLOGY

**'Temporary workers is a generic term covering a plethora of chronologically and spatially disparate situations. The complexity, pervasiveness and long history of the temporary worker phenomenon render generalisations about temporary workers' characteristics and behaviour a hazardous undertaking. Yet the body of scholarly literature, directly or indirectly focused upon temporary workers has yielded recurrent themes if not the beginnings of a theoretical understanding of the phenomenon.**

**In some countries scholarship on temporary workers has been far from dispassionate, the controversies that have accompanied research on temporary workers cannot be considered unusual in the light of the socio-economic and political significance of the phenomenon. They do, however, suggest the tentative and generally sketchy state of knowledge on the topic. Comprehensive knowledge of temporary workers is inhibited by linguistic, documentary and other barriers. Quite a number of contemporary incidences of large scale temporary worker employment are known mainly through newspaper reports. Temporary worker migrations in several areas of the Third World remain virtually unstudied. Even in the case of seasonal workers in France and Switzerland relatively little research has been done...Most of what is known about temporary workers results from studies in which temporary workers are not the unit of analysis. In other words, most of what is known about temporary workers derives from scholarship focused on, say, immigration policy, rather than upon temporary workers per se' (Miller 1986).**

### I INTRODUCTION

This study on migrant workers in the Export Processing Zone in Mauritius was carried out from December 1996 to December 1998 with the following main objectives:

1. To collect data on the recent economic strategy of recruiting, primarily female, migrant labour in EPZs in order to better understand this process and its impact on industrial change in Mauritius.
2. To examine the characteristics of migrant labour and their experiences in Mauritius, in order to inform the development of policies relating to the implications of the involvement of migrant labour in Mauritian economy and society.
3. Since the recruitment of foreign migrant labour is a new phenomenon in EPZ industrialisation in Mauritius, this study will contribute to contemporary international debates on, and research in, the recent processes of globalisation of the labour market.

In order to address these objectives research was carried out into the following issues:

1. The strategies of employers to address the issue of labour shortage and the need for higher productivity in EPZs.
2. The process of implementation of this strategy through an examination of processes of recruitment, and systems of incentives.
3. The profile of the migrant including their demographic characteristics, reasons for working in Mauritius, contractual arrangements.
4. The migrants' experiences in Mauritius: working and living conditions (health, wages and remittances, safety, housing, sexual harassment and relations with local community); coping

strategies adopted and benefits to labour migrants.

5. The local responses to migrant labour including the effects on wage rates and on the local labour market, social change and the overall impact of immigration on Mauritian society and economy.
6. The strategies and policy implications of international labour migration recruitment in EPZs and the likely future economic strategies of factories within the wider context of industrialisation.
7. The implications of long term new technology intensive strategies in EPZs on labour demand. Will there be a continuation of the labour migration policy or is this a transitory situation? What are the alternatives?

## II METHODOLOGY

The research involved the collection and analysis of data from a variety of sources. The Ministry of Industry was an important source of information relating particularly to the legal and institutional framework governing the employment of migrant labour by Mauritian establishments. This Ministry was also a valuable source of secondary data relating to the scale of migrant labour in the EPZ and the spread of such labour across establishments. The Central Statistical Office provided data on the evolution of migrant labour over time. However, for most of the issues addressed in this research there was little relevant data available and it was clear that the study would need to include the collection and analysis of primary data. The motivation to employ migrant workers, the possible correlations between such employment and the characteristics of the employer/establishment, the perceived advantages and disadvantages of employing migrant workers, for example, are issues that can only be explored by obtaining information from EPZ employers. On the other hand, the socio-economic profile of migrant workers, their motivation in taking up employment in the Mauritian EPZ, their level of integration in the Mauritian community are examples of issues that are best addressed by obtaining information from the workers themselves. Thus, it was obvious that the study would need to comprise several components.

Quantitative and qualitative data were collected. Structured questionnaires were administered to ensure that all respondents were asked the same questions in the same way and in the same sequence. The result is that responses are then comparable and can be aggregated to produce numerical estimates of characteristics of the population, including, for example, the percentage who possess a certain attribute or hold a certain opinion. On the other hand, the qualitative approach is much more informal and flexible. While this approach does not enable the production of numerical estimates, it often provides interesting insights that would not otherwise be possible using a more quantitative approach. Different sorts of information were collected through focus group discussions and interviews with key informants. For the present study it was decided to use both approaches and to combine their strengths. Sample surveys of both employers and migrant workers as well as focus group discussions with the latter were carried out.

In carrying out the field work, some major operational difficulties were anticipated. Preliminary discussions with a few employers suggested that fears that the study would scrutinise employment and living conditions of migrant workers, or that the real purpose of the study was to justify the cessation of employment of such workers, could cause reticence to cooperate. Furthermore the logistical problem of contacting and interviewing workers in different languages was formidable. It did not appear feasible to contact the migrant workers at their worksite and exploratory consultation with a few employers of EPZ establishments confirmed this. Access to dormitories is also in general restricted and it was clear that it would be difficult if not impossible to gain such access in most cases. Furthermore, the migrant workers come from a variety of countries and the available information indicated that most of them could not communicate in English. The languages spoken, depending on country of origin, were Mandarin, Hindi, Bangladeshi, French or Malagasy, Malayalam and Tamil. It was not possible to find interpreters in each of these languages to carry out interviews of the migrant workers.

The research design and implementation had to take account of the important difficulties mentioned above. For the survey of employers, in order to encourage response, a short and simple questionnaire avoiding 'sensitive' questions was prepared. Given that some of these questions required digging into company records, it was decided that the best strategy was to mail the questionnaire to the employers

selected and ask them to fill it in. The objectives of the study were explained briefly and assurances of confidentiality given. For the survey of migrant workers, after careful examination of the options available, it was considered that the most feasible approach was to design a questionnaire for self administration (i.e. to be filled in by the migrant workers themselves). This was deemed possible because consultation with employers had indicated that, in general, the migrant workers were literate in their own tongues. However, it was necessary to have the questionnaire translated into each of the languages spoken by the migrant workers (see Appendix 1). Finding suitable persons to do the translations proved to be a difficult task and for certain languages, this had to be done abroad. Given that the questionnaire was to be completed by the migrant worker, it had to be kept simple and factual.

The selection of the sample for the employer survey was carried out in the following manner. A list of establishments employing migrant workers was obtained from the Ministry of Industry. Another list of establishments compiled in the context of a previous study on Technological Competence carried out by a team from the University of Mauritius was obtained. This was a list comprising establishments in various sectors including the EPZ. From it, a list of EPZ establishments was extracted. By relating the list of establishments provided by the Ministry of Industry to this second list, it was possible to prepare two frames, one for establishments employing foreign workers and one for the other establishments, both frames including the names as well as the addresses of establishments. From the list of establishments employing expatriates, all 70 establishments employing more than 10 expatriates were selected for mailing of the questionnaire. Of the remaining 41 employing 10 or fewer expatriates, 11 establishments were selected randomly. Among establishments not employing expatriates, all 81 employing over 100 workers were selected into the sample. Of the 146 on the list employing 100 or fewer workers, 19 were selected by random sampling. As expected not all establishments to which questionnaires were mailed responded, in spite of considerable efforts which involved sending reminders, and making follow up calls, in those instances where the original questionnaire was lost, faxing a fresh copy. A total of 99 establishments ultimately responded: 61 employing expatriates and 38 not. It may be noted here that, given the objectives of the survey, efforts to secure response from uncooperative establishments were concentrated on those that employed expatriates. Non response is usually high with self administered questionnaires. The key issue with non response is whether there is reason to believe that the non respondents may be different from the respondents in important ways, which would affect the representativeness of the findings. Given that the questionnaire included mostly factual questions that were not considered sensitive, it is believed that those who did not respond did not have any particular reason for not doing so, and probably do not differ from the respondents in a systematic and consequential way.

For the survey of workers, exploratory consultations with employers indicated that they were unwilling to provide lists of their migrant workers from which to select a sample. Some offered to do the sampling themselves which we refused as it would not have been possible for us to ascertain whether the sampling had been done randomly. It must be noted that comparisons of migrant workers of different origins, that is, coming from different countries, was a major objective of this survey. For this, it was necessary to have, in the sample, adequate numbers of migrant workers of the various origins. Given this, an equal probability sample, i.e. a sample where every migrant worker had the same chance of being selected was not possible as such a sample would have been dominated by workers from China and to a lesser extent India. There would not have been enough workers from the other countries. It was therefore decided to purposively select a small number of establishments (11), so that all nationalities of migrant workers were adequately represented. Within the selected establishments all migrant workers were to be handed the questionnaire with the request that it be completed and returned to their supervisor. Letters were sent to the selected establishments to explain the process and enlist their cooperation. Field workers were recruited to deposit the questionnaires with the establishments' administration, explain the procedure for distribution and collection of the questionnaire. The completed questionnaires were to be collected from the establishments by the field workers within one week after their distribution. Again, there was non response, not all workers returning the questionnaire duly completed. This non response varied across establishments. Again, given that the questions were not "threatening" ones, it is believed that the non respondents probably do not differ from the respondents in any material way.

In addition to the structured questionnaires a number of more informal interviews with key informants (see Appendix 2), individually and in focus groups, were carried out.

The research methodology was designed as far as possible to meet research objectives. It has been, to

a certain extent, conditioned by various constraints, and operational difficulties. These need to be borne in mind in interpreting the findings.

# CHAPTER I

## PROCESSES OF LABOUR MIGRATION

### I THEORIES OF MIGRATION

Migration has been a part of history from very early times and its scale has steadily increased along with the progress made in the field of sea and land transportation. Large scale migration became significantly more important with the spread of colonial capitalism, which accelerated the process of global economic integration. The most important migratory wave in recent history occurred after the second World War.

The reasons for people migrating are numerous. The complexity of each movement makes it difficult to arrive at any generalisations about motivations for migration and about migrants' characteristics and behaviour. Reasons for migration range from poverty, famine, political or religious persecution, ethnic prejudice to marriage or family obligation. Growing inequalities between rich and poor areas no doubt create conditions for migration flows, however, economic gain is not always the main reason for migrating. Migration takes many different forms, spatially and temporally and it is impossible to assess the total number of migrants there are in the world at any one time. The International Organisation for Migration (IOM) estimates the figure of international migration to be in excess of 80 million people (IOM 1990). One of the difficulties of assessing the number of migrants is the problem of definitions used to identify definitions used to identify a process of migration or a migrant.

Dominant theories of migration focus on the 'push' and 'pull' factors which compel people to migrate. The causes of migration are understood as a combination of 'push' factors, which are the reasons why people leave their place of origin and 'pull' factors which are those that attract them to a new place. Poverty, low living standards and political or religious persecution are frequently cited as 'push' factors, while 'pull' factors may include a demand for labour, availability of land, other economic opportunities, political security and freedom. Some of the dominant explanations of migration emerge out of a neo-classical paradigm which tends to assume that people's actions and motivations are based on their desire to maximise economic gain and well-being.

More recently, these theories have been criticised on the grounds that people's decisions to migrate are much more complex and are not always solely based on economic rationale. In addition, they are unable to explain actual movements, why people choose certain places to settle and not others, and to predict future ones. These theories imply that not only would the mere existence of economic disparities lead to migration flows but that in the long run, such flows would level out wages and conditions of work, thus, leading towards some form of economic equilibrium. However, this has not generally been the case with disparities between regions often becoming more acute. Some people argue that processes of migration are largely shaped by the historical relationship between places (see Cohen 1997) as prior links play a crucial role in determining the direction of migratory movements. These links could be based on previous colonisation processes, political influence, trade, investment or cultural ties. Individual governments' immigration policies have also been significant in facilitating or preventing migratory flows.

More recently greater emphasis has been placed on the need to examine migration flows within the world labour market system rather than to analyse the phenomenon as isolated decisions taken by individuals or their families to maximise their well-being. There are very often a whole range of reasons which compel an individual or group of leave one place and move to another. In addition many people are twice or thrice migrants as they follow world labour markets following greater regional and global integration of production, distribution and exchange processes in the world economy. To fully understand the phenomenon of migration it is therefore important to link macro and micro levels of analysis; that is, to explore wider economic, social and political processes together with the specific circumstances of individuals and households.

World Systems theories (see Wallerstein 1974) and theories of the New International Division of Labour (NIDL) associated with the work of Froebel et al (1979) and Sassen (1988) have provided new parameters to understand population movements in the second half of this century. The world system theory links international migration with the structural disparities between countries as a result of the penetration of capitalist economic relations into peripheral, non-capitalist societies. In Europe, the 1950s were characterised by large-scale immigration of cheap labour to work in the industrial economies of the West, where migrant workers were prepared to accept low wages, to work longer and more flexible hours and to carry out activities that local labour were not prepared to do. From the 1970s, this International Division of Labour was created when manufacturing production processes were fragmented so that the capital and technology intensive components of the production process remained in the industrialised countries and the labour-intensive activities were relocated to 'Third World' countries. Rising production costs reflected in declining profits had led some manufacturing industries to relocate to developing countries where they could more easily employ a cheap, flexible and often non-unionised labour force, thus keeping production costs down.

The 'labour regulation' theory derived from the work of Lipietz and Harvey (1989) suggest that these measures could be subsumed under a fundamental necessity for greater flexibility of production. The temporary movement of labour fits in well with this strategy for greater flexibility in production processes. Foreign labour is easily hired and fired and are often 'multi-functional' in the sense that they are prepared to do different types of jobs depending on the vagaries of market demand. The use of foreign workers in the production process also makes unnecessary strict adherence to labour standards; labour laws especially those relating to security of employment do not apply in the same way to temporary foreign workers, giving greater flexibility to the production process and greater control over labour.

## **II WOMEN FACTORY WORKERS: a new and flexible industrial labour force**

The export oriented industrialisation strategies of the 1970s brought large numbers of young women into the industrial labour force. Several theories have been advanced to explain the preference for young women into this work sector. This experience stands in sharp contrast to earlier phases of industrialisation oriented towards import substitution when women were almost non-existent in the labour force.

In the 1970s and the 1980s, the new strategy adopted to set up Export Processing Zones saw the emergence of a particular system of production and the creation of a New International Division of Labour (Froebel et al 1979). Export oriented industrialisation brought the relocation of production processes of certain types of manufactured product from the industrialised countries to the developing world. Part of the production process or, in the case of textiles, the whole process involving the most labour intensive tasks, which are also low skilled and low paid, are located in these low wage economies. The tasks that remain in the industrialised countries tend to be those that are more highly paid, requiring high levels of skill and are more 'knowledge intensive'. This new production system has been referred to as the New International Division of Labour where the developing countries would provide cheap labour and the developed countries capital and technical expertise. Thus, the types of industry which were relocated included electronics, textiles, garments, toys and sporting equipment.

Developing countries provided other incentives to attract foreign investors to relocate to their region in an effort to solve growing unemployment problems and balance of payments problems. These incentives included tax holidays, low wages, substandard labour laws and absence of environmental regulations. The inexperienced, hard working, 'docile' and poor young women especially from the South East Asian region became a critical element in this strategy for the following reasons:

- Women constitute an even cheaper labour force in those countries. There are still important wage differentials between men and women but even in countries where these differentials have been removed, women's total earnings are still lower than men's in the manufacturing sector.
- Women are perceived as being more 'docile' and more willing to accept tough conditions, and monotonous and repetitive work.
- Women's involvement in trade union activities tends to be minimal although it is to be noted that in general, unionisation levels in this sector are low for both men and women.
- It is believed that women especially those from the far East are more suited for this type of work as they have small hands and nimble fingers and more suitable manual dexterity for the textile and electronics production processes.
- Women are perceived to be the secondary wage earners within households. They also constitute an easily disposable workforce in a sector where labour demands can fluctuate rapidly since security of employment is assumed to be less critical for women than for men who are generally seen as the primary income earners within households.

Swasti Mitter (1986) argues that heavy focus on the powerful and persistent images of Asian woman workers in global factories, in low paid, insecure, assembly-line jobs has obscured what she considers to be fundamental issues around new industrial labour strategies being adopted in the global economy of the 1990s. She believes that the recruitment of insecure and especially disposable labour is not confined to underdeveloped countries but is in fact part of a wider management strategy that affects not only the Third World but also developed countries. The new production process seeks a 'flexible', de-regulated labour force which can be easily managed, relocated or disposed of depending on the vagaries of the global market.

'But the casualization of employment is not confined to the global factories of the developing world. The phenomenon of part-time work and temporary work in the West is a manifestation of the same changed management practices. 'Flexible manning' is the order of the day....' (Mitter 1986, Preface).

The more competitive the world market becomes, the more need there will be for efficient control over marketing, retailing and flexibility in production particularly in the textile sector where success in the 'fast fashion' business rests on the ability to gauge the market and swiftly meet demand.

## **III WOMEN MIGRANTS AND LABOUR FLEXIBILITY**

Migrant workers, like women workers, provide the flexibility necessary for the production process. Relocation has not only moved capital and technical know-how to low wage economies, but has also encouraged widespread immigration to the US and other Western countries. Large numbers of migrants including 'unskilled' Asian women, flocked into the US at a time when there was accelerating domestic unemployment. This process has created Third World enclaves within developed economies of the West. Cheapest labour is provided by the undocumented workers who work in unlicensed sweatshops which operate illegally on the fringes of the economy, in order to avoid unemployment insurance, minimum wage-rates, and regulations concerning child labour, overtime pay and working conditions.

The insecurity of homeworkers, mostly migrant women and other workers in the sweatshop economy forces them to accept very low wages and sub standard working conditions.

Mauritius presents a very interesting case where export oriented industrialisation has been so successful in terms of employment creation that labour (male and female) no longer offer the necessary levels of flexibility to allow locally produced goods to be competitive on the world market. The decision to import labour from lower wage economies was an industrial strategy to replicate and restore the characteristics of a low wage economy, which is a necessary condition for the success of export oriented industrialisation.

Although the importation of foreign workers became possible and acceptable because of severe scarcity of labour in the early 1990s, it has continued in spite of definite signals of rising unemployment within the country. Even during the peak of the economic growth period at the end of the 1980s, the female participation rates were only 40% which low compared to many other similar economies.

The reasons for this rigidity between the supply of, and demand for, labour in the EPZ at the local level are still unclear and need to be researched in greater depth. Either the local labour force is no longer interested in working in this sector which is perceived as being of low status and low grade especially by the increasingly educated workforce; or industrialists feel they would not be able to remain competitive on the world market without the higher productivity levels of foreign workers, due to the greater flexibility of their terms and conditions of employment. Another reason put forward is that foreign workers have become increasingly necessary because Mauritian women are no longer prepared to offer the much required 'flexibility' to the production process. These are issues which need to be explored further, particularly because the importation of foreign labour could become a major source of tension, but were beyond the scope of this study.

Saskia Sassen (1984) suggests that some of the conditions that have promoted the formation of a supply of migrant women in the Third World countries are linked to broader processes of economic restructuring occurring at the global level. The main changes have been a general shift to a service economy, the down grading of manufacturing (partly to keep it competitive) and the demand for low-wage labour. These major trends have necessitated the informalisation of various sectors of the economy, which is ideally achieved by the importation of cheap female labour from low wage economies. As Sassen (1984) argues, gender cannot be considered in isolation of these structural arrangements and that gender is insufficient to specify the conditions of migrant women whether within their countries of origin or outside.

#### **IV THE IMPACT OF MIGRATION ON THE LOCAL LABOUR FORCE**

Studies of the impact of migration have concentrated on two aspects, namely the conditions of migrant workers in the host country and the impact, both social and economic that migration has had on the local labour force. The problem of the displacement of local workers by temporary workers and the effects of temporary worker employment on wages and working conditions of the local labour force are still being hotly debated. The growing hostility that has developed in France against migrant workers has derived from the belief that the presence of migrant workers is creating unemployment problems for local labour. Limited research has been carried out in this area and the findings are often contradictory and unclear, making impossible any kind of generalisations.

Extensive studies of foreign labour in the French construction industry (Verhaeren 1976), have shown

that temporary employment does prevent improvements in wages and working conditions, if not depressing them. And in the long run, the depression of wages and working conditions make it less and less likely that employers will be able to hire local workers, thereby making the employment of foreign workers imperative (Miller 1986).

Other studies have shown that foreign worker recruitment fluctuated with upturns and downturns in aggregate employer demand for workers and in certain situations the employment of foreign workers has prevented labour bottlenecks and maintained growth levels (Boehning and Maillat 1974). Employer demand for foreign workers co-exist with high unemployment levels in the local labour force. In the case of developed countries like France, efforts to replace foreign workers with local workers in certain work sectors, namely low status manual work, have met with little success, making it necessary to continue to enlist foreign workers.

## **V LIVING AND WORKING CONDITIONS OF TEMPORARY FOREIGN WORKERS**

In most countries of the world, temporary migrant workers experience substandard living and working conditions. Housing conditions for temporary workers are generally unsatisfactory because of the seasonality and the short duration of their stay. Many of them are simply barracks erected close to the factory. Workers are subjected to certain restrictions relating not only to their employment but also to their mobility and interaction with local people. Many workers are willing to tolerate considerable discomfort and restrictive living conditions, most frequently in order to save on rent and because their stay is often short. In some extreme situations, they are even prepared to sleep in shifts and share their living quarters with a large number of other workers.

Temporary workers are rarely unionised primarily because their residency regulations make it difficult for them to exercise their rights effectively.

In many countries temporary worker migration frequently end up in immigration or permanent residency. The guestworker policies in Europe after the world war resulted in unanticipated and unwanted settlement by foreigners admitted in the first place as temporary workers. The situation in Mauritius is very different. The legal and institutional framework of foreign labour importation makes virtually impossible permanent settlement. This has averted the tension that could have arisen between foreign workers and the local labour force. In many countries with important migrant inflows, the presence of large numbers of foreign workers is often perceived as a threat by the local labour force and has often led to racism, and even overt conflict on racial or ethnic lines. The phenomenon of the national front in France and the formation of a white Australian political party to keep the country white are cases to illustrate the deterioration in tolerance levels towards migrant workers, especially those from the developing world.

Apart from being a potential threat to the local labour force, the presence of foreign workers generates a certain degree of suspicion and tension often due to language problems leading to communication difficulties. Other factors are residential segregation, different life styles and cultural traditions. It is often the deliberate policy of employers to segregate the labour force and reduce interaction of foreign workers with the local labour force to minimal levels. This often exacerbates hostility and antagonism. However, as we show, many migrant workers are able to earn a higher income in Mauritius than in their home countries.

## **VI WOMEN TEMPORARY WORKERS**

Until recently it was thought that temporary workers were primarily young males but recently women have started to play an important role in temporary migration movements especially in industrial work sectors. These women foreign worker suffer from a double jeopardy, of being women and of being foreigners. It is easier to maintain low wages and ignore labour laws with women without risk of protest and work disruption, because they are not considered to be the primary wage earners in their households. The physical mobility of women can be more controlled and restricted as patriarchal relations of the household are extended to work relations (Anthias 1983). Women are less involved in workers organisation and protest movements which are often male-dominated and express the interests of men.

In many larger countries such as Indonesia, the Philippines and Bangladesh, EPZs operate as enclaves near big cities and ports requiring the temporary migration of young women workers from rural areas. Women have had to move from their home localities to take up employment in these bounded zones. Dormitories have been built near the work site to accommodate workers. Very often assertions are made about the 'inadequate supervision' of single sex dormitories leading to 'sexual immorality' and unwanted pregnancies (see Mathers' study on West Java). The concentration of large numbers of young women workers in a fairly insecure employment sector, does lead to specific problems reflected in different forms of harassment both within and outside the work place. To avoid such problems the movement of workers is restricted and closely monitored by supervisory staff in the dormitories. But the situation is reported to be more serious among those who cannot afford the cost of hostels and dormitories and rent cheap and squalid accommodation to save on their meagre salaries. Without the support of family and community, some of the workers who have to live on their wages alone and at the same time remit part of their salary to their families at home, take up other jobs such as domestic, or restaurant workers during their time off. In moments of serious financial difficulty, some even take up prostitution (Mather 1985).

## **VII THE DIVERSITY OF MIGRANT WORKERS' EXPERIENCES**

The nature of temporary work carried out by migrant labour, and the working and living conditions attached to such work, makes it a difficult experience in any situation. But the severity of the difficulties which arise vary, depending largely on the type of legal and administrative framework that regulate the work sector and the institutional provisions made for migrant workers, as well as the general socio-economic environment of the host country. At the same time, the migrant's perception of this difficulty will be influenced by the wage levels and work conditions in the migrant's home country as compared with those prevalent in the host country.

## **CHAPTER 2**

# **INDUSTRIAL STRATEGIES IN MAURITIUS AND THE EMERGENCE OF THE EXPORT-PROCESSING ZONE**

### **I INTRODUCTION**

Prior to Independence, Mauritius was primarily an agrarian monocrop economy relying completely on the export of sugar to Europe, and the UK in particular. Rising population growth coupled with the stagnant sugar sector in the late 1950s led to increased unemployment which rose to about 20 per cent of the labour force and levels of poverty were increasing.

In this context, the Government commissioned the Meade report in 1960 to find ways to initiate the development of a manufacturing sector in order to break the cycle of poverty and social unrest perpetuated by the sole reliance on sugar exports. The Meade report formed the cornerstone of Mauritius' industrial strategy which developed in the 1960s. The report outlined a framework for import substitution, characterised by industrial protectionism through the imposition of protective tariffs to assist the development of infant industries. As a result, the Industrial Development Tax Relief was first introduced in the Income Tax Ordinance in 1961 which later became to be known as the Development Certificate (DC) under the Development Incentive Act of 1974.

This import substitution policy was partially successful in establishing the basis of an industrial sector including activities such as food processing, production of beverages, fertilisers, footwear and furniture. These manufacturing activities unleashed the creation of a nucleus of entrepreneurs who had not only accumulated the necessary qualities for risk-taking but had also acquired the necessary managerial expertise for moving into large scale production. However, given the exigencies of the local market marked with a narrow-resource base, the economic situation remained very bleak in the late 1960s.

Unemployment remained at approximately 29% and GDP was growing at an average annual rate of only 1.75% and the visible trade balance remained negative thereby leading to shrinking foreign exchange reserves. It became evident that the DC scheme had done little to resolve the unemployment problem, as most of the industries which had been set up were capital-intensive, employing few workers.

### **II ORIGINS AND EARLY DEVELOPMENT OF THE EPZ**

A significant shift in industrial strategy was required to redress the poor socio-economic situation in the aftermath of independence. The Government of Mauritius decided to promote in parallel an export-oriented strategy through the setting up of the Export Processing Zone (EPZ) which would help to achieve the Government's objectives of:

- Employment creation
- Increased net foreign exchange earnings
- Attraction of foreign direct investment
- Economic diversification

Unlike many other countries which were export-oriented, Mauritius had no specific raw materials and little knowledge of export markets and production technologies. The Mauritian entrepreneurs were thus confined to providing capital either from their own resources or through loans made available through the Development Bank of Mauritius and foreign marketing expertise. Despite these difficulties, in 1970, the Government established an EPZ Act which incorporated a number of incentives and facilities. These included :

- duty-free imports of machinery, equipment, spare parts and raw materials;
- exemption of income tax on dividends during the first ten years of operation from the start of

- production and free repatriation of dividends;
- free repatriation of capital (without appreciation) on obtaining approved from the Bank of Mauritius;
- easy access to electric power, loans, investment and export finance at preferential rates;
- export credit and export insurance facilities ;
- capital depreciation allowances and investment credits;
- comparatively flexible labour legislation ;
- exemption from payment of half the normal registration fee on land and buildings purchased for new enterprises;
- issue of residence and work permits to shareholders and expatriate technical/professional workers;
- accessibility to factories for lease/rent ; and
- guarantee against nationalisation.

The aim of these incentives was to encourage export-led growth using abundant cheap labour and to tap the enhanced marketing potential of Mauritius as a base of operation of export-oriented manufacturers owing to Mauritius's preferential access to the European and USA market available under the Lome Convention and the Multi-Fibre Agreement.

### III PHASE I: 1971-1976

In order to attract foreign investors to Mauritius, strong promotion campaigns were launched in Europe with the assistance of the European Development Fund. Moreover, in view of further gaining the confidence of prospective investors, Mauritius joined the Multilateral Investment Guarantee Agency (MIGA) and the International Convention for the Settlement of Investment Disputes (ICSID). The European Economic Community also had specific agencies, such as the Center for Industrial Development (CID) and the European Investment Bank, which were responsible for bringing EEC investors to African, Caribbean and Pacific (ACP) countries, including Mauritius.

This new policy orientation was successful in bringing about progress in the EPZ sector with respect to employment creation and productive output. As shown in Table 2.1, employment in EPZ enterprises soared from 644 in 1971 to attain 2,588 the following year, representing nearly a four-fold increase. This trend was further enhanced during the upcoming years and in 1975 employment in EPZ enterprises reached 10,267. As stated in the first National Development plan 'our people are our only asset', and while most youth shunned agricultural employment, they were willing to work under the equally harsh industrial discipline.

**Table 2.1: Employment**

	1971	1972	1973	1974	1975	1976
EPZ enterprises	644	2,588	5,800	8,969	10,267	17,163
male labour	214	384	770	1,088	1,676	3,478
female labour	430	2,204	5,030	7,881	8,591	13,685
Local enterprises	9,131	8,988	9,922	11,704	12,205	12,185
Total	9,775	11,576	15,722	20,673	22,483	29,348

Source : Central Statistical Office

Female labour consisted of 82% of the labour force in EPZ enterprises over the period 1971 to 1976. This situation was primarily due to the nature of the job and the institutional setup. The types of activity involved in the textile and garment factories in particular were thought to be more suitable to female rather than male labour. This assumption was based on gender stereotypes which suggest that women are more docile than men and are more suited to tedious, repetitive work. At the same time, women has almost the same level of educational qualifications as men and therefore were seen as ideal for the new industrial environment.

The Government also intervened in fixing wages; the Industrial Relations Act of 1973 instituted the system of remuneration orders by which the National Remuneration Board established minimum wages, conditions of employment and specifications of jobs for various categories of workers in the private sector. However, compensation levels in the early 70s were highest in the Government sector

followed by sugar, DC firms and finally at the very bottom of the pyramid, EPZ.

Relatively low compensation levels for the EPZ reflected gender differentials where the remuneration orders provided for about 30% higher minimum wages for male workers than female workers. This deliberate supply side policy was aimed at making cheap labour attractive to investors.

The EPZ companies accounted for around 28% of the value added of the manufacturing sector in 1976 as against 17.9% in 1974. Exports from EPZ enterprises turned around Rs 135 million in 1974 compared to Rs 10.5 million and Rs 45.7 million in 1972 and 1973 respectively. By 1976, exports soared to Rs 308.6 million of which 50% were destined for France. High sugar prices created the conditions enabling native risk capital to invest in the EPZ alongside foreign investment originating from the excess sugar boom proceeds in the years 1973-1974 which at the same time helped to diversify the economic base of the country.

The concept of the EPZ in Mauritius differed radically from other EPZs by introducing the notion of the individual-factory EPZ as distinct from a Zone-based programme ( in which specific geographical area are designated as EPZs). This major innovation created a situation which allowed for maximum flexibility in relation to industrial promotion and location strategy. In this respect, industrial estates were erected in the vacant part of Plaine Lauzun and the need was felt to develop similar estates in other parts of the country, the largest site being situated at Coromandel. The Development Bank of Mauritius also earmarked lands for industrial sites at Beau Vallon, Mer Rouge, Curepipe and Vacoas-Phoenix.

This policy was rapidly successful leading to a surge in manufactured exports and employment, mostly in textiles and garment. By 1976, a total of 84 firms employing 17,163 people had established in the EPZ programme, thereby outstripping the total employment in domestic industry engaged in import-substitution which stood at around 12,200.

#### IV PHASE II: 1977-82

In the period from 1977-1982, the EPZ continued to expand, although at a slower rate. In 1978, there were 85 firms operating in the EPZ with a total workforce of about 18,200. Table 2 gives selected economic data for the EPZ. The poor performance in 1977 is explained by the fact that there were not only fewer enterprises coming into production but there were also a number of factory closures. In late 1977, five EPZ enterprises whose labour force numbered 700 ceased operations. In the first quarter of 1978, three other EPZ enterprises with about 540 employees closed down. Some redundant workers were redeployed in companies belonging to the same group, or in other companies engaged in the same line of operations.

Exports from the EPZ continued to increase, in spite of various constraints encountered in several markets. Mauritius had to enter into a self-restraint agreement with France in 1977 where it was specified that exports of pullovers, shirts, blouses, trousers, shorts and knitted gloves should not exceed specified quantities. This agreement covered the period 1977-1980. The U.K, Ireland and Sweden followed this protectionist move in 1977. In the same spirit of protecting imports, Mauritius signed an agreement to export only a limited quantity of specified knitted products to the US in 1981 for woollen sweaters. However, the rate of growth of capital formation doubled in 1980 compared to 1978, registered a downturn in 1982, where investment dropped to Rs 38 million , the same level as that prevailing four years previously. The share of value added of EPZ companies remained at 28% in 1980.

**Table 2.2: Main Economic Indicators of the EPZ**

	1977	1978	1979	1980	1981	1982
No of EPZ enterprises	88	85	94	100	107	115
Employment	18,169	18,323	20,742	21,344	23,601	23,476
Total EPZ exports	433	485	620	895	1087	1235
Value Added	126	156	223	321	421	449
Investment	na	37.5	62	76	65	38

Source : Central Statistical Office

Employment which stood at 18,169 in 1977 increased to 21,344 and 23,476 in 1980 and 1982 respectively representing an increase of around 30% whilst the total number of EPZ companies remained below 100 for the first decade of its development. While in the early 1970s increase in employment was primarily determined by the setting up of new enterprises, a good proportion of new employment in the late 1970s was generated by the expansion of existing industries.

The slowdown was attributable mainly but not exclusively to the prolonged downturn in the EU and US markets initiated by the two major oil crises in the 70s and which affected the attractiveness of Mauritius to foreign industrialists. It was exacerbated by two internal factors - a severe decrease in the availability of local capital due to a decline in export earnings from the sugar sector and the progressive appreciation of the rupee, which was allowed to be linked too closely to the rising dollar during that period. This led to declining competitiveness of exports through deteriorating terms of trade. A drawing down of reserves followed with a build-up of hard debt and substantial increases in real wages. Besides, the wave of industrial unrest which broke out in 1979 deteriorated labour relations and did not improve the image of the EPZ.

Despite the fact that the share of EPZ exports in total exports rose from 10.3% in 1975 to 24.8% in 1980, there was little indication that Mauritius had made much headway with industrialisation by 1980 (Moloney 1997) as shown in Table 2.3. There was little change on the export performance of the economy, with agriculture still accounting for more than 70% of total exports.

**Table 2.3: Economic indicators of the EPZ**

	1975 (%)	1980 (%)
Share of EPZ exports in total exports	10.3	24.8
Share of EPZ value added in total GDP	2.2	4.3
Share of EPZ investment in total GDFCF	n.a	3.7
Share of EPZ employment in total employment	5.9	10.8

Source: Economic Indicators, Central Statistical Office

The twin-fold strategy of import-substitution and export orientation was successful in overcoming obstacles of local prejudices and know-how. But import substitution activities encouraged production of import substitutes by more capital-intensive methods and the late seventies saw a tapering of industrial growth. Import protection failed to provide the desired linkages or diffusion effects of industrialisation to stimulate the economy. The unemployment situation was taking dangerous proportions of 11.4% in 1980 and 20.3% two years later. Mismanagement of aggregate demand coupled with adverse external factors resulted into mounting balance of payment difficulties.

The economic crisis of the late 1970s resulted from an over-optimistic view of the medium-term prospects of the economy, following the sugar boom, which prompted the Government of the day to embark on an ambitious programme of public investment and social upliftment which could not be sustained for long by the level of development then attained by the country. Thus, when the terms of trade moved dramatically against Mauritius in the second half of the 1970s, the level of aggregate demand became unsustainable and, given the open nature of the economy, the fiscal deficit fuelled the trade deficit and the foreign exchange reserves of the country fell dramatically.

## **V INDUSTRIAL DEVELOPMENT IN THE 1980s**

Mauritius adopted the stabilisation and structural adjustment programmes of the IMF in 1979. The stabilisation programme focused on demand management policies amongst which a realistic exchange rate policy was adopted through two devaluations of the rupee with respect of the SDR (of 30% in 1979 and 20% in 1981) in order to enhance the competitiveness of the Mauritian economy.

By the late seventies, it was clear that the import substitution sector had exhausted its ability to generate new employment in Mauritius. It displayed a certain inadequacy as a policy tool to stimulate industrial development. As Maxwell Stamp's 1984 report indicates the structure of protection was encouraging an inefficient allocation of resources as the DC sector began to emerge as an internationally uncompetitive, capital intensive sector working at less than full capacity with the result that it was becoming increasingly divorced from the efficient and internationally competitive EPZ sector.

Mauritius therefore set a development strategy with emphasis on export-led growth. In spite of the shortcomings of the import substitution strategy, Mauritius gained in terms of having produced a breed of domestic entrepreneurs and exposed the labour force to an industrial work environment which helped to start shaping an industrial culture.

The Structural Adjustment Programme initiated in 1980 focused on supply side policies essentially to boost the manufacturing sector and set the economy back on the road to recovery. The major steps that were taken were the reduction of the effective corporate tax from 65% to 35% in 1984. A year later the legislation was amended to enable firms operating under various schemes to pay a corporate tax of 15% over their lifespan as opposed to a tax rate of 35% subsequent to their tax-holiday period. Consequently, export enterprises which benefited formerly from a ten-year tax holiday on corporate income tax were given an additional rebate of 50% on their tax liability for the next five years followed by a 25% rebate for a final five years thereafter. This improvement of the investment incentives package was made with a view to making Mauritius a more attractive location for foreign investors (Economic Review DATE). An Export Credit Insurance Scheme was introduced with the aim of providing protection to exporters against credit risks.

Relative price developments and the appreciation of the SDR against most other currencies other than the US dollar reversed some of the gains in competitiveness achieved by the second devaluation. Subsequently, the Government delinked the Mauritian rupee from the SDR in 1983 and linked it to a basket of currencies that were more representative of the country's trade pattern. Wage rates for male workers in the EPZ were liberalised. The imposition of higher minimum male wages limited the expansion of EPZ firms with declining supplies of female labour and was a likely source of tension, in the face of rising female employment and high levels of male unemployment.

A number of institutions were set up from 1984 to support the industrialisation process directly or indirectly:

- The Mauritius Export Development and Investment Authority (MEDIA), which has the responsibility for promoting investment and exports as well as developing and managing industrial estates;
- The Small Industries Development Organisation (SIDO) which later became the small and Medium Industries Development Organisation (SMIDO) for promoting the development of small and medium scale industries;
- The Stock Exchange which was aimed at facilitating investment;
- The Industrial and Vocational Training Board (IVTB) to cater for the training needs of the country.

**Table 2.4: Main indicators of the EPZ**

	1983	1984	1985	1986	1987	1988
No of enterprises	146	195	290	408	531	591
Employment	25495	37522	53951	74015	87905	89080
Number of expatriates	0	0	0	300	300	550
Total exports (Rs m)	1307	2152	3283	4951	6567	8176
Share of EPZ in GDP (%)	5.2	7.2	9.6	11.3	13.1	13.5
EPZ investment (Rsm)	64	165	260-	450	530	730

Source: Economic Indicators, Central statistical Office

For six years from 1983, as seen in table 2.4, Mauritius enjoyed an unprecedented high growth in the EPZ sector. The contribution of the EPZ sector to GDP increased substantially, rising from 5.2% in 1983 to 13.5% in 1988 and investment registered an unprecedented increase of around Rs 675 million from 1983-88.

Similarly, employment which stood at 25,495 in 1983 shot up to nearly 90,000 in 1988. The activities of the EPZ were mainly labour-intensive owing to the cheap labour force and the EPZ also became the largest employer in the economy absorbing some 35% of the aggregate workforce. Total exports rose by 20% annually on average during the period 1983-88. Exports from EPZ fetched Rs 8,176 million in 1988 compared to a mere Rs 1,307 million in 1983. The European Union absorbed 80% of which France took a sizeable proportion and the USA/Canada shared the remaining 20%.

Although the attractiveness of the various incentives varied considerably in the 1970s and 1980s, the overall competitive edge that Mauritius enjoyed enabled it not only to benefit from the cyclical growth in export markets but also from the general movement of delocalisation of manufacturing industries from high-cost industrial economies to lower cost developing economies (Mauritius 1970-1990 : a retrospective economic analysis)

The EPZ attracted foreign investors from France, the Netherlands, Germany, Singapore, India and in particular from Hong-Kong. The low utilisation of quota allocation to the US market got a boost from a number of Hong-Kong investors looking for new locations for production. Thus, a number of Hong-Kong entrepreneurs who were looking for countries that had not yet come up against quota restrictions imposed by the US, established their textile factories in Mauritius. In addition, the 'Hong-Kong' syndrome took shape as there was a movement of capital out of Hong-Kong prompted by the agreement on the return of Hong-Kong to China in 1997; some of the capital came to Mauritius through the reassuring presence of an indigenous Chinese community.

It must be pointed out that the Government, through MEDIA, constructed industrial estates for private entrepreneurs for rent at concessionary rates. This type of incentive added another dimension for the attraction of investment in the EPZ sector. The influx of Hong-Kong investors benefited the Mauritian business community in terms of technical know-how brought in and ready markets which they had cultivated in the US but which could not be fully utilised by them once the quota limits for Hong-Kong had been reached (Mauritius Managing Success, 1988). Consequently, foreign direct investment which was Rs 12 million in 1985 escalated to Rs 300 million in 1989.

Despite the fact that the EPZ has attracted substantial foreign investment, local equity participation is as high as 60% ( L'île Maurice et sa Zone Franche, Pierre Yin et al, DATE). Another striking feature since 1986 was that expatriate workers began working in Mauritius (see Table 4). The expatriate workers, which amounted to 300 in 1986 rose to 550 in 1988, comprised mainly managerial staffs and factory supervisors. These staff, in particular those from Hong-Kong, proved important as many of the companies established in Mauritius were subsidiaries of foreign parent companies which made production and marketing decisions.

**Table 2.5: Percentage distribution of EPZ enterprises**

Product group	1983	1984	1985	1986	1987	1988
Flowers	10.3	8.2	6.6	5.1	5.3	4.7
Textiles	5.5	5.6	4.5	4.4	4.3	4.6
Clothing	43.8	52.3	60.0	67.6	68.5	69.0
o/w pullovers	18.5	19.0	15.2	13.0	11.5	10.8
Other garments	23.3	30.8	43.1	53.4	56.1	57.4
Leather	3.4	3.1	2.4	2.2	2.3	2.0
Wood	2.7	3.6	3.1	2.5	2.4	2.5
Optical goods	1.4	1.0	1.0	0.7	0.8	0.7
Watches & clocks	4.1	3.1	2.1	1.2	1.1	1.0
Jewellery	6.2	5.6	4.5	2.2	2.3	2.4
Fishing tackle	2.7	2.1	1.4	1.0	0.6	0.5
Toys	4.1	3.1	2.4	1.5	1.3	1.2
Other	15.8	12.3	12.1	11.5	11.1	11.3

Source: Economic Indicators, Central Statistical Office

EPZ activities were, however, heavily concentrated in clothing as shown in Table 2.5. The degree of concentration which accounted for about 44% of the number of firms in 1983 and 80% of employment increased to 69% of firms and 87% of employment. Within the clothing industry, there has been a rising concentration in textile garments, and a decline in the knitwear industry.

A notable aspect of the growth of the EPZ sector during the mid 80s was the proliferation of Cut-Make and Trim (CMT) firms in response to subcontracts offered by some of the larger garment firms that had accepted orders beyond their production capacity. This type of activity benefited both parties: the larger firms had additional capacity without the need to make investment in equipment and training; and the CMT firms could operate with low setting-up costs without any expertise in marketing. CMT units were small and 85% of CMT's employed 50 or fewer workers. Considerable assistance were provided to CMTs by the government and between 1985 to 1986, 130 CMT operators were granted export enterprise certificates.

Another important element of the economic performance of the industrial sector in Mauritius was the commitment of the successive governments to the export-oriented development strategy initiated in 1970 and the stable political situation which prevailed during the period. It must be stressed that the package of incentives offered to potential investors in the EPZ was never challenged and even during the period of acute economic and financial disequilibria (1979-82), EPZ enterprises continued to have easy access to financial resources at concessionary rates and the import of raw materials and equipment continued to benefit from the tax concessions extended to them.

The performance of the EPZ sector provided the engine which drove the impressive economic transition from a deficit to a surplus current account of the balance of payments and a reduction of overall fiscal deficit. While the growth of employment was impressive reaching its zenith in 1991 when 90,900 were employed in 586 enterprises as shown in table 2.6, exports grew by seven fold over the 1984-91 period and by 1991 were at Rs 12,136 million accounting for 23% of total merchandise exports compared with 17% in 1984. By 1988, the EPZ sector's share of value added in the economy surpassed that of sugar thereby outstripping the sugar sector as the economy's primary engine of growth. The objective, therefore, of lessening the economy's dependence on sugar by diversifying exports was to a large extent realised.

However, the number of enterprises and employment fell to 563 and 88,658 in 1989 compared to 591 and 89,080 in 1988. Closure of firms exceeded new openings and was more pronounced in large firms. The relative success of the Mauritian EPZ during the period 1983-90 gave rise to a new set of problems. The major constraint which became apparent as from 1989/90 was one of scarcity of labour as the industrialisation process was based on labour-intensive techniques of production. The unemployment rate was brought down to 2.5% in 1990 leading to a rise in labour costs. As the cost of labour started to increase and the EPZ faced a shortage of skilled labour, productivity improvement became a more critical issue to industrialists. Consequently, some companies lost their competitiveness in certain product lines.

During the period 1982 to 1985, labour productivity declined at an annual rate of 6.2% in the manufacturing sector as the 16.5% growth rate in labour input outstripped the growth rate of real output of 9.3% (Ministry of Economic Development and Regional Cooperation). High labour mobility and absenteeism coupled with low level of efficiency due to the learning gap were major factors contributing to the decline in labour productivity.

Since 1986, there have been a positive growth in labour productivity and some of the factors that have contributed to this can be ascribed to longer working hours, shift work, and productivity awareness campaigns. With a view to further improve the competitiveness of firms, many industrialists have had recourse to migrant workers.

Labour productivity improved at an annual rate of 2.7% between 1986 and 1989, and at a higher rate of 5.4% from 1990 onwards as shown in Table 6. The EPZ sector reflected very little capital productivity gains between 1982 and 1989. It was only after 1990 that capital productivity showed positive growth. The shortage of labour compelled businesses to use capital more efficiently. Combining labour and capital productivity into multifactor productivity in the EPZ shows a negative trend until 1989. The growth rate became positive after 1990. The improvement of technological capabilities coupled with industrial re-engineering gave a boost to the higher level of labour productivity.

**Table 2.6: Productivity trends in the EPZ**

Year	Labour productivity Growth rate (%)	Capital productivity Growth rate (%)	Multifactor productivity Growth rate (%)
1983	-6.9	16.8	4.1
1984	-1.9	5.7	1.7
1985	-9.9	-5.2	-8.6
1986	3.2	-8.2	-2.4
1987	5.2	-9.0	-1.4
1988	6.9	-13.4	-3.4
1989	7.0	-8.7	-1.0
1990	7.5	3.4	6.4
1991	4.4	5.3	5.3
1992	7.8	10.5	10.1
1993	10.3	5.4	6.5
1994	6.6	5.8	5.8
1995	6.9	8.3	7.0
1996	8.4	7.5	6.5

Source : Productivity and Competitiveness Indicators, Central Statistical Office

## VI DEVELOPMENT IN THE 1990s

Since 1991, the EPZ entered a period of transition and consolidation. After peaking at 90,861 in 1991, employment in the EPZ declined to 79,793 in 1996, indicating that the EPZ no longer was a net employer. The shedding of labour had positive effects on productivity improvement where many firms went through the process of rightsizing their workforce. The rate of investment increased substantially in the 1991-96 period, in which over Rs 4.7 billion (see Table 2.7) was ploughed into the sector.

**Table 2.7: Main indicators of the EPZ**

	1990	1991	1992	1993	1994	1995	1996
No of enterprises	568	586	558	536	494	481	481
Employment	89,906	90,861	86,937	85,261	82,176	80,466	79,793
Number of expatriates	600*	1,150	1,996	4,095	5,492	6,097	6,771
Total exports (Rs m)	11,474	12,136	13,081	15,821	16,533	18,267	21,001
Share of EPZ in GDP (%)	12.5	12.2	11.8	11.9	11.7	11.7	12.1
EPZ investment (Rsm)	640	610	540	875	880	805	960

Source: Economic Indicators, various issues, Central Statistical Office

Note \* the figure for number of expatriates for 1990 is as at June only and the rest represent figures as at December.

In the face of acute labour shortage, many large and medium companies in the EPZ sector started importing labour, particularly from China. As a result, the number of expatriates rose from 600 by mid 1990 to attain 6,771 in 1996, representing a more than ten-fold increase. Around 70% of migrant workers were female who were employed in garment making factories.

However, in the face of intensive global competition through trade liberalisation, managing economic success imposed a prescription which converged towards the achievement of global competitiveness. The achievements in the economy called for re-ranking of priorities where the vertical climb replaced the horizontal expansion of the industrial sector and strong emphasis is now placed on the drive towards the improvement of qualitative standards.

With on-going assistance from the World Bank, UNIDO and UNDP, the government introduced a series of incentives to facilitate firms to upgrade their products as well as technology including the establishment of the Export Processing Zone Development Authority (EPZDA) in 1992. The objective was to allow firms to achieve product and technology improvements through direct “hands-on” intervention. The modular productivity programmes funded jointly by the European Development Fund and the Center for Industrial Development in collaboration with EPZDA, provided 12 modules to improve productivity, from work measurement to sewing techniques, cutting practices, labour cost control and quality control. Eleven companies benefited from this programme by 1995, with significant increases in productivity, ranging from 10 to 60%.

A Technology Diffusion Scheme (TDS) was also set up under the World Bank project to grant private firms half the cost of buying services for raising competitiveness - improved productivity, quality and design services. The total funding was \$ 2.7 m, to be disbursed over a four year period. As at end of July 1996, 339 firms were interviewed by TDS, 129 applications were approved, 12 were in progress, 3 had withdrawn and 7 rejected. Money had been disbursed on 61 projects where EPZ manufacturing firms accounted for 57% of the grants and other manufacturing 28%.

In view of diversifying the industrial base of the EPZ, sectoral studies were carried out and revealed new investment avenues with high growth potential and which include the following:

- Printing and Publishing - as well as ancillary operations like typesetting, colour separation, pre-press operations, desktop publishing, photo-engraving and photo-composition;
- Software development;
- High-value added data processing, data capture and development of multi-media products on CD ROM's;
- Light engineering involving production of dyes and moulds, automobile components, spare parts, welding electrodes, etc.;
- Pharmaceuticals;
- Jewellery meant for high-spending tourists visiting the country and for export;
- Electronics, essentially parts and components like printed circuit boards and others;
- Plastic engineering - products like plastic parts for electronic components.

Investment was also geared towards the setting up of an Informatics Park which is equipped with state-of-the-art satellite and telecommunication services. The development of skills was also promoted through the setting up of the Industrial and Vocational Training Board. The government also focused on providing the appropriate information and a conducive environment with the introduction of Pioneer Status Enterprises Scheme which were granted to firms subscribing to a technological content highly needed on the island.

With the view to adding a new dimension to its export and investment promotion policies, Mauritius joined the Common Market for Eastern and Southern Africa (COMESA), comprising 22 member states and representing a market potential of about 250 million people. This new regional orientation ushered a new era for the Mauritian EPZ where Mauritius tapped the opportunities of the growth of many African economies. Exports to the COMESA region which was barely Rs 11 million in 1986 soared to approximately Rs 1.5 billion in 1996.

This dramatic growth was due to sustained market penetration and expansion strategies which widened new opportunities for exports. Exporters benefit from a 60-80% reduction of tariff on products which qualify for rules of origin criteria and the objective of this grouping is to establish free flow of goods and services among its members by the year 2000. The direction of EPZ exports which were bi-polar before 1990 with the EU and US markets accounting for around 75% and 20% respectively have found a newcomer in the name of Africa and in particular the COMESA region. Exported products range from the traditional articles of apparel and woven fabrics to fertilisers, flour, printed books, magnetic tapes, pharmaceutical products, electronic devices and others. With the emerging opportunities which arose from the enhancement of regional trading activities, Mauritius has set up a Freeport which would act as a warehouse for the African continent. In addition, Mauritius is now a member of the Southern African Development Community (SADC) and involved in formulating an Indian Ocean Rim Association for Regional Cooperation. This suggests that the future development of the Mauritian economy rests partially on the simultaneous growth of regionalisation and globalisation.

## **CHAPTER 3**

# **THE EMERGENCE OF MIGRANT WORKERS IN THE EPZ IN MAURITIUS**

### **I INTRODUCTION**

As mentioned in the previous chapter, in the late 1980s the Mauritian Export Processing Zone began to experience shortages of labour which led to the employment of imported labour in some of the factories. Previously, foreign workers in Mauritius were primarily employed at managerial, professional, technical and supervisory levels, and in very specific sectors where there was an absence of trained local staff.

Mauritius had no indigenous population and therefore the formation of a labour market was made possible by successive waves of labour migration starting with slaves followed by indentured labourers from India during the British period. The abolition of slavery ushered in the period of coolie exportation from India, and Mauritius was among the first colonies to recruit these workers. Coolies were first brought in on five year contracts and during this time they were not entitled to change employer nor place of work. Employers recruited labour 'units' and not families or households, for whom they bore the costs of recruitment and of the crossing and paid a fixed wage. The mobility of these indentured labourers was severely restricted by regulatory measures such as the notorious vagrancy laws which prevented labourers from wandering far from their work place. Many of those who had been brought in to work temporarily either stayed on voluntarily or lacked the resources to get back to their country of origin.

Over a century later, the problem of labour scarcity is again dealt with by the importation of temporary 'guest' workers from low wage economies and as we have seen, there are a number of similarities between the experiences of indentured labour in the past and those of the current migrant workers.

### **II LABOUR IMPORTATION STRATEGIES OF THE 1980s**

The island began to experience labour shortages in the end of the 1980s. The construction sector was the first to make representations to the government about the possibility of importing labour. In response to this request, the government decided to draw up lists of areas where human resources were scarce and three main areas were identified as most in need of large numbers of foreign workers. The sectors identified were the EPZ manufacturing sector, the construction sector and the hotel and catering sector. The government decided to allow importation of labour in those sectors only, however, there have been cases where foreign labour has been used in sugar cane plantations. At this time, a work permit committee was set up to consider requests and facilitate and expedite administrative procedures.

It was initially thought that the importation of labour would be a transitory phenomenon as the economy seemed to be moving from one which is labour intensive to one which is capital intensive, high tech and skilled. Indeed there is a view that the importation of relatively cheap labour while helping to eliminate short term labour bottlenecks in an economy could in the long run prove to be an obstacle to the rationalisation and modernisation process by preventing the necessary shift from a labour intensive to a capital intensive production process.

However, there has been a steady increase in the requests for work permits since the late 1980s especially in the Export Processing Zone.

The reasons given for the importation of labour is scarcity of the local labour supply, however, reasons given by workers themselves appear to be more complex and include the idea that local labour are no longer prepared to accept the conditions of work in the EPZ and that employers have a definite preference for imported labour because of their higher productivity levels. Despite these reasons, it was the scarcity of labour at the end of the 1980s, which coincided with the peak of the economic boom, that made acceptable the official decision to import labour. However, it is significant that the strategy to import labour was adopted not only to secure additional labour but to address other problems within

the labour force such as high levels of absenteeism, low productivity and refusal of local workers to do overtime . The late 1980s was the tail end of the textile boom and the market was getting more difficult and demanding. Even with the easing of the labour market situation, the decision to continue to import labour may be much less linked to actual scarcity of labour than to maintain competitiveness on the world market through high productivity levels and greater labour flexibility without increases in the labour cost and other administrative constraints at the level of industrial relations . It would be worth researching into whether this situation can be compared to that of highly developed industrial economies such as the United Kingdom and France where even during periods of unemployment the local population is not prepared to take up occupations perceived as being only for migrants; the most glaring examples are the lower level positions in the public transport industry or the nursing sector.

### III EMPLOYMENT OF LOCAL AND FOREIGN WORKERS IN THE MAURITIAN EPZ

The following tables show the evolution of the importation of labour by industrial sector and sex, and by nationality.

**Table 3.1: Work permits issued to skilled (production) workers by industry**

Industry	1992		1993		1994		1995		1996	
	M	F	M	F	M	F	M	F	M	F
Textile	459	1044	1947	2074	1986	4594	1359	3915	2278	4490
Construction	1229	2	558	2	1165	1	490	-	1118	-
Hotel	125	33	570	213	181	21	144	15	240	49

Source: Statistical Review on Employment, Ministry of Employment and Human Resource Development 1997.

**Table 3.2: Work Permits issued by (selected) nationality (all sectors and grades)**

Nationality	1992	1993	1994	1995	1996
Bangladeshi	145	-	-	-	294
Chinese	1424	3065	5984	4672	5636
Indian	736	1099	1991	1556	1680
Malagasy	131	160	222	212	337
Malaysian	202	193	151	47	97
Filipino	149	53	-	-	-
Sri Lankan	281	-	295	234	282

Source: Statistical Review on Employment, Ministry of Employment and Human Resource Development 1997.

Table 3.2 is not broken down by industrial sector and grade but gives an idea of trends from 1992 to 1996. The later sections of the report will give more detailed breakdown of the foreign labour population in the EPZ based on the findings of the survey carried out among foreign workers and employers.

Table 3.1 shows quite clearly that recourse to foreign, especially female, labour has been increasing steadily in the textile sector. Table 3.2 indicates that Chinese labour makes up by far the largest section of imported labour.

**Table 3.3: Employment of Local and Foreign Workers in the Mauritian EPZ 1987- 1997**

Year	No of establishments	Employment excluding foreign workers			Foreign workers			% of Foreign workers
		Male	Female	Total	Male	Female	Total	
1987	418	...	...	76369	...	...	450	0.6
1988	554	...	...	87538	...	...	600	0.7
1989	568	...	...	86716	...	...	600	0.7
1990	554	...	...	86058	...	...	650	0.7
1991	552	27570	57603	85173	500	450	950	1.1
1992	576	27560	60063	87623	550	650	1200	1.4
1993	557	24526	58413	82939	850	1850	2700	3.2
1994	505	23194	54953	78147	1234	3037	4271	5.2
1995	486	21972	53114	75086	1675	4325	6000	7.4
1996	470	21771	52328	74099	1829	4216	6045	7.5
1997	457	23522	49874	73396	2118	4834	6952	8.7
1998*	480	25173	51739	76912	3371	7619	10990	12.5

Source: Central Statistical Office  
Provisional figures (Sep 1998) Economic Indicators No 286, February 1999.

Table 3.3 shows the rapid growth of the foreign labour component of the EPZ since the employment of such labour was introduced in 1987. From a mere 0.6% in that year, it had risen to nearly 9% of the total workforce in the EPZ by 1997. Interestingly we note that, in the first few years following its introduction, the growth of foreign labour was slow while the local component remained fairly stable after a period of rapid increase up to 1988. After 1992, foreign labour grew rapidly while the number of local workers declined. This raises an interesting question. Does the dwindling number of local workers in the EPZ reflect deliberate policy of employers, in other words, is there a preference for foreign labour and are employers taking advantage of the authorisation to employ foreign labour to replace Mauritian workers? Or has the pool of local workers available for work in the EPZ decreased in size? The authorisation to employ foreign workers was granted in the first place to overcome the labour shortage. The question that arises now is whether this measure has outlived its purpose. In this context it must be noted that over the past few months, there has been a lot of advertising for recruitment of local workers in the EPZ. It would be interesting to find out the outcome of this advertising. It is also worth noting that employers argue that foreign workers are more willing to perform overtime work. From this perspective, foreign workers are not always taking away jobs that Mauritians would be willing to do\*.

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\* Cf. Summary of Discussions

**Table 3.4: EPZ Establishments According to the Number of Migrant Workers Employed (as at March 1997)**

No of migrant workers employed	Number of establishments	%
None	408	70.7
1 - 5	75	13
6 - 10	20	3.5
11 - 20	16	2.8
21 - 50	22	3.8
51 and over	36	6.2
<b>Total</b>	<b>577</b>	<b>100</b>

Source: Ministry of Industry

Although a sizeable proportion of the EPZ workforce is now made up of migrant workers, table 3.4 shows that less than 30% of the establishments are employing such workers. Of those that do, only 48 establishments (10%) are employing more than 20 migrant workers. Thus, the migrant labour force is concentrated in a relatively small number of establishments. This raises the question as to why some establishments resort to migrant labour while others do not. The extra costs involved in the employment of foreign workers as compared to their local counterparts may be partly responsible. Some employers, particularly smaller ones, although they may consider the employment of foreign workers desirable, may not find it cost effective. Whilst this view was expressed by some employers, there are also other cultural and organisational reasons.

Of those who employed migrant workers, a very large number employed no more than 5 of them. Most of these are small establishments as the table below shows. It is likely that in some of the establishments employing no more than 5 foreign workers, these workers are technicians or managers. In others it may be that the foreign workers are highly skilled production workers (e.g. in jewellery establishments)

**Table 3.5: Establishments Employing a Maximum of Five Migrant Workers by Size of Establishment (as at March 1997)**

Size of establishment	Number	Percentage
under 10	10	13.3
11-50	23	30.7
51 - 100	14	18.7
101 - 200	13	17.3
201 - 500	11	14.7
501 - 1000	3	4
over 1000	1	1.3
<b>Total</b>	<b>75</b>	<b>100</b>

Source: Ministry of Industry

Table 3.6 below shows, for establishments that employ migrant workers, their distribution according to the percentage that migrant workers represent of their total workforce.

**Table 3.6: Establishments Employing Migrant Workers According to the Percentage of their Workforce that Migrant Workers Represent (as at March 1997)**

Migrant workers as a percentage of total workforce %	Number of establishments	Percentage
less than 1	20	11.8
1 - 1.9	14	8.3
2 - 2.9	6	3.6
3 - 4.9	16	9.5
5 - 9.9	30	17.8
10 - 19.9	42	24.9
20 - 29.9	24	14.2
30 & over	17	10.1
<b>Total</b>	<b>169</b>	<b>100</b>

Source: Ministry of Industry

Table 3.7 examines whether the employment of migrant workers is related to the size of establishments. The Mauritian component of the workforce of establishments has been used as a measure of their size. The table indicates that the larger the size of the establishments, the higher the proportions that have recourse to migrant workers.

**Table 3.7: Presence of migrant workers in establishments' workforce by size of Mauritian workforce of establishment (as at March 1997)**

Size of Mauritian component of workforce	HAVE MIGRANT WORKERS?			
	YES		NO	
	Number	Row %	Number	Row %
under 10	17	14.0%	104	86.0%
11 - 50	33	19.1%	140	80.9%
51 - 100	20	22.0%	71	78.0%
101 - 200	34	36.6%	59	63.4%
201 - 500	40	58.0%	29	42.0%
501 - 1000	16	76.2%	5	23.8%
over 1000	9	100.0%		
<b>Total</b>	<b>169</b>	<b>29.3%</b>	<b>408</b>	<b>70.7%</b>

Source: Ministry of Industry

## **IV REGULATORY FRAMEWORK FOR THE IMPORTATION OF LABOUR**

### **The issuing of work permits**

The entry of workers into the country is very closely monitored. Work permits must be obtained prior to the arrival of the workers in Mauritius and workers cannot move from one employer to another except when there is a closure of factories when permission has to be sought from the Foreign Labour Monitoring Unit (FLMU). This Unit was set up in December 1992 following a number of negative reports elsewhere on the situation of foreign workers in the media and elsewhere. The main aim of the FLMU is to monitor the conditions of work and to provide foreigners with the necessary information to make their stay more comfortable and secure.

A company wishing to import large numbers of labour must initially submit a request to the Ministry of Employment, specifying the number and category of workers to be recruited and their country of origin. A work permit inspection visit is then made to the enterprise to obtain more information. The conditions that have to be met in the case of importation of labour including the following:

- The Company should provide free of charge decent accommodation (inclusive of water, electricity and gas) according to the standards set by the Ministry of Health and the Fire Authorities. The exact address and plan of the premises must be submitted.
- A full medical report must be produced in respect of each worker
- A model contract of employment must be submitted prior to the arrival of the worker. The contract must clearly indicate the rates of pay in Mauritian currency with the equivalent in US dollars or other currency as the case may be and other conditions of employment which should not be less favourable than those prescribed in the relevant labour legislation, namely the Labour Act, the Remuneration Orders, the Additional Remuneration Act, the End of Year Gratuity Act and the Workmen's Compensation Act.
- The payment of total salary and other benefits must be effected directly to the worker himself or herself in Mauritius. No deduction should be made from the wages of the workers except as authorised by the relevant legislation
- Documentary evidence of previous experience of each worker must be submitted
- The worker should be aged 20 or above.
- The prescribed cash deposit/bank guarantee in respect of each worker should be submitted prior to the issue of the work permit
- The worker should not travel to Mauritius until the work permit has been issued in his favour

Upon the receipt of the letter of intent, the Company can proceed with its recruitment exercise abroad. It then submits to the Employment Division individual applications for work permits on the prescribed forms together with a processing fee. Applications for residence permit should also be sent to the Passport and Immigration Office.

Individual applications for work permits are processed and referred to the Work Permit Committee which examines them. At the level of the Committee, the Representatives of the Ministry of Health and Fire Services Department report on sanitary and fire safety measures in respect of dormitories. If required standards have been complied with, the Committee recommends the applications favourably, if not, the whole process is delayed until the conditions are met. After obtaining work permits, applications are made for residence permits. Final approval has to be obtained from the Minister.

After the fees and deposits are paid by the Company, work permits are issued for a period of up to three years and the workers are finally able to come to Mauritius. There are cases where applications for work permit are turned down.

The presence of a growing number of foreigners in the labour force generated concerns among trade-unionists and the public in general. There were fears that foreigners might be taking the jobs of Mauritians. In order to allay those fears it was decided that the following factors should be considered by the Work Permit Committee before a decision is taken to grant work permits:

- the availability of labour on the local market
- the size of the firm and the numbers of workers employed

- the turnover of the company
- in the case of EPZ Companies, their actual and potential markets overseas
- past performance of the firm
- the ratio of Mauritian workers to foreign workers.

There was also a decision taken that the number of foreign workers should not exceed 3% of the total active labour force. Scarcity areas are reviewed periodically by the Work Permit Committee taking into consideration possible changes in the economy and the needs for labour.

Work permits are issued for a maximum of three years and extensions are considered only in exceptional cases. No expatriate worker should normally be allowed to stay in Mauritius for more than five years. In some cases, workers have a year out after the three years and come back again on a fresh contract. Breaks in continuity of residence is a way of preventing people from qualifying for applying for nationality on grounds of continuous residence. The fact that a foreign temporary worker is tied to a specific employer makes permanent settlement very difficult. The mobility of the worker is closely monitored so any move indicating an intention to settle permanently through marriage or any other arrangement could not escape the notice of the employer who would be keen to intervene to avoid any problems with the authorities. However, the findings of the survey of workers show that very few workers do in fact wish to settle permanently. While there may have been some 'bona fide' cases of foreign workers marrying Mauritians and settling here, the number of such cases is so small that it should not be cause for public concern.

Officially only skilled workers are recruited from overseas. However, this is debatable because foreign workers are involved in assembly line production mostly as machinists requiring limited training, ranging from one to three weeks, which can not be classified as skilled work. For example, in fish canning industries, the work at assembly line involves cleaning and shredding fish off the bone which requires little skill or training. Many workers interviewed said that they already carried out similar work in their own countries and therefore had limited need for further training.

The danger of communicable diseases such as Aids and STDs has been an issue of concern in the public. A few foreign workers found to be HIV positive, were immediately repatriated to their country. Health statistics up to April 1995 show that out of the 32 non-resident AIDs/HIV positive cases detected, only 6 were foreign workers.

In 1991 a decision was taken that all expatriate workers should submit medical reports and obtain medical clearance which can delay the delivery of work permits. These reports consist of:

- A complete medical examination
- Blood tests for Haemoglobin and full blood count ; test for Hepatitis B
- Screening test for HIV/Aids and STDs.
- Urine tests for Albumin and Sugar
- Stool tests for parasites
- Chest X-rays
- Malaria tests after arrival

As a further precautionary measure, there is a re-testing of a sample of workers for HIV/AIDs after they arrive in Mauritius.

Employers who recruit foreign workers are required to submit a deposit by way of a bank guarantee or cash to cater for any emergency, such as illness, necessitating immediate repatriation.

### **The monitoring of living and working conditions**

As the number of foreign workers increased, particularly at the production level, a number of problems began to emerge in connection to their living and working conditions. As mentioned in an earlier section, the government decided to set up a Foreign Labour Monitoring Unit in 1992 with the main aim of monitoring the living and working conditions of foreign workers. Posters in relevant foreign languages were posted in factories to make them aware of the existence of the Unit where they could

take their grievances.

The major problem encountered by the workers was that contracts are often drawn up in a language that they do not understand and in some cases, they had unknowingly signed work contracts which contained unacceptably high rates of deductions and commissions to recruiting agencies or individuals agents in their country of origin.

This issue was taken up by the Work Permit Committee who now require a contract of employment between the employer and the worker to be submitted prior to the arrival of the worker so that there is no confusion about level of wages and deductions. The contract must clearly indicate the rates of pay in Mauritian currency with the equivalent in US dollars or other currency as well as other conditions of employment which should not be less favourable than those prescribed in the relevant labour legislation, including the Labour Act, the Remuneration Orders, the Additional Remuneration Act, the End of Year Gratuity Act and the Workmen's Compensation Act. In addition the payment of the total salary and other benefits should be effected directly to the worker in Mauritius. No deduction should be made from the wages of the workers except as authorised by the relevant legislation.

In 1994, a Foreign Labour Inspection Squad was set up in the Ministry of Labour and Industrial Relations exclusively to monitor industrial relations issues affecting foreign labour. It was also the task of this Squad to ensure that the labour laws were being strictly adhered to.

One of the issues which has pre-occupied the authorities has been the accommodation conditions of foreign workers. Most of the workers live in dormitories and some of them were found to be in a deplorable state. Fire broke out in a couple of these dormitories. The buildings should be divided into compartments each of which should lodge a maximum of 12 persons. Roofs and walls should be water tight and internal partition should be build with fire resistant material and should extend up to ceiling level. Rooms must be adequately lit and ventilated\* .

The living premises occupied by foreign workers are visited by officers of the FLMU. For the period 1994 to 1995, the Ministry of Health made 1342 visits to dormitories, and 151 notices were served and legal action was taken in nine cases.

Upon approval of a request authorising a Company to import a specified number of workers, a letter of intent is sent to the employer, subject to certain conditions namely that the Company should provide free of charge decent accommodation (inclusive of water, electricity and gas) according to the standards set by the Ministry of Health and the Fire Authorities. The exact address and plan of the premises where it is proposed to accommodate the workers must be submitted well before the arrival of the workers. Considerable effort has been made by government authorities to improve the lives of migrant workers in the country. However, even when problems are detected and warnings issued, enforcement of standards proves to be difficult and the conditions of some of the living quarters of foreign workers remain unacceptable.

The Foreign Labour Inspection Squad ceased its operations in February 1997 because of a lack of staff. The enforcement of legislation pertaining to all workers including foreign employees is now carried out by the enforcement branch of the Ministry of Labour.

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\* Cf. Summary of Discussions

## **V RECRUITMENT CHANNELS**

This is probably the most problematic of all issues related to migrant labour and the source of the worst problems affecting foreign workers. Industrialists interviewed said that in certain countries, recruiting agencies, even the legally registered ones, have engaged in highly corrupt and reprehensible practices when recruiting workers. One of the main problems of the Enforcement Branch is that workers are frequently lured by overseas recruiting agents who promise a high salary on signature of a false contract. On arrival in Mauritius, when the workers are made to sign their actual contract of employment, they find the level of wages offered are much lower than they were previously made to believe\*.

For these reasons, some industrialists travel to these countries to monitor the recruiting procedures as closely as possible. Some employers do not rely on agencies and prefer to make their own arrangements by going abroad to conduct the recruitment exercise themselves through a licensed agency. Larger companies go through their parent company overseas.

There have been cases in the recruitment of Chinese workers, where three contracts have been drawn up: the first one between an officer of the recruitment agency in China and another agent in Hong Kong who has more direct contact with the local industrialist; the second one is drawn between the agent in Hong Kong and the company in Mauritius and the last one covering the conditions of work for the 2 or 3 years is agreed upon and signed between the recruiting agency on behalf of the Mauritian company and the worker who does not have any direct contact with the employer. Different companies have different arrangements depending on the type of contact and facilities that they have.

## **VI CONCLUSION**

This chapter shows that there has been a significant increase in the use of migrant labour in the EPZ in Mauritius but that this has not been without problems. The government has established a number of organisations to regulate and monitor numbers of migrants and their living and working conditions in Mauritius. However, many still experience difficulties particularly in relation to salaries, conditions in the work place and control over their time and mobility. In addition there is growing concern over the use of foreign labour with an apparent displacement of local workers in the EPZ labour market and rising national unemployment. Some of these issues will be discussed in more detail in subsequent chapters which present the findings of the research study.

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\* Cf. Summary of Discussions

## **CHAPTER 4**

### **RESEARCH FINDINGS: SURVEY OF ESTABLISHMENTS**

#### **I OBJECTIVES**

The objectives of this survey were:

- 1 to find out what kind of enterprises employ foreign labour (e.g. is the employment of migrant labour in the EPZ related with ownership, with the nature of the product manufactured, with the age of the enterprise etc.)
- 2 to investigate the distribution of the migrant workers by nationality, by skill level at which they are employed and age group
- 3 to study possible relationships between the nationality of ownership of enterprises and the nationalities of the expatriate labour employed
- 4 to study at the firm level the evolution of the migrant labour force (e.g. over the years have individual firms been increasing their numbers of migrant workers which would indicate that they have had positive experiences or is it the opposite?)
- 5 to investigate possible intentions of recruiting foreign labour on the part of those enterprises not currently employing such labour and possible intentions of recruiting more such labour on the part of those already employing migrant workers
- 6 to investigate the expectations of employers regarding the future demand for expatriate workers
- 7 to investigate employers perceptions of both the advantages and disadvantages of employing migrant labour.

#### **II FINDINGS**

The Analysis of secondary data above has indicated the scale of employment of migrant labour in the EPZ and has provided some partial information on the pattern of such employment: the breakdown by gender and nationality, the spread across establishments, the connection between size of establishment and the employment of migrant labour, the prevalence of concurrent employment of male and female migrant workers. The survey results described here need to be examined against the background of this information.

One of the issues examined by the survey was the following: why do certain establishments employ migrant labour while others do not? We have already seen from the analysis of secondary data that the size of establishments plays an important role, but are there any other factors? The table below analyses the presence of expatriate workers in the establishment by nationality of ownership.

**Table 4.1: Employment of Expatriates by Nationality of Establishment Ownership**

Type of Ownership	Yes		No	
	Number	%	Number	%
Sole Proprietor(Local)	16	41.0	23	59.0
Sole Proprietor(Foreign)	17	89.5	2	10.5
Partnership (Local only)	1	14.3	6	85.7
Partnership (Local & Foreign)	23	82.1	5	17.9
Partnership(Foreign&Foreign)	2	100	-	-
<b>Total</b>	<b>59</b>	<b>62.1</b>	<b>36</b>	<b>37.9</b>

Source: Survey of establishments

The table shows that foreign owned or partly foreign owned establishments are more likely to employ expatriate labour. This could be reflecting partly the size effect already detected in the analysis of secondary data, for establishments with foreign ownership in general tend to be larger than those with exclusively local ownership. However, on controlling by size of establishment, it is again found that in each size category, foreign owned or partly foreign owned establishments are more likely to employ expatriate labour. Another survey finding that goes in the same direction as the above is that establishments which are parents or subsidiaries of others located in other countries are more likely to employ expatriate labour.

**Table 4.2: Firms Employing Expatriates**

Whether firm is a parent or a subsidiary of another firm abroad?	Yes		No	
	Number	%	Number	%
Yes	26	86.7	4	13.3
No	32	51.6	30	48.4
<b>Total</b>	<b>58</b>	<b>63.0</b>	<b>34</b>	<b>3</b>

Source: Survey of establishments

The above findings are not unexpected as the experience of foreign entrepreneurs with foreign labour and the probably better knowledge they have of the sources of such labour is likely to predispose them to have recourse to it. It is also possible that foreign labour is more adapted to the style of management in establishments wholly or partly owned by foreign nationals. However, if the employment of migrant labour is somehow beneficial to establishments in general, then the barriers to a more widespread recourse to such workers by wholly Mauritian owned businesses need to be investigated and if possible overcome. For example it is often claimed that the expatriate labour is readier to perform overtime, are more disciplined and productive. On the other hand the employment of expatriates involves substantial overheads.

Does the year of creation of the establishment have a bearing on the employment of migrant labour? Various hypotheses are conceivable in this respect. For example, establishments born from the late eighties to the mid nineties when labour was scarce may have been readier to resort to migrant labour. Or older establishments because of their greater experience and contacts developed over time may have found it easier to identify and hire suitable migrant workers. The table below shows the distribution of establishments by year of creation and by whether they employ expatriate workers.

**Table 4.3: Employment of expatriates**

Year	Yes		No	
	Number	Row %	Number	Row %
<b>70 - 74</b>	7	100.0	-	-
<b>75 - 79</b>	3	60.0	2	40.0
<b>80 - 84</b>	6	50.0	6	50.0
<b>85 - 89</b>	32	57.1	24	42.9
<b>90 - 94</b>	11	73.3	4	26.7
<b>95 - 97</b>	1	100.0		
<b>Undetermined</b>	1	33.3	2	66.7
<b>Total</b>	<b>61</b>	<b>61.6</b>	<b>38</b>	<b>38.4</b>

Source: Survey of establishments

The differences in the percentages employing migrant workers by year of setting up of the establishment are not statistically significant, i.e. it is not possible to say for certain whether they are real or have arisen by chance as a result of the sampling process. However one notes that establishments set up before 1980 appear more likely to employ expatriate workers as compared to those set up during 1980 to 1984. Establishments set up in successive subsequent periods appear progressively more likely to employ expatriates. The inconclusiveness of these findings are in part due to the relatively small sample but arises also because of the operation of other factors. Thus for the period prior to 1980, the size effect previously discussed is no doubt coming into play as the establishments in the sample which were set up during that period tend to be large relative to those set up thereafter as is seen from the following table.

**Table 4.4: Size of Establishment by Year of Setting Up**

Year of setting up	Size						Row Total
	up to 50	51 - 101	101 - 200	201 - 500	501 - 1000	1000+	
70 - 74			<b>1</b> 16.7		<b>1</b> 16.7	<b>4</b> 66.7	<b>6</b> 6.4
75 - 79				<b>3</b> 60.0	<b>1</b> 20.0	<b>1</b> 20.0	<b>5</b> 5.3
80 - 84	<b>4</b> 33.3	<b>1</b> 8.3	<b>3</b> 25.0	<b>1</b> 8.3	<b>3</b> 25.0		<b>12</b> 12.8
85 - 89	<b>7</b> 12.7	<b>9</b> 16.4	<b>13</b> 23.6	<b>14</b> 25.5	<b>7</b> 12.7	<b>5</b> 9.1	<b>55</b> 58.5
90 - 94	<b>3</b> 23.1	<b>1</b> 7.7	<b>2</b> 15.4	<b>6</b> 46.2	<b>1</b> 7.7		<b>13</b> 13.8
95 - 97					<b>1</b> 100.0		<b>1</b> 1.1
Undetermined	<b>1</b> 50.0		<b>1</b> 50.0				<b>2</b> 2.1
<b>Total</b>	<b>15</b> 16	<b>11</b> 11.7	<b>20</b> 21.3	<b>24</b> 25.5	<b>14</b> 14.9	<b>10</b> 10.6	<b>94</b> 100.0

Source: Survey of establishments

There is on the other hand no sign of any consistent differences in nationality of ownership according to year of setting up, at least not in the sample. Any differences observed are not statistically significant. Therefore any indication of a relationship between year of setting up and employment of migrant labour cannot be attributed to this cause.

**Table 4.5: Ownership of Establishments**

Year Established	Ownership			
	Exclusively local		Wholly or Partly Foreign	
	Number	Row %	Number	Row %
70 - 74	3.0	42.9	4.0	57.1
75 - 79	2.0	40.0	3.0	60.0
80 - 84	8.0	66.7	4.0	33.3
85 - 89	25.0	45.5	30.0	54.5
90 - 94	7.0	50.0	7.0	50.0
95 - 97	1.0	100.0		
Undetermined			1.0	100.0
<b>Total</b>	<b>46.0</b>	<b>48.4</b>	<b>49.0</b>	<b>51.6</b>

Source: Survey of establishments

The table below shows, for the sample of establishments, the distribution of migrant workers involved in production by nationality.

**Table 4.6: Distribution of Migrant Workers (production only) across Establishments by Nationality**

Country of Origin	Number of Establishments	Number of Production Workers	% of Workers
China	34	3152	74.2
India	20	686	16.1
Sri Lanka	3	165	3.9
Bangla Desh	3	161	3.8
Madagascar	2	86	2.0
<b>All countries</b>	<b>52*</b>	<b>4250</b>	<b>100.0</b>

\* *Establishments employing migrant workers as production workers.*

Source: Survey of establishments

The data confirm the predominance of China as the main source of migrant workers followed by India. Other lesser sources are Sri Lanka and Bangla Desh and Madagascar. The sources of the migrant workers probably derive partly from geographical and cultural proximities but the nationality of ownership of establishments also plays a role as shown by the following table:

**Table 4.7: Nationality of Ownership Employing Migrant Workers from China**

No.of establishments	Ownership
7	Foreign Ownership (Hong Kong or Taiwan).
6	Local + Hong Kong Ownership.
7	Exclusive Local.
6	Other

Source: Survey of establishments

**Table 4.8: Establishments Employing Migrant Workers from India (only)**

No.of establishments	Ownership
3	Exclusive Indian Ownership.
6	Exclusive Local Ownership.
3	Local and Foreign Partnership (non-Indian).

Source: Survey of establishments

The connection between nationality of ownership and nationality of migrant workers is clear from the above data. Among establishments with Chinese workers, there is high proportion with Hongkongese or Taiwanese ownership, either complete or partial. Among establishments employing Indian migrant workers, three have exclusive Indian ownership and none has exclusive foreign ownership of any other nationality.

Very few establishments mix migrant workers of different nationalities as is clear from the table below. The reason for this is not known but it might be because establishments are able to get all the migrant workers they need from a single source, or because it is easier to stick to a single source and possibly a single channel of recruitment, or perhaps also to avoid potential conflicts.

**Table 4.9: Establishments Employing Migrant Workers from Different Countries**

Origin of Workers	No. of Establishments	No. of Workers
China and India	5	460
India and Bangla Desh	1	204
India and Sri Lanka	2	332
China and Sri Lanka	1	45

Source: Survey of establishments

As part of the survey, employers currently employing foreign workers were asked whether they want to employ more such workers whereas those not currently employing migrant workers were asked whether they would like to recruit them in the future. The results are given below:

**Table 4.10: Future Recruitment of Foreign Workers**

	<b>Employers currently employing foreign workers: whether would like to employ more</b>		<b>Employers not currently employing migrant workers: whether would like to employ them in future</b>	
	Number	%	Number	%
Yes	39	69.6	8	22.2
No	17	30.4	28	77.8
Total	56	100.0	36	100.0

Source: Survey of establishments

The results show that a large majority of employers already employing foreign migrant would like to employ more of the min the future. This indicates that these employers have had a good experience with migrant workers and find their employment beneficial to their enterprises in spite of any extra costs tat may be involved. For such employers, the government restrictions on the employment of migrant workers, in particular the obligation to remain within the prescribed maximum ratio of migrant workers to local ones, may be an impediment. Among establishments not currently employing migrant workers, it may be noted that a substantial percentage would like to do so in future. Furthermore 55% of all employers surveyed foresaw a rise in the demand for migrant workers. All this indicates that, although initially allowed by Government as a temporary measure to overcome the local labour shortage, employers differentiate between local and migrant workers and there is now a separate demand for the latter.

The survey questionnaire queried employers about their perceived advantages and disadvantages of employing migrant workers. The results are analysed in the table below:

**Table 4.11: Advantages and Disadvantages of Employing Foreign Workers**

	<b>Establishments Employing Migrant Workers</b>		<b>Establishments Not Employing Migrant Workers</b>	
	No.	%	No.	%
<b>Advantage</b>				
Increased productivity	36	65.5	20	66.7
Less absenteeism	36	65.5	19	63.3
Willing to do overtime	20	36.4	4	13.3
Multifunctional skills	14	25.5	3	10.0
Passive, obedient	4	7.3	4	13.3
Ease the problem of labour	5	9.1	2	6.7
They ensure the maintenance	5	9.1	1	3.3
Other	9	16.4	6	20.0
<b>Disadvantage</b>				
Expensive to employ	22	51.2	8	33.3
Comm. & Language diff.	12	27.9	4	16.7
Housing problem	8	18.6	7	29.2
Different cultures	11	25.6	3	12.5
Lack of hygiene	3	7.0	4	16.7
Less opportunities for local workers	2	4.7	6	25.0
Long procedure to employ	5	11.6	1	4.2
Other	13	30.2	11	45.8

Source: Survey of establishments

Higher productivity and lower absenteeism are the most frequently reported advantages perceived by employers, those currently employing migrant workers as well as those not doing so. Willingness to perform overtime is a frequently reported advantage among those employing migrant labour but less so among the other employers. As regards disadvantages, the cost of migrant labour, language difficulties and cultural differences and the problem of housing were the main perceived disadvantages.

### **III INTERVIEWS WITH KEY INFORMANTS**

Interviews conducted with key informants in the industrial field confirmed most of the findings of the survey of establishments namely that the reasons for importing labour were linked to the higher productivity levels of foreign workers compared with that of the local labour force. One of the industrialists said that according to him the productivity level of foreigners could be four times that of a local worker. Another industrialists admitted that this had much less to do with the skill level or quality of work of foreign workers than with their willingness to do overtime work and round the clock availability and hence very low levels of absenteeism.

There was an interesting nuance in the analysis made by Government officials compared to that of industrialists who were importing labour. Government officers on the whole felt that the importation of labour would be a temporary phenomenon which would gradually decrease, as Mauritians become more well trained and disciplined leading to higher levels of productivity of the local labour force. The industrialists who were themselves importing labour were much less optimistic about future improvement in productivity levels. One of the industrialists interviewed felt that there was a marked and profound difference in the attitude to work and general work culture between these two categories of workers. Among those with this view, the importation of labour is not linked to labour scarcity and would remain necessary even if there is an excess of labour supply in Mauritius in order to guarantee the competitiveness of local products on an increasingly competitive world market. These same persons felt that some industries would be forced out of production if they are no longer allowed to import labour.

There was also the feeling that the work ethos of foreign workers was having a positive effect on the local labour force. For example, it was mentioned that the level of absenteeism had gone down among local workers with the presence of foreign workers. Another argument heard was this situation was benefiting the local force especially married women with families who were no longer required to do as much overtime.

## CHAPTER 5

### RESEARCH FINDINGS: FOREIGN WORKERS IN MAURITIUS

#### I INTRODUCTION

This chapter presents the findings of the survey of foreign workers in Mauritius. It focuses on the demographic characteristics of the workers, their reasons for migrating to work in the Mauritian EPZ and their experiences as migrant workers. The material presented here represents an analysis of qualitative and quantitative data gathered during the period of research. The first section focuses on the findings from a structured survey of 955 foreign workers which included men and women from different countries. The following section explores the attitudes of Mauritian workers to the recruitment of foreign labour.

#### II SURVEY FINDINGS

1500 questionnaires were distributed to workers in the selected 11 establishments (see section on methodology). 955 completed self-administered questionnaires were finally collected by field workers, representing a response rate of 63% which is quite high for survey using the self administered questionnaire technique.

It is difficult to compare the sample size with the total number of foreign workers at the time of the survey because the numbers fluctuate considerably over the year as a result of the arrival and departure of large groups of workers. The number of work permits issued during successive years does provide an indication of the distribution of workers by nationality, but is not disaggregated by industrial sector. However, the vast majority of workers from other countries are engaged as production workers in the EPZ. The following table 5.1 shows the total number and percentage of work permits issued during 1993-1998 by nationality. This can be compared to table 5.2 which shows the nationality distribution of workers in the sample.

**Table 5.1: Work permits by nationality issued during 1993-1998**

Country	1993		1994		1995		1996		1997		1998	
	No.	%										
<b>Bangladesh</b>	-	-	-	-	12	0.6	97	4.1	202	5.1	102	2.1
<b>China</b>	1162	71.8	1438	61.2	1058	61.4	1568	66.4	2397	60.9	3120	64.4
<b>India</b>	367	22.6	684	29.1	536	31.1	597	25.2	1019	25.9	1253	25.8
<b>Madagascar</b>	74	4.5	133	5.6	62	3.5	55	2.3	217	5.5	178	3.6
<b>Sri Lanka</b>	14	0.9	93	3.9	55	3.1	44	1.8	97	2.4	189	3.9
<b>Total</b>	1617	100	2348	100	1723	100	2361	100	3932	100	4842	100

Source: Statistical Review on Employment (May-August 1998) Ministry of Education and Human Resource Development.

**Table 5.2: Foreign workers in the EPZ by country of origin in the survey sample**

Country	Total	
	No.	%
<b>China</b>	497	52.6
<b>India</b>	193	20.4
<b>Bangladesh</b>	130	13.8
<b>Sri Lanka</b>	93	9.8
<b>Madagascar</b>	30	3.2
<b>Other</b>	2	0.2
<b>Total</b>	945	99.0

Missing observations: 10

Source: Migrant Workers Survey

From the sample of 955 migrant workers, 22.8 % were males and 77.2% were females with a non-response rate of 2.9% (table 5.3). This reflects very much the labour pattern in the whole of the EPZ where the percentage of women workers has fluctuated between 65-75% at different times. There is however important differences where nationality is concerned. There is a much higher percentage of women among the Chinese and the Sri Lankans whereas, among the Indians and the Malagasys, the great majority of workers are men. Although in the sample there were only male workers from Madagascar, some factories have occasionally engaged significant numbers of Malagasy women workers. The same applies to workers from Bangladesh where there are often more women than men but these proportions have fluctuated from year to year.

**Table 5.3: Foreign workers by nationality and gender**

Country	Male		Female		Total
	No.	%	No.	%	No.
<b>China</b>	9	1.8	486	98.2	495
<b>India</b>	158	84.5	29	15.5	187
<b>Bangladesh</b>	15	12.0	110	88.0	125
<b>Sri Lanka</b>	-	-	89	100.0	89
<b>Madagascar</b>	29	100.0	-	-	29
<b>Other</b>	-	-	2	100.0	2
<b>Total</b>	211	22.8	716	77.2	927

Missing observations: 28

Source: Migrant Workers Survey

### Age

Table 5.4 shows that only 3.9 % of all the workers were below 20, 7.9% between 35-39 and 2.3% above 40 years old. The bulk of the workers were aged between 20 and 30. Female workers among all the nationalities tend to be younger than male workers, a much larger percentage (40.9%) being in the 20-24 age group than male workers (8.2%). The large majority of the workers are in the age bracket of 20 - 34 years and the figures more or less reflect the same age distribution which prevails among the local labour force in the EPZ sector.

**Table 5.4: Foreign workers by gender and age-group**

Age Group	Male		Female		Total	
	No.	%	No.	%	No.	%
< 20*	1	0.5	34	4.9	35	3.9
20-24	17	8.2	284	40.9	301	33.4
25-29	73	35.3	195	28.1	268	29.7
30-34	68	32.9	137	19.7	205	22.8
35-39	37	17.9	34	4.9	71	7.9
40+	11	5.3	10	1.4	21	2.3
Total	207	100.0	694	100.0	901	100.0

Missing observations: 54

Source: Migrant Workers Survey

The Chinese and the Bangladeshi women tend to be among the younger workers, 47.5% and 44.9%, respectively, being in the 20-24 age group and 79.7% and 81.3% respectively being under 30 years old. Of the 35 workers in the sample who were under 20 years old, 29 were Chinese women. (See Appendix 3 Table 1)

The Sri Lankan women are slightly older, with only 12.4% in the 20-24 age group and 37.1% and 34.8% in the age groups 25-29 and 30-34, respectively. There are fewer Indian workers both male and female in the younger age group (20-24), the other Indian workers being spread in the three other age categories, namely 25-29, 30-34 and 34-39 years.

Malagasy men are among the older workers, with none under 24 years of age in the sample and 24.1% in the 25-29 age group, 27.6% in the 30-34 age group and 41.4% in the 35-39 age group.

For more detailed information on distribution of migrant workers by nationality, gender and age groups, see Appendix 3, Table 1.

### Marital status

There were almost as many single workers as married ones in the sample. There was a higher percentage of married men (61.3%) than married women (47.7%). The percentage of married women is rather surprising the common perception being that most of the foreign female workers in the EPZ are single. But the percentage of males being so much lower than females, women still constitute a very large percentage of all married workers. The percentage of women among all married workers was 72.8% and among all single workers 82.3%.

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\* Cf. Summary of Discussions

Table 5.5: No. of married and single workers by country

Country	Single		Married		Total
	No.	%	No.	%	No.
<b>China</b>	268	57.3	199	42.6	467
<b>India</b>	69	38.7	109	61.2	178
<b>Bangladesh</b>	37	28.9	91	71.0	128
<b>Sri Lanka</b>	54	60.0	36	40.0	90
<b>Madagascar</b>	9	31.0	20	68.9	29
<b>Other</b>	1	50.0	1	50.0	2

Divorced/separated 1  
Missing observations 61

Above forty percent of the Chinese workers are married. It should be noted that the near totality of the Chinese workers in the sample (98%) are women. Similarly the percentage of married workers among the Bangladeshis where there is also a very high percentage of women (88%) is surprisingly high at around 70%. Bangladeshi married women also tend to be younger. Of all the married Bangladeshis, 34.5% were in the 20-24 age group and 72.4% were under 30 years of age. Among the Chinese the situation is a bit different with only 9.9% of the married in the 20-24 age group and 42.2% in the 25-29 age group and the same percentage again (42.3%) in the 30-34 age group. The Sri Lankan married workers were among the older age groups, with 8.8% in the 20-24 age group, 22.2% in the 25-29 age group, 38.9% in the 30-34 age group and 25% in the 35-39 age group. (See Appendix 3, Table 2).

### Number of children

Seventy percent of all the married women workers had one child as opposed to only 40% of the males. But this difference may be due more to the nationality factor than to gender. The highest percentage of female workers with one child was to be found among the Chinese (88.8%), due primarily to the one-child policy in China, followed by the Sri Lankans (66.7%) and the Bangladeshis (36.1%) and Indians and Malagasys at the bottom of the scale with 18.8% and 16.7% respectively. Only 10% of the Chinese and 50% of Indian married female workers had 2 children and the figure was close to 30% among the other groups. There were some workers mostly male, among Indians and Malagasys who had 3 children or more. The relatively higher percentage of Chinese female workers with one child may reflect the one child policy which has prevailed in China in the recent past.

The findings tend to refute the general perception that most of the workers who have come to work in the EPZ sector from other countries tend to be young and single and without children. As the findings indicate, half of them are married, the great majority of them with one child and with an important number having larger families. (See Appendix 3, Table 3.)

### Level of schooling

There was unfortunately a fairly high non-response rate (159 missing observations) for the question on the number of years foreign workers attended school. There was a question on the number of years of schooling and another one on qualifications obtained. It was felt necessary to have a question on number of years of schooling rather than just on the final certificate obtained to overcome the problem of the difference in qualification systems in the different countries included in the survey.

Of all those who answered this question, 21 workers had not been to school at all and they were all women, 4 from India and 17 from Bangladesh. 17.3% had had six years of schooling which would be equivalent to more or less the full primary cycle. The least educated workers are the Bangladeshi and the Indian women and the most educated are among the Sri Lankan women and the Malagasy men workers. (See Appendix 3, Table 4).

Except for the majority of the Bangladeshis all the other workers have had at least 7-9 years of schooling or more. The Chinese women are more highly educated than the Indians and the Bangladeshis but less so than the Sri Lankans and Malagasy men, with 70% of them having had 7-9 years of schooling; the most educated among the women are the Sri Lankans among whom more than

90% had had 10-11 years of schooling or more, 33.3% had had 12-13 years of schooling, 5.8% had had 14-16 years and 4.3% had 17 or more years of schooling. The most qualified among all workers are definitely the Malagasy men, with 34.5% with 14-16 years of schooling and almost 40% with more than 17 years of schooling.

### Qualifications obtained

The great majority of the Chinese workers (57.2% females and 33.3% males) have the Junior Middle School Certificate. The next largest group of Chinese women (18%) reported that they had the Form III certificate. Sri Lankans seem to have higher level qualifications with 30% (all women) having completed their A levels and 54.5% of them having obtained their “O” levels. Among the Malagasy male workers, 31.6% (6) had Higher Secondary level certificates (the Baccalaureate) and 4 had technical certificates.

### Occupation

The bulk of the foreign workers in the sample both male and female were machinists in textile factories with the only exception of Bangladeshis who were employed in a fish canning industry. 57.6% of the female respondents and 45.4% of the male respondents in the sample were machinists and 14.1% in other unspecified textile related occupations. Almost 80% of the Bangladeshis were fish cutters in a fish canning industry.

### Previous experience of migrant work

Very few workers had worked in another foreign country before coming to Mauritius. Only 12.9% of the women workers and 23.1% of the men workers had done so (table 5.7). The largest groups of those who had worked elsewhere before were Sri Lankan women (52) followed by Indian men (36). Only very few workers from the other countries had worked elsewhere before. Only 4 Chinese women said that they had worked in another country before.

**Table 5.6: Previous experience as migrant worker**

Country	Yes		No		Total	
	No.	%	No.	%	No.	%
China	4	1.0	374	98.9	378	100.0
India	47	27.3	125	72.6	172	100.0
Bangladesh	9	9.2	78	89.6	87	100.0
Sri Lanka	52	61.1	33	38.8	85	100.0
Madagascar	4	14.2	24	85.7	28	100.0
Other	2	100.0	-	-	2	100.0

Missing observations: 203

Source: Migrant Workers Survey

More than half of the Sri Lankans who are all women (61.1%) had worked in another country before coming to Mauritius. The next important group that had had a similar experience are Indians who were mostly males (27.3%), see table 5.6. Very few of the other workers had worked in another country before. (see Appendix 3, Table 5 for detailed table by nationality and gender)

Places more frequently mentioned were Dubai, South of Oman, Maldives and the United Arab Emirates. A couple of workers in the sample had worked in the USA and Greece.

**Table 5.7: Previous experience of migrant workers by gender**

Gender	Yes		No		Total	
	No	%	No	%	No	%
Male	42	23.1	140	76.9	182	100.0
Female	72	12.9	485	87	557	100.0
Total	114	15.4	625	84.6	739	100.0

Missing observations: 216 Source: Migrant Workers Survey

## Overtime

As would be expected all workers do some overtime work, which is the general pattern in the Free Zone. Some nationalities seem to be doing less overtime than others but this may be related to the specific operation which they engage in which may not require much overtime work.

**Table 5.8: Overtime by nationality**

Country	Yes		No		Total
	No.	%	No.	%	No.
China	471	98.1	9	1.9	480
India	171	90.0	19	10.0	190
Bangladesh	68	70.1	29	29.9	97
Sri Lanka	71	82.6	15	17.4	86
Malagasy Rep	18	62.1	11	37.9	29

Missing observations: 71

Source: Migrant Workers Survey

The lowest level of overtime reported were among the Bangladeshis and the Malagasys. But this may have more to do with the nature and/or organisation of work in the sector concerned. For example fish processing which is the major occupation of the Bangladeshis in the sample may be a sector where less overtime work is demanded than sewing operations in the textile factories. There is little difference in level of overtime work performed and gender, marital status or number of children. Overtime in the EPZ is compulsory among all workers. But it is generally the case that the number of hours of overtime performed by foreign workers is higher than that of local workers. The number of hours in the table 5.8 above refers to weekly overtime performed. Overtime is normally computed on a weekly basis.

**Table 5.9: No of hours of overtime performed (daily average)**

No of hours	No of workers	%
1	83	12.1
2	50	7.3
3	120	17.5
4	347	50.8
5	62	9.0
6	20	2.9
Total	682	100.0

Missing observations: 273

Source: Migrant Workers Survey

The question relating to overtime had unfortunately not been structured in such a way as to uniformise answers with regard to the time period covered (i.e. daily, weekly or monthly). In some cases this precision was provided but in other cases, it was not. Therefore the answers had to be interpreted to a certain extent. It would be safer therefore to use the above table 5.9 only for its indicative value.

From the figures computed, half of the respondents were doing 4 hours of overtime and nearly 70 % were doing 3-4 hours on a daily basis, which is substantially higher than the level performed by Mauritian workers which is around 6-11 hours weekly. EPZ workers are required to work up to 10 hours overtime per week according to the Industrial Expansion Act. Beyond those ten hours, workers consent is required. However, the University of Mauritius Health and Nutrition survey of 1988 found that 70% of the sample had performed up to 5 hours of overtime weekly. There are inevitable fluctuations in the levels of overtime depending on the pattern of orders but there is no doubt that foreign workers do more overtime than Mauritians. In fact in the focus group interviews of the workers, some of them complained that there was not enough overtime time work given to them and that they would be prepared to do more.

## Remittances

Many of the foreign workers, as would be expected, send money home. However, there were concerns that they could not accrue sufficient resources to send remittances because of the low pay and many were anxious to do as much overtime as possible.

**Table 5.10: Remittances by Nationality and Gender**

	Male						Female					
	Yes		No		Total	%	Yes		No		Total	%
	No.	%	No.	%			No.	%	No.	%		
<b>China</b>	6	75	2	25	8	100.0	210	50.6	205	49.3	415	100.0
<b>India</b>	133	86.3	21	13.6	154	100.0	29	100.0	-	-	29	100.0
<b>Bangladesh</b>	14	93.3	1	6.6	15	100.0	104	98.1	2	1.8	106	100.0
<b>Sri Lanka</b>	-	-	-	-	-	-	78	96.2	3	3.7	81	100.0
<b>Malagasy Republic</b>	26	96.2	1	3.7	27	100.0	-	-	-	-	-	-
<b>Other</b>	-	-	-	-	-	-	2	100.0	-	-	2	100.0
<b>Total</b>	179	87.7	25	12.2	204	100.0	423	66.8	210	33.1	633	100.0

Missing observations: 116

Source: Migrant Workers Survey

Of the 204 male respondents who answered this question, 87.7% said that they sent money back home whereas among the female respondents the corresponding percentage was 66.8% (see table 5.10). A surprisingly large percentage of the Chinese women in the sample (almost 50% of those who answered this question) said that they did not send money back home.

## Reasons for coming to Mauritius

The main reason for coming to Mauritius is linked to economic problems and low standards of living in the home country. But there were other reasons mentioned which are identified in the table 5.11.

**Table 5.11: Reasons for Coming to Mauritius by Nationality**

COUNTRY/	China		India		Bangladesh		Sri Lanka		Malagasy Republic		Total reasons	
	No	(1)	No	(1)	No	(1)	No	(1)	No	(1)	No	(2)
<b>Unemployment in home country</b>	1	0.2	3	1.6	-	-	-	-	1	3.7	5	0.6
<b>More money/low standard of living in home country</b>	222	46.2	124	66.7	107	86.3	64	72.7	7	25.9	524	57.8
<b>Save for future projects</b>	9	1.9	2	1.1	7	5.6	14	15.9	-	-	33	3.6
<b>Other economic reasons</b>	3	0.6	-	-	-	-	-	-	-	-	3	0.3
<b>Travel/ New experience</b>	172	35.8	10	5.4	1	0.8	-	-	14	51.9	197	21.7
<b>Personal freedom</b>	17	3.5	2	1.0	3	2.4	-	-	-	-	22	2.4
<b>Restrictive home environment</b>	2	.4	-	-	-	-	-	-	-	-	2	0.2
<b>Other (unspecified)</b>	55	11.4	45	24.2	6	4.8	10	11.4	5	18.5	121	13.3
<b>Total no of workers</b>	481	100	186	100.0	124	100.0	88	100.0	27	100.0	906	100.0

Missing observations: 47

(1) % of all workers by nationality (2) % of totality of workers

Source: Migrant Workers Survey

By far the most important reason for coming to Mauritius is economic for all nationalities. This was the most common reason given by the Bangladeshis (86.3%) , followed by the Sri Lankans (72.7%), Indians (66.7%). For the Chinese it was much less important (46.2%) and still less so among the Malagasys with only 25.9%. See table 5.11.

There would seem to be a slight gender difference with regard to reasons for coming to Mauritius.

**Table 5.12: Reasons for coming to Mauritius by gender**

Reasons	Male		Female		Total	
	No.	%	No.	%	No.	%
Unemployment in home country	3	1.5	1	0.1	4	0.4
More money here / Low standard of living back home	115	57.2	404	58.5	519	58.2
Save for future projects	1	0.5	30	4.3	31	3.5
Travel/new experience	26	12.9	169	24.5	195	21.9
Freedom, independence	2	1.0	20	2.9	22	2.5
Other unspecified reason	54	26.8	62	9.6	116	13.0
Total no of workers	201	100.0	686	100.0	887	100.0

Missing observations: 63

Source: Migrant Workers Survey

Almost the same percentage of men and women have come to Mauritius in order to earn more money and because of the low standard of living in their countries(table 5.12). But twice as many of the women than the men have come to get an opportunity to travel and for a new experience. This is not surprising given the fact that there are more single young women than men, most of whom are married with family responsibilities. But it is to be noted that this was the reason for coming for half of the Malagasy men workers in the sample.

#### **Mauritian friends\***

It would seem that the Chinese and Sri Lankans find it more difficult to make friends with Mauritians than Bangladeshis, Malagasys and Indians (see table 5.13).

**Table 5.13: Foreign workers according to whether they have Mauritian friends by nationality**

Country	Yes		No		Total
	No.	%	No.	%	No.
<b>China</b>	101	25.1	301	74.9	402
<b>India</b>	54	30.3	124	69.7	178
<b>Bangladesh</b>	53	53.0	47	47.0	100
<b>Sri Lanka</b>	19	22.6	65	77.4	84
<b>Madagascar</b>	15	51.7	14	48.3	29
<b>Other</b>	0	0	2	100.0	2

Missing observations: 160

Source: Migrant Workers Survey

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\* Cf. Summary of Discussions

One of the explanations for the differences seen above is language as a serious barrier to communication. Many Bangladeshis can speak some Hindi and most Malagasys speak or at least understand French. The other factor which partially explains the low level of interaction in this context is the fact that Chinese workers tend to live in large congregations and are often self contained. They tend to socialise together in groups and therefore do not have much opportunity or need to interact with local workers. Language remains however a major obstacles and this fact was confirmed by some of the respondents in the in depth interviews of some Chinese workers. There is a desire to learn Creole.

Another factor could be that the Chinese being in larger numbers live in dormitories where there are strict rules regulating their interaction with local people. One of the Chinese workers interviewed said that there had been problems when a girl invited some local friends including males to her birthday in a dormitory.

**Table 5.14: Whether they have Mauritian friends by nationality and gender**

Country	Male					Female				
	Yes		No		Total	Yes		No		Total
	No.	%	No.	%		No.	%	No.	%	
China	5	62.5	3	37.5	8	96	24.3	298	75.6	394
India	43	29.8	101	70.1	144	9	31.0	20	68.9	29
Bangladesh	12	80.0	3	20.0	15	38	46.9	43	53.0	81
Sri Lanka	-	-	-	-	-	18	22.2	63	77.7	81
Malagasy Rep	14	50.0	14	50.0	28	-	-	-	-	-
Other	-	-	-	-	-	-	-	2	100.0	2

Missing observation: 173

Source: Migrant Workers Survey

The high percentage of Chinese males who have friends cannot be taken into account because of the few respondents in that category (8), see table 5.14.

Although respondents were prepared to give information on whether or not they had Mauritian friends, they were much less prepared to indicate what is the sex of their friends. The non-response rate here was phenomenal, the number of missing observations totalling 902. This would tend to indicate that the issue of interaction with the local population, especially of the opposite sex is a very sensitive issue.

### Membership of associations

83.4% of the men and 84.4% of the women said that they did not belong to any associations. 11 Chinese women workers said that they belonged to a cultural association and 10 to a religious association. Two Indian male workers said that they belonged to a trade union. Generally, foreign workers do not join any local associations. This is in some cases a condition of their employment, understood and agreed upon even if not spelt out in the contract.

Key informant interviews revealed that although on paper there are no formal written restrictions with regard to joining unions, or other associations, management in many cases discourages workers from engaging in such activities. Workers also have to go through their supervisors or responsible officers if they want to have an appointment with a doctor, priest or lawyer or social worker.

### Leisure activities

**Table 5.15: Leisure activities of foreign workers**

Leisure Activities	Number	%*
Resting/Sleeping	208	22.0
Video/TV/Music/Reading	381	40.3
Outdoor leisure (walking, seaside etc.)	166	17.6
Study/Learn to read and write	45	4.7
Write to family and friends/make contact	91	10.8

Visit friends	23	2.4
Shopping	35	3.7
Domestic chores	55	5.8
Indoor leisure activities with friends	31	3.8
Religious activities	6	0.6
Other	47	4.9

Source: Migrant Workers Survey

\* % of all workers

By far the most common leisure activity is watching television and reading which is hardly surprising considering the amount of overtime performed by foreign workers leaving them with very little time for much else. It is interesting to note also that an important percentage (21.8%) say that they spent their leisure time resting and sleeping which also confirms the fact that their long hours of work may also be leading to considerable levels of fatigue. ( See table 5.15).

**Table 5.16: Leisure activities by nationality**

Country	Chinese (478)		Indian (180)		Bangladesh (122)		Sri Lanka (89)		Madagascar (29)	
	No.	%	No.	%	No.	%	No.	%	No.	%
Resting/sleeping	158	33.0	36	20.0	5	4.0	6	6.7	6	20.6
Video/TV/Music	270	56.4	92	51.1	57	46.7	29	32.5	13	44.8
Study/Learn	43	8.9	0	0.0	0	0.0	0	0.0	2	6.8
Outdoor leisure/sea	113	23.6	27	15.0	19	15.5	1	1.1	10	34.4
Write home	64	13.3	27	15.0	9	7.3	14	15.7	0	0.0
Shopping	22	4.6	4	2.2	43	35.2	10	11.2	0	0.0
Domestic chores	14	2.9	12	6.6	26	21.3	0	0.0	0	0.0

Source: Migrant Workers Survey

The proportion of workers who spend their leisure time outdoors sightseeing or going to the seaside is higher among the Chinese and the Malagasy than among the other workers. They seem to be more organised and adventurous than the other workers(table 5.16). The gender dimension does not seem to be a critical factor in this context. Shopping is a fairly important leisure activity among Bangladeshis (35%). Chinese workers are often seen in shops and markets but they may not classify this as a leisure activity in the way that Bangladeshis do.

#### What they like about Mauritius

The most frequently mentioned reasons for liking Mauritius were the country's natural physical beauty and the attitude of Mauritian people.

**Table 5. 17 What they like about Mauritius**

Reasons	Male		Female		Total	
	No	%(1)	No	%(2)	No	%(3)
a. Natural beauty	66	12.9	445	87.0	511	100.0
b. Infrastructure	1	7.7	12	92.3	13	100.0
c. Mauritian people	25	78.1	7	21.8	32	100.0
d. Multiple reasons	53	34.4	101	65.5	154	100.0
a+b	6	20.0	24	80.0	30	100.0
a+c	27	65.8	14	34.1	41	100.0
Others	53	34.4	101	65.5	154	100.0

Missing cases: 27.

(1) % of all male respondents in the survey; (2) % of all female respondents in the survey; (3) % of all respondents, male and female

Source: Migrant Workers Survey

Women workers are more attracted by the natural physical beauty of the island and the quality of amenities. Men seem to give more importance to the local population and the social environment rather than the physical one (see table 5.17).

**Table 5.18: Reasons for liking Mauritius by nationality**

Reasons	Chinese		Indian		Bangladesh		Sri Lanka		Malagasy		Total	
	No.	%*	No.	%	No.	%	No.	%	No.	%	No.	%
a: Natural Beauty	387	83.4	67	38.5	47	38.2	8	25.0	11	37.9	520	63.3
b:Amenities	8	1.7	1	0.6	1	0.8	1	3.1	2	6.9	13	1.6
c:Local people	4	0.9	21	12.1	3	2.4	1	3.1	3	10.3	32	3.9
d.Multiple reasons	-	-	9	5.2	19	15.4	1	3.1	-	-	29	3.5
a+b	10	2.2	1	0.6	14	11.4	-	-	5	17.2	30	3.6
a+c	10	2.2	22	12.6	8	6.5	-	-	1	3.4	41	5.0
Others	45	9.7	53	30.4	31	25.2	21	65.6	7	24.1	157	19.1
Total	464	100.0	174	100.0	123	100.0	32	100.0	29	100.0	822	100.0

\* % has been worked out on the basis of number of workers by nationality.

Missing cases 10

Source: Migrant Workers Survey

For workers of all nationalities, the overriding reason for liking Mauritius is the natural beauty of the island. This is especially true among the Chinese women workers who are often seen taking pictures of their friends in the various interesting sites of the country, see table 5.18. For Indians, who are mostly male, the friendliness of the local people seems to be a more important factor. It would seem that in general there is more interaction between Indian workers and the local population most probably facilitated by the common cultural characteristics shared with a large part of the local population, such as language and religion.

## Reasons for Disliking Mauritius

**Table 5.19: Reasons for disliking Mauritius by nationality**

Reasons	Chinese (497)		Indian (193)		Bangladeshi (130)		Sri Lankan (93)		Malagasy (30)		Total (943)	
	No.	%	No.	%	No.	%	No.	%	No.	%	No.	%
Conditions of work	22	4.4	2	1.3	2	1.5	-	-	1	3.3	27	2.9
Mauritian people	118	23.7	6	3.0	1	0.7	-	-	10	33.3	135	14.3
Work environment	13	2.6	-	-	-	-	-	-	-	-	13	1.4
Country's physical environment (climate)	22	4.4	10	5.8	2	1.5	1	1.1	1	3.3	36	3.8
Infrastructure(roads etc)	74	14.8	5	2.9	9	6.9	-	-	-	-	88	9.3
Other	171	34.4	84	43.5	37	28.5	2	2.1	5	16.7	299	31.7

Source: Migrant Workers Survey 1996-1998

Of all the respondents, 18.8% had dislikes which had to do with Mauritian people, some of them surprisingly referring to personal physical characteristics of the local population. Dislikes relating to people represented 23.7% of all dislikes for the Chinese and about 7.2% for the Malagasy. But for the Bangladeshis and the Indians, it was much lower, 0.7% and 3.0% respectively. The Sri Lankans did not mention this reason for disliking Mauritius at all. It should be noted that a number of reasons classified in the category 'other' also related to some of these personal physical characteristics of Mauritian people (39), drunkards (25), rude men (17), driver speeding (14). No shopping on Sundays was also mentioned (31).

An unexpectedly low percentage of foreign workers mentioned conditions of work as a reason for disliking Mauritius. However when asked about the changes they would like to see which might improve their lives in Mauritius, conditions of work came up as the most frequently mentioned change desired (see table 5.20).

#### Changes Desired

**Table 5.20: Changes Desired**

Country	No change		Work related		Entertainment/ Other misc.	
	No.	%*	No.	%	No.	%
<b>China</b>	97	19.5	86	17.3	153	30.8
<b>India</b>	9	4.7	6	3.1	98	49.7
<b>Bangladesh</b>	3	2.3	-	-	108	83.1
<b>Sri Lanka</b>	11	2.2	1	1.1	5	5.4
<b>Madagascar</b>	-	-	11	36.7	8	26.7
<b>Total</b>	120	12.7	104	11.0	372	39.4

\*% of total number of workers by nationality

Source: Migrant Workers Survey

Most of the work related changes had to do with an increase in pay and improvement of work conditions. A list of desired changes is attached in Appendix 4. It is interesting to note from this list that the same number of workers wanted a decrease in overtime as those who wanted more overtime. This attitude towards overtime work reflects the normal plight of migrant workers who are unhappy about the long hours of overtime they have to perform but who at the same time would like to be given more overtime because this is the only way they can maximise their earnings and justify their decision to migrate. It is also true that opportunities to do overtime are not evenly distributed in all factories and sections within them.

### **III THE ATTITUDES OF MAURITIAN WORKERS TOWARDS FOREIGN WORKERS**

The World Bank/ILO/IVTB (1998) study of employment in the Mauritian EPZ has a section in their questionnaire on the perceptions of the local labour force in relation to foreign workers in this sector. The Report of the World Bank has not been completed and the data contained in this section should therefore not be quoted elsewhere until the publication of the WB/ILO Report.

#### **Work**

Nearly 60% (58.7%) of the workers said that there were foreign workers in their factories. Over 70% of the workers who had foreigners in their factories said that they thought foreign workers worked harder than local workers. Just under 20% thought that their work performance was similar to Mauritians and only 0.5% thought that they worked less hard. There was no difference of perception between male and female respondents with regard to work performance levels of foreign workers. The same applies to age groups, except perhaps that the percentage of those who felt that foreign workers worked harder was lower among local workers aged 50 and over. It must however be pointed out that this age group was a rather small category in the sample (12).

A substantially lower percentage of the workers said that foreign workers worked harder to the subsequent question about whether the migrant worker worked harder than the respondent himself or herself. 49.3% said that they thought migrant workers worked harder than they did, in contrast to the 70% who thought that foreign workers worked harder generally. 38% felt that they were the same as local workers; 1.8% said that they worked less and 10% did not know. There was some difference here between male and female perception. 52% of the female respondents as opposed to 43.3% of male respondents felt that foreign workers worked harder. There did not seem to be much difference by age group except for the very young respondents (56% of the under 20) who felt that migrant workers worked harder. For all the remaining age groups, the corresponding percentage was around 40%.

45.4% of the respondents said that night shift was done in their factory and 53.8% said that it was not done. The percentage was higher among male workers (59.1%) than female workers (39.4%). This is explained by the fact that more men are employed in factories where night shift is done.

Of all the respondents only 19.1% said that they personally did night shift as opposed to 80.1% who did not do so. As expected there was a very pronounced difference between men and women here. 30.3% of the males and only 11.4% of the female workers said that they did night shift themselves. With regard to age group, night shift seemed more frequent among younger workers, especially the 20-24 age group (27.2%). Similarly a higher percentage of the single workers than those who were married or divorced did night shift. This situation could be related to age group rather than marital status. The younger workers are in an easier position to do night shift than those who have home responsibilities.

Workers who had migrant workers in their establishment and where night shift was done were asked whether migrant workers did night shift. 27.6% said that they thought all of them did, 42.1% said that most of them did, 17.8% said some of them did and 10.1% said none of them did any night shift. It is likely that most foreign workers work on night shift in factories where night shift is done.

#### **Competition between workers**

A very high percentage of workers (86.6%) felt that foreign workers are doing jobs which Mauritian workers were doing and only 11.0% said that they had taken jobs which Mauritians were not doing. It is difficult to interpret this answer very clearly. It is difficult to know whether local workers are saying that foreign workers have been imported to do the same type of work that Mauritians have been doing or that they have displaced Mauritians from the jobs that they were doing.

60.6% of the respondents said that Mauritians could do the work that foreigners were doing. Again it is difficult to interpret this response very clearly. It could mean either that local workers felt that Mauritians had the skill to do the jobs that foreigners were doing or that local labour was sufficiently available to fill the positions presently occupied by foreign workers.

## **Salaries and Wages**

Workers with migrant workers in their establishment were asked whether they thought foreign workers were better paid or not. 27.8% of the respondents thought that foreign workers were better paid and 21.7% thought that they had equal pay and 11.2% thought that they were paid less and a fairly high percentage, namely 38.7% said that they did not know.

There was an interesting difference between the male and female response to this question which most probably demonstrated the fact that women are much less informed about wages and conditions of work generally. 42.1% of the women as opposed to 31.5% of the men said that they did not know about foreign workers earnings. As for the remaining responses, there was no difference in male and female percentages except that more men (27.2%) thought that foreign workers earned the same as local workers than the women respondents (19.5%). There was no significant difference in terms of age group except that the older groups seemed to be more ignorant about the conditions of work of foreign workers than the younger groups. 43.5% of the 40-49 age group and 52 % of the 50 and over age group said that they did not know about foreign workers payment. But it must be stressed again that the over 50s constituted a very small category in the sample.

## **Social Contact**

The large majority of local workers (76.3%) said that they speak to and make friends with foreign workers and only 22% said that they did not. Interestingly there was no difference between male and female respondents. In both cases, 77% said that they socialised with foreign workers. Where age group is concerned the highest incidence of social interaction was among the 20-24 age group where 84% said that they made friends with foreign workers, while the percentage was slightly lower among the other age groups.

The most important reason for not socialising among those who did not do so was the language barrier. 50% of the workers said that they did not socialise with foreign workers because they could not speak to them. And for 33% of the workers the reason was simply that the foreign workers were in a different section and were therefore not very accessible. Very few workers said that they did not want to speak to foreign workers (3.3%) and still less that the foreign workers did not want to (1.1%). A slightly higher percentage (9.3%) said that the employers did not like them to socialise with foreign workers.

## **IV CONCLUSION**

There were many issues raised throughout the research related to the characteristics and experiences of foreign workers in Mauritius. It is clear from the above, and from the media survey (Chapter 7) which highlights some of these issues, that there are some concerns regarding living and working conditions of workers. These can be addressed through further more detailed research and through tighter and more closely monitored regulations which ensure workers rights. There is also evidence of the need for further research into the reasons why local labour are not employed and strategies adopted to integrate migrant and foreign workers.

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## **Salaries and Wages**

Workers with migrant workers in their establishment were asked whether they thought foreign workers were better paid or not. 27.8% of the respondents thought that foreign workers were better paid and 21.7% thought that they had equal pay and 11.2% thought that they were paid less and a fairly high percentage, namely 38.7% said that they did not know.

There was an interesting difference between the male and female response to this question which most probably demonstrated the fact that women are much less informed about wages and conditions of work generally. 42.1% of the women as opposed to 31.5% of the men said that they did not know about foreign workers earnings. As for the remaining responses, there was no difference in male and female percentages except that more men (27.2%) thought that foreign workers earned the same as local workers than the women respondents (19.5%). There was no significant difference in terms of age group except that the older groups seemed to be more ignorant about the conditions of work of foreign workers than the younger groups. 43.5% of the 40-49 age group and 52% of the 50 and over age group said that they did not know about foreign workers payment. But it must be stressed again that the over 50s constituted a very small category in the sample.

## **Social Contact**

The large majority of local workers (76.3%) said that they speak to and make friends with foreign workers and only 22% said that they did not. Interestingly there was no difference between male and female respondents. In both cases, 77% said that they socialised with foreign workers. Where age group is concerned the highest incidence of social interaction was among the 20-24 age group where 84% said that they made friends with foreign workers, while the percentage was slightly lower among the other age groups.

The most important reason for not socialising among those who did not do so was the language barrier. 50% of the workers said that they did not socialise with foreign workers because they could not speak to them. And for 33% of the workers the reason was simply that the foreign workers were in a different section and were therefore not very accessible. Very few workers said that they did not want to speak to foreign workers (3.3%) and still less that the foreign workers did not want to (1.1%). A slightly higher percentage (9.3%) said that the employers did not like them to socialise with foreign workers.

## **IV CONCLUSION**

There were many issues raised throughout the research related to the characteristics and experiences of foreign workers in Mauritius. It is clear from the above, and from the media survey (chapter 7) which highlights some of these issues, that there are some concerns regarding living and working conditions of workers. These can be addressed through further more detailed research and through tighter and more closely monitored regulations which ensure workers rights. There is also evidence of the need for further research into the reasons why local labour are not employed and strategies adopted to integrate migrant and foreign workers.

## **CHAPTER 6**

### **CASE STUDIES OF MIGRANT WORKERS**

This chapter presents some of the findings from focus group discussions and informal interviews with male and female migrant workers.

#### **I FOCUS GROUP DISCUSSIONS**

Four separate group discussions took place during the research period; one each with Chinese, Sri Lankan, Indian and Malagasy migrant workers.

The findings presented thus far were drawn primarily from the questionnaires which were administered to 955 migrant workers. Below we present a summary of the issues raised by a group of female foreign workers in focus group interviews. They provide additional important information which could not be obtained from structured interviews alone.

#### **CHINESE WORKERS**

One of the researchers accompanied by a migrant worker who acted as interpreter, held a focus group discussion with Chinese migrant workers in March 1998. The interview was held in the small front garden of a residence of workers in a Plaine Wilhems town. A maximum of 10 workers formed part of the discussion group but the make-up of the group varied during the interview as workers were moving in and out of the house while the focus group discussion was taking place. All of them work in a clothing factory. Twenty-five workers occupied the 5 rooms of the ground floor of the house and shared a large kitchen although there was no common living room. The house was in a terrible mess with personal effects strewn all over and there was obviously not enough storage space for the girls clothes and personal belongings.

#### **I Characteristics of workers**

The workers were aged between 20 and 35 years. The majority were single but about a third of them were married most with between 1 and 3 children. They come from FU Jian and most of them had lived in a rural setting. They are Buddhists (Taoists) and their mother tongue is Minnan (Taiwan language). They can understand Mandarin and some are able to write it. They could also understand some Creole, but these tended to be the workers who had resided in Mauritius for longer periods.

Most of the workers had gone to school up to lower primary school level. Their parents who are now old and retired had been involved in agriculture. Their fathers had had a bit of schooling, up to primary level and their mothers much less and in some cases not at all. Most of them had 4-5 siblings and they compared this to the present situation where they are only allowed to have one or two children.

Most of them had been machinists in China and one was a teacher. Most of them have been here for 2 years.

#### **II Recruitment procedures**

They came to know about the possibilities of work in Mauritius from agency advertisements in newspapers in China and they heard people talking about work abroad. The application procedures were as follows: they picked up a form from the agency and had to produce some photos of themselves. Then they had to wait until the agent told them that they could come for a machinist test. They also had an eye test. The next step is a medical check up which cost about Rs 1000 and included vaccinations. They were told that they would earn US\$ 315 (Rs 6000+). They were asked to sign a contract in Mandarin just one day before they arrived in Mauritius and they did not have enough time to study the

contract. They were already preparing to leave when the contract arrived and it was too late to discuss any queries that they might have had. Payment to agents range between Rs 27000 to 39000 which covers air fares and administrative charges. Expenses are higher when middle men are involved but less expensive if payment is made directly to the agent. All agencies are government run.

All these arrangements took about 5 months to complete. In the specific case of the group of workers being interviewed, they had all passed their tests in December 1996 and some workers were asked to come in May 1997 and others in October 1997 depending on need for workers.

For most of the workers the main reason for coming to Mauritius to work was financial but for some of the younger ones, it was to get some experience of working in a new place. They were not especially interested in coming to work in Mauritius. It could have been any other country. The parents were not all happy about them coming to a foreign country, some were. None of them had worked in another country before.

### **III Working conditions**

All of them are employed as machinists. But sometimes they are asked to work as helpers or examiners if there is no other work. They cannot refuse to do this work even if they are not happy about it. They worked as machinists in their countries as well.

They start work at 7.30 am and finish a normal day's work at 5 pm. They work on piece-rate basis and payment is made every month. They earn about Rs 3000. There was a strike recently and they have been guaranteed Rs 4000 a month recently. They get a meal allowance of Rs 1080. Their money is paid into a bank account. They work on Sundays occasionally. They do about 25 hours of overtime work per week. Overtime is done between 5.45 and 9 pm on weekdays and 7.30-12.00 on Saturdays, sometimes later and on Sundays as well. They find this amount of overtime enough because they get tired. There is no problem with regard to overtime payment.

They do not belong to trade unions. Some of the contracts specify that they should not belong to trade unions. When they have problems they see their supervisors who are normally Chinese. Only once have they had to contact a labour inspector. Some of the workers work in teams, some alone. There are Mauritians in some of the teams. They find some Mauritians easier to get on with than other; they do not have manners when they talk; they shout. Most of their problems are with the supervisors and helpers. When they are ill they are sometimes made to work and they do not get facilities to go to hospital. They are sometimes dropped and not picked up.

At work they do not have serious complaints about workers but outside work, there are harassed by men and boys on the streets. They intend to work for about 2 years and not more. Very few stay more than that. They have a very negative attitude towards the possibility of marrying a Mauritian the main reason being communication problems. They think that it may be possible for those who speak English like the interpreter and guide who was herself of Chinese origin but could speak English fluently.

### **IV Living conditions**

They live in a private house, where there are 25 workers in 5 rooms, one of the small rooms has only two or three people and 23 people in the remaining 4 medium sized rooms. Most of the rooms were double bed rooms. They are not happy about their living conditions, too much overcrowding. Many of the household equipment is out of order, refrigerator, TV, video player. People steal their possessions but the benefits are that they have their own cook. They get to work by company bus.

Some of them like to sleep in their leisure time. When they had just arrived they were shy and cautious about where to go and then later they started going to the shops and to the market. They like shopping but they always go with friends. Sometimes they rent a van to go to Caudan. While we were there, a Mauritian Chinese came to pick some of them up to go to the Pagoda in Coromandel. All those going wore a uniform, marine blue skirt, white blouse and blue tie. They do not belong to any associations; they do not know about them and do not have time. They would like to have more Mauritian friends

but language differences are an obstacle. They are not allowed to invited people in their rooms especially men.

They like to watch TV but again there is a language problem. Only occasionally do they have the opportunity to watch a Chinese film.

The major problems mentioned were those to do with harassment. Men and boys tease them even throw stones and expose their private parts to them. Some of the girls work in restaurants at the weekends to get a bit more money. They had heard of girls who get involved in prostitution but not in their factory.

They do not feel that they were given enough information about Mauritius before they came. They like the climate and the natural endowments of the island because China is polluted but they find people impersonal, unfriendly.

## **V Relationship with home**

It takes them about 8 months to repay the debts they incurred for paying agents before coming to Mauritius. Then they can start sending money to their parents.

They keep contact with family mainly by writing letters. They phone home once in 2 of 3 months. They get very homesick especially those who have children back home. They younger ones miss their parents. Some of them said that they had friends back home who were working on the same basis in the US and were happier than those in Mauritius.

## **SRI LANKAN WORKERS**

The second focus group discussion was with a group of Sri Lankan workers held in April 1998. The discussion was held in a rural area of the North of the country, in a large house rented for factory workers from Sri Lanka. The interview was carried out in the living room with about 10 to 12 workers in the presence of their supervisor or welfare officer as she is referred to. She was more fluent in English and sometimes helped by translating the questions into Singhalese and the answers into English.

Thirty-five girls aged between 22 to 35 live in the house where there is a large kitchen that they share. Another, older woman, from Sri Lanka was employed as their cook.

## **I Characteristics of workers**

About one third of the women (10) were married and they all came either from Colombo or Kandi. Most of their families are still there. All the women are Buddhist except four who are Christian. Their mother tongue is Singhalese and a few of them could understand some Creole and English.

Most of them had completed their secondary education with a few of them having done their “‘O’ levels as well. Most of their parents have worked as production workers either in the agricultural or industrial sector of the economy. Generally the level of education of their parents had not gone beyond the primary level.

Many of them had been machinists in Sri Lanka and were about 20 years old when they started working. There were earning about \$US 150 a month for the same job in Sri Lanka (about Rs 3500 in early 1998).

## **II Recruitment procedures**

Most of them had heard about job possibilities in Mauritius in the newspapers. The procedure was first to contact the recruiting agency which in this case is a non Government run agency. The next step is the medical test followed by a skill test. The total amount spent is approximately Sri Lankan rupees Rs 12,500 for the agency which cover all the medical expenses, the aptitude test and the recruitment procedures. The workers said that they did not have much information about Mauritius before they came nor were they informed by the agency about life in Mauritius. All these various administrative procedures took around 2 to 3 months. On the whole they did not face serious administrative difficulties.

They were asked to sign a contract by the recruitment agency. The length of the contract was three years and the arrangements include free air fare to Mauritius and a minimum salary of \$US 150 a month.

Reasons for coming to Mauritius varied in terms of age groups. For the younger age groups, it was more perhaps to have a new experience in a foreign country, whereas for the older workers it was for the money. They claimed not to have been unhappy in their jobs back home. They came to Mauritius because vacancies were advertised in this country and most of the women had taken the decision to come on their own although their parents were not pleased with their decision. For most, this was their first experience of working in a foreign country.

## **III Working conditions**

A normal day's work starts at 7 am and finishes at 4 pm. Earnings are effected on a piece rate basis and approximate Rs 3000 to Rs 4000 monthly, including overtime. Rs 630 per worker is deducted for food which is provided by the resident cook who is also from Sri Lanka. They occasionally work on Sundays when there are urgent orders. The average overtime is about 4 hours a week which they find enough. Some would like to do less. Some found it difficult to compute their overtime earnings.

Normally for any problem at work, they contact their supervisor who is from their own country and they have never or do not know of any one else from their group who have contacted local labour inspectors for any kind of problem.

(It should be mentioned here that the supervisor was on site when the interview with the workers was being carried out and that this could have inhibited the workers in their answers; it should however be pointed out that the workers on the whole seemed quite relaxed and were joking with their supervisors during the interview. The supervisor occasionally joined in when the workers could not translate into English.)

There are Mauritian workers in the factory but there is not much interaction between them because of the language barrier. Many of them when asked whether it was better to work here than in their country said that they preferred their own country. They would not want to stay longer than the three years they are allowed if they were given the opportunity of doing so. Quite a few said that they were homesick and lonely, and sad to have left their families. Some of the younger girls said that they would not mind marrying someone here but that statement provoked much laughter among the workers and was said perhaps not in a way to be taken seriously. However they did mention that they knew of three girls who had married Mauritians and who were happy.

#### **IV Living conditions**

There were 35 workers in a house with 8 rooms. They were pleased with their living arrangements and welcomed the protective attitude of the cook who was a 'motherly' middle aged woman from Sri Lanka. Given the proximity of the dormitory to the place of work, the workers walked to the factory every morning.

They spend most of their leisure time watching television. Shopping comes second and then trips to the sea side. But they spend their leisure activities only with other workers from the same country and not with Mauritians. They do not belong to any associations but they do go to the temple once a month. They are sometimes invited to the house of Mauritians but this is rare. They have very few Mauritian friends which they attribute to cultural differences. They would like to have more local friends. They do not feel any pressure from management discouraging them to have local friends but the opportunities and motivation are not there. They do not find Mauritians very friendly. They are not allowed to bring friends to the dormitories and generally, the rules with regard to visitors and standards of cleanliness of the premises are strict.

If they have health problems they go to the Health Centre in the village. When asked whether they are aware that foreign workers have problems in this country, they reply that they have heard of such problems but it does not concern Sri Lankan workers. They think that foreign workers are generally happy.

#### **V Relationship with home**

Most of the workers send money back home to their families. Some mentioned the figure of about Rs 6000 every 2 to 3 months. They write to their families. Many said that they cry on 14 April which is the Independence Day of Sri Lanka.

### **INDIAN WORKERS**

The focus group interview with Indian male workers was carried out in March 1998 on their residential premises.

#### **I Characteristics of workers**

There were 18 men between the age of 25 and 35 of which 11 were single, living in a 3 bedroom double storied house on the outskirts of Quatre Bornes. They all came from Bombay where their families still reside. Their mother tongue was varied and included Hindi, Tamil and Marathi. They could all understand some English and Creole.

Most of them had completed primary education but only a few reached 10<sup>th</sup> grade at High School. The occupational background of their families was either in industry or farming activities. Among this group of workers, about one third (6) had worked in Mauritius before. One had worked in Dubai.

#### **II Recruitment procedures**

They had heard about job vacancies in Mauritius in the newspapers and travel agencies. They were interviewed by the personnel manager of the factory where there were vacancies. The whole recruitment procedure took 2 months to complete. They paid about Rs 5000 for passport procedures and about Rs 20,000 (Indian rupees) to various recruitment agents. They seemed very reticent to talk about this issue and seemed to be assisting each other to give very careful answers.

They knew a little bit about the situation in Mauritius from other workers who had worked here before

They were asked to sign a 3 year contract drawn up in English containing details of their work conditions. The Company recruiting them provided air fare and accommodation facilities. They have to pay Rs 36 daily for their food.

The main reason for coming to Mauritius was that they would earn more than they could in India, where they were earning about Rs 5000 monthly. In Mauritius, their total earnings reach about Rs 8000 monthly. They are able to send back about Rs 6000 to their families every month.

They would not mind going to work in another country after Mauritius, but that would depend on whether they get jobs in a 'good factory'.

### **III Working conditions**

All of them are employed as machinists. Work starts at 7.30 am and finishes at 5.15 pm. They earn about Rs 1000 basic salary in a week. They occasionally work on Sundays and do 12 to 15 hours overtime a week which they consider to be insufficient. In general, they feel that Indian workers are not given enough overtime.

### **IV Living conditions**

They do not belong to any associations because they are foreigners. They see the Personnel Manager if there is any problem. They do not go to the works council because they feel that this is only meant for Mauritians. Their team leader who is an Indian helps them if they encounter any problems at work. There are both Mauritians and Chinese workers in their work team against them they have no complaint.

They still feel that it is better to work in India than in Mauritius. They would not want to work in Mauritius for more than 3 years because of their families. They think that the incidence of marriage of foreign workers with Mauritians is very rare and they are aware of only a couple of cases in the whole factory.

They are fairly happy with their living arrangements. There are no major problems. They have fairly reasonable amenities, 2 toilets and 2 bathrooms and they are very close to the factory.

Among their most common leisure activities were trips to the sea, watching TV, playing carrom and cards, reading English newspapers on Sunday and going on trips with other Indian friends. They are religious, and go to the temple once every two months. They are sometimes invited to the homes of Mauritians, mainly in the context of celebrations, weddings and so on and they are not especially discouraged by management to make friends with Mauritians. They would be happy to have more Mauritian friends. They normally speak English and Hindi and a little bit of Creole with Mauritian friends. They can only bring men friends to the dormitory. There are no regulations in force with regard to having friends on the premises.

The Company doctor visits the factory twice a week and they can report any health problems that they have to them. The Company pays for medical expenses.

They feel that generally foreign workers are happy in Mauritius. Their only problem is that they would have liked to have been earning more than they are at present. They say that earnings are higher for some operations than others. For example making sleeves or collars fetches more money than just plain machine operations. But once they are assigned to a specific operation it is difficult to change.

They appreciate the quietness and freedom of life in Mauritius.

### **V Relationship with home**

They miss their families to whom they write letters to every week and and speak to on the phone once a month.

## **MALAGASY WORKERS**

An interview took place with Malagasy textile factory workers in their house in Rose Hill. One had just arrived and the other one had been here for three years and was on the point of leaving to return to Madagascar. It was a comfortable, clean and very well kept, double storied house with 11 residents, all men with 2 to 3 people in each room.

### **I Characteristics of Workers**

The workers were aged between 20 and 35 and about half of them were married with one or two children. They said that in general it could be said that one third of the workers were married in the whole factory. They also added that less married foreign workers were being recruited because of problems of solitude and homesickness as well as problems that their families had to face back home in Madagascar.

The workers being interviewed were well educated and had completed their secondary education and obtained their baccalaureate. They said that more than half the Malagasy workforce in that particular factory had achieved a similar level of education. Most of them are fluent in French and the highly educated can speak some English.

### **II Recruitment procedures**

The factory where they are working is a subsidiary branch of a main company which operates in Madagascar and therefore the recruitment of workers to come and work in Mauritius is effected by the mother company in Madagascar itself and therefore there is no recruitment agency involved. Tests of aptitude and competence are carried out by the company itself. Most of the workers had been working in the parent company or in a similar factory back home although some of the workers may have been working outside the textile company before they came here. The workers do not have to bear any expenses relating to recruitment procedures, medical and skill tests. They are provided with free accommodation and a return air fare ticket for the three year period for which they have to sign a contract. They only have to pay for medical insurance which is deducted from their earnings but is minimal.

The main reason for coming to Mauritius was because of the devaluation of the Malagasy currency. But for the unmarried it was not only the money but also the experience of working in a different country. The earnings in Mauritius were about twice what they would have been earning in Madagascar. However they added that the standard of living here is much higher than they had been told before coming. They said that what they pay for a banana or a litchi here would get them one or two kilos of those fruits back home. It is also the case that they had obtained information from people who had been working here some years ago and that the situation had deteriorated considerably, according to them, since then. But it was still worth coming although the conditions are not as attractive as they were previously. They are able to send money back to their families which they do regularly.

Accommodation is provided but they have to bear other expenses, such as food, clothing and other personal requirements. They do try to team up for cooking arrangements in order to lower costs.

### **III Working conditions**

The machinists work for 48 hours and then are eligible to two days off. They are entitled to overtime payment after completing 45 hours of work in a week. The earnings range between Rs 2500 and 5000. The very high earnings including overtime can range between Rs 6000 and 6500. But the average earnings according to them would range between Rs 4000 and Rs 5000.

They are, like other foreign workers, not unionised. They are looked after and organised by a supervisor from their home country with whom they seem to have a good relationship.

There work with other Mauritians as well as other foreign workers, namely women from China in this

particular factory. They did not seem to have any particular problem with these workers although the language barrier with Chinese workers was an obstacle at first. But the Chinese girls quickly learn to speak Creole and can even manage a few Malagasy words.

#### **IV Living conditions**

Most of them are Christian and attend church regularly. They added that it was a good way of making friends with Mauritians. One of the young men being interviewed has been here for three years and attends church services so that he can meet other Mauritians.

One of the young men who had just arrived seemed very home sick and was being teased by his other friends in the house who were saying that they had been through this as well and that it took 3 to 6 months to acclimatise to the social set up. Their main complaint was that Mauritians were reserved and rather stern. But they kept adding that this was not a blame on their personality or character but that it may just be cultural. They gave the example of the workers when they meet in the company bus which picks up groups of workers both local and foreign all the way to the factory. They said that they were shocked by the fact that the Mauritians did not greet them or even their own Mauritian friends when they got into the bus and also that there was often no conversation between them all the way to the factory. But in this particular case, they said that after a few weeks, they came forward and greeted the Mauritian workers by shaking their hands when they got into the bus. And they say that the situation has since then completely changed and the Mauritian workers have now started to greet them.

On the whole, they feel that Mauritians are rather cold and home bound. They do not walk around in the streets. There is very little street life after a certain time in the afternoon and they miss that. They do not have much interaction with Mauritians mainly because of lack of time. When they do have time off work, they enjoy watching television and fishing.

#### **Conclusion**

For many of those interviewed, the primary way in which their lives as migrant workers could be improved would be through increases in their wages. In addition many feel that they would have benefited from being better informed about life in Mauritius, particularly the high standard of living, prior to their arrival. A general comment by some of the workers was that the Government of Mauritius should ensure that regulations governing working and living conditions are being respected by factories.

## **II INFORMAL INTERVIEWS**

Below we present the findings from informal interviews carried out with foreign workers from different countries.

### **SINHALESE MALE WORKER**

This worker is on contract for 3 years starting in September 1998 in a textile industry. He lives in a shared house of about 60 other workers with 6 people sharing a room. He is 21 years old and works as a laboratory technician in a textile factory. He has studied for his A levels and had previously worked as a lab technician in Sri Lanka before coming to Mauritius. At home he lives with his widowed mother; his 2 brothers and 3 sisters are all married.

He learned about job opportunities in Mauritius through newspapers and friends. He then applied to a private agency in Colombo and had to attend an interview carried out by two Mauritian representatives from the factory where he now works. His main reason for coming to Mauritius was financial but also to gain experience so that he could get future employment in Europe or Saudi Arabia.

His expenses prior to arrival in Mauritius are as below.

Medical check-up	Sri Lankan	Rs.1500
Insurance		5200
Air ticket		23000
Agency fees		4500
Other expenses		800
<b>TOTAL</b>		<b>35000</b>

He was offered a contract where he would earn a basic salary of US\$ 250/month excluding overtime and accommodation, food and medical check-ups in Mauritius would be provided. However, once he arrived he found that the contract was not adhered to. He suggested that the recruiting agencies could be more responsible so that people were not conned into signing unfair contracts. He was told that he would not be granted any leave in the first year and only 7 days leave in the second year. His father dies after he had arrived in Mauritius and so he had to ask for 25 days leave to fly home for the funeral. He took a loan from the company for Rs 21000 which he is now paying back at the rate of Rs. 2000/month.

He is now earning Rs. 5500/month. He works from 8.00am to 5.00pm and performs about 20-25 hours overtime a week which he feels is excessive but cannot refuse to do overtime. He complained that Mauritians are better paid than migrant labour even though the latter are harder working and more productive and are not absent from work as frequently. He does not find their supervisor sympathetic and finds some Mauritians to be rude to him at work. In general, however, he has some Mauritius acquaintances and has been invited to some parties. He says that he has much more freedom here even though he is not allowed to bring friends to the dormitory, and that Mauritius is much safer than Sri Lanka.

He does not have much free time but when he does he enjoys watching TV and listening to the radio. He feels homesick and writes letters home regularly. He feels that migrant workers are generally happy in Mauritius particularly because they often have more freedom here than in their home countries.

#### **FEMALE CHINESE WORKER**

This worker is 36 years old and is employed as a machinist in a knitwear factory. She is widowed and has an 11 year old child. She comes from Po Zhejiag in China and speaks Mandarin. In her home town she was a store keeper after studying in secondary school. Her father who was a school teacher is now retired and her mother works in a supermarket.

She replied to a TV advert and underwent a machinist test at a government agency. Her main reason for coming to work here was to get away from her home and family and to have more experience of travelling abroad. She was told to take her ID with her and 500 Yuan. She had to leave 3000 Yuan at the agency as a retainer which would be returned to her plus the interest on her return. The agency told her that this deposit was in case she was accused of theft or damage while working in the factory in Mauritius. She was also asked to pay 150 Yuan every month to cover insurance and medical expenses. After 5 months of arrangement procedures she signed her contract in Mandarin. Her contract is for 2 years with an optional additional one year, although she has heard since that the additional year is often compulsory and not optional. Often employers say that they will pay a higher basic salary in the third year so the workers are encouraged to stay on.

She starts work at 7.30am and finishes at 5.30pm with 2 ten minute breaks and a half hour for lunch. She is paid between Rs 6000 and Rs 7500/month depending on the amount of overtime, and receives free food and lodgings. She says she carries out 40 hours overtime a week which is more than she wants to do. She writes to her daughter regularly and sends Rs. 3000 every month.

She does not belong to a trade union but if she faced any problems at work she would go and see her supervisor who is also Chinese. She does not have any Mauritian friends at work but her boyfriend is Mauritian. She looks forward to going back home as the work here is too tiring. She complained about the work environment where there is no air-conditioning and the Mauritians get paid more than the

foreign workers even though the Chinese work three times as fast as the local labour. Last year there was an incident where some garments went missing and some of the Chinese workers were sent back home.

She says that she was provided with a lot of stereotypes about Mauritius before coming here which turned out to be unfounded. She enjoys the beaches here and the climate. She spends most of her leisure time sleeping, reading and shopping. Most of her outings are with other foreign workers although she would welcome the opportunity of having Mauritian friends but says that this is discouraged by the management.

### **FEMALE INDIAN MIGRANT**

She is 30 years old and has studied at primary school and is married with 2 children. Her father is a retired railway supervisor but her mother did not have any schooling. She decided to take up employment in Mauritius while her husband, who is also a textile factory worker, looks after the children in India. She did not know anything about Mauritius until she came here and now thinks that it is a beautiful place. She heard about work opportunities in Mauritius through friends who had previously worked here. She applied to come to Mauritius through a private agency in India and paid Indian Rs. 50,000 in total to get here. She said that she had to make this sacrifice because her family have financial problems.

### **SINHALESE FEMALE WORKER**

This worker is 30 years old and has studied up to 'O' levels. She lives in a dormitory with 37 women sharing 7 rooms. In the hostel there is a phone but they are only allowed to use it for international calls and not local ones, and they are not allowed to leave the hostel except to go to work after 6.00pm. She has had five years experience of working in a textile factory in Sri Lanka before coming here. She now earns Rs 4500/month as a machinist and her husband works in the production of coconut oil in Sri Lanka. She heard about job opportunities in Mauritius through newspaper advertisements and went to a private agency where she underwent an interview with a Mauritian company representative. After successfully completing an aptitude test she was offered a 3 year contract.

The expenses she incurred are listed below:

Agent's fees	Rs. 12500
Medical expenses	Rs. 1500
Passport	Rs. 3500
Foreign bureau	Rs 5500

Her contract, drawn up in English and Sinhalese, included a free air ticket and accommodation. It took almost 3 months to process her application to work in Mauritius.

In Sri Lanka she was earning US\$ 150/month and was guaranteed more in Mauritius, including a productivity bonus and additional overtime plus the sum of Rs 300/month as a meal allowance. She is currently earning Rs 5000/month including bonuses and overtime and although she is given a food allowance she is required to pay Rs 350/month to cover the food expenditure at the dormitory.

She has never worked outside of Sri Lanka before and was told that this was a good country to work in. While the salaries are higher in Dubai, for example, the conditions there are reported to be much more difficult. She works from 7.00am to 4.00pm and does 10-12 hours overtime a week. She has half day Saturday and all Sunday off work. She would like to have the opportunity to do more overtime because she is not allowed to take up any other employment. She does not know of anyone who engages in prostitution.

They have few work problems but if they have concerns, while they are not allowed to join trade unions, they can contact the General Manager who is Sinhalese or the Personnel Manager who is a Mauritian. They do work in teams with Mauritians who they have become friend with and have been invited to socialise with their Mauritian friends. She enjoys more personal freedom here than her

friends who are working in Dubai and Malaysia. However, she would still prefer to be working in Sri Lanka.

### **BANGLADESHI MALE WORKERS**

Four young men were interviewed who work as machinists in the textile industry. They work on the second floor of a building and their accommodation is on the third floor which is also used to store raw materials. Although five of them share one room they are satisfied with their accommodation arrangements.

They had heard about work opportunities in Mauritius from friends and then went to a recruiting agency where they paid 80,000 Taka to get a contract and come to Mauritius. Their contract was in English which they did not understand but they were briefed in Bangla about the terms of their contract by the agency. It took 3 months for their application to be processed. Once they arrived in Mauritius they were surprised to find that some of the terms of the contract were not met. For example, one worker was told that his salary would be 10,000 Taka when in fact he is earning only 5000-6000 Taka. They all stressed that the main reason for taking up employment in Mauritius was financial. They are able to send home between Rs 7000 and Rs 9000 every 5 to 6 months.

They work from 8.00am to 5.00pm and then carry out 6-10 hours overtime every week which they feel is not enough for them to earn a sufficient salary particularly after their food allowance was decreased from Rs 600 to Rs 500 in April 1998. They felt unable to complain because one of their colleagues who had previously complained to a Ministry of Labour inspector about another matter was sent home by his employer. They all feel that it would be better to work in their own country but had 3 year contracts to fulfil although some of them wanted to more information on the consequences of breaking his contract and returning earlier.

In their non-working time they usually meet other Bangladeshis and go to the beach. They listen to the radio but their boss had removed the television. They generally find the Mauritians to be friendly although they are wary about their boss. They referred to an incident when the cloth they were working with was ruined and they were all sent home early and then money deducted from their pay.

While they had not heard of any women taking up prostitution, they felt that most migrant workers were dissatisfied working here and were keen to return home. Their main concern is that they are being underpaid and they did not get adequate information about living and working in Mauritius before they arrived. They would like to see migrant workers getting better pay and conditions and more access to overtime. They were also concerned about the food allowance and that their passports were held by the factory owner.

The salaries of one of the workers is shown below and indicates the importance of overtime work to their monthly salary and the crippling effect of paying back loans.

<b>DATES</b>	<b>Jul 97</b>	<b>Aug</b>	<b>Sep</b>	<b>Oct</b>	<b>Nov</b>	<b>Dec</b>	<b>Jan 98</b>	<b>Feb</b>	<b>Mar</b>	<b>April</b>
Basic salary	1753	2110	2152	2170	2003	2006	1419	1502	1886	2053
Overtime	964	965	1030	914	792	733	nil	nil	907	627
Food allow.	600	600	600	600	600	600	600	600	600	500
<b>Total</b>	<b>3317</b>	<b>3675</b>	<b>3782</b>	<b>3684</b>	<b>3395</b>	<b>3339</b>	<b>2019</b>	<b>2102</b>	<b>3393</b>	<b>3179</b>
Loan repayment	-	-	-	2000	2000	2000	2000	2000	2000	2000
<b>Total Income</b>	<b>3317</b>	<b>3675</b>	<b>3782</b>	<b>1684</b>	<b>1395</b>	<b>1339</b>	<b>19</b>	<b>102</b>	<b>1393</b>	<b>1179</b>

## **CONCLUSION**

The interviews with individuals and groups of foreign workers reveal a number of interesting issues particularly in relation to their living and working conditions. For most, coming to Mauritius provided an opportunity to earn higher incomes than available to them at home. However, in order to increase their earnings they are required to carry out overtime which is not always available. They can send money to family at home but this is often not until they have been able to pay off the debts incurred when making arrangements to work abroad. Many mentioned the high cost of living in Mauritius which also reduces their real wages and opportunities to socialise. They have few Mauritian friends, mainly because of language differences but also because of limited leisure time available, segregation of the workforce in the factories and restrictions controlling entertaining in their dormitories. At the same time, some of them are grateful for the freedom that they have in Mauritius compared to in their own countries.

## CHAPTER 7

### MEDIA SURVEY

#### I INTRODUCTION

The issue of the importation of foreign workers has in some ways been contentious. There are those who feel that the employment of workers from abroad has been a necessary economic strategy due to the shortage of local labour. There are others, however, who feel that the importation of foreign labour is unnecessary and causes conflict between local and migrant labour, and can have a negative impact on the economy and society of Mauritius. It has been important in this research to explore the different perceptions of the employment and experiences of migrant workers in Mauritius. This has meant that it was necessary, as a part of the research process to reflect and analyse the various opinions as articulated through reports in the media. This chapter presents summaries of some of the press reports from 1992 to 1996 and a few articles from 1997 and 1998 including a report of Chinese women and prostitution. The articles are drawn from L'Express and Le Mauricien.

It is evident, as would be expected given the increasing significance of the importation of foreign labour to the EPZ industrial strategy, that the press coverage of related issues increases substantially from 1992, with a large number of references to foreign workers in the press in 1994 and 1995.

What is also clear is that there has been a great deal of debate over the reasons presented for the need to employ labour from abroad in an attempt to justify the granting of work permits in an economic climate in which it seems, to some, to be inappropriate to seek non-local labour. There has also been some coverage of the experiences of migrant workers which focuses on their living and working conditions and the impact on local labour. Much more recently there has been reporting on migrant women taking up prostitution in order to supplement their incomes. Much of this debate revolves around the low wages of the workers but also on the 'immorality' of prostitution which has caused some concern amongst local people about the social consequences of foreign labour and has fuelled arguments against their importation. It is difficult to obtain detailed information and accurate data on the extent of prostitution among migrant women and of its potential social impact.

The reports below focus on a number of issues which include:

- Shortage of labour
- Modernisation processes in the industrial sector
- Shortage of labour in the agricultural sector
- Industrial relations
- Implications of employing foreign labour
- Absenteeism and commitment to work
- Living conditions of migrant workers
- Conditions of work
- Remuneration
- Unions and associations
- Problems encountered
- Statistical and critical analyses
- Views of migrant workers
- Foreign labour from Malawi
- Leisure activities of foreign labour
- Security measures
- Education

One of the most significant issues about the extent of media coverage on migrant workers is that it shows the concern that there has been about the employment of foreign workers since they started to

arrive in large numbers. This concern has taken many forms and comes from various quarters including trade unions, employment organisations and government agencies. Whenever there have been problems particularly those relating to the living and working conditions of the migrants, the press have been quick to explore these and make them known to the public. This has been particularly important because, as we have seen, workers are not unionised and have limited access to organisations who can take up their grievances. This role has been played by the press. They have been effective in highlighting some of the problems faced by many workers and advocating on their behalf. This has often led to actions being taken by government ministries to address these problems very often with the setting up of monitoring and other regulatory bodies. So the press have played a crucial role in uncovering problems and sensitising the public and decision-makers with certain measures having been adopted following negative press reports.

## **II SUMMARY OF ARTICLES**

### **1992**

The Government allowed the importation of labour for certain sectors of the economy due to a shortage of qualified labour but there was no intention to replace Mauritian labour by foreign workers in case there were strikes. Owing to some problems cropping up in a few enterprises which were employing migrant labour, the Government decided to establish a forum comprising high level civil service officers, employers and unions to discuss the issue of migrant workers. **(April 92)**

Following employment of migrant workers in a construction site in Q-Bornes, it was found out that Indian and Rodriguan workers were ill-treated and were living in an illegal situation. **(Aug 92)**

### **1993**

Thirty-five employers working in an EPZ company were living in indecent conditions in the Plaines Wilhems. Necessary corrective actions were being undertaken by the Foreign Labour monitoring unit of the Ministry of Labour. **(Feb 93)**

Thirty migrants from India lived in precarious situation at St-Hubert and Mare d'Albert. They were recruited under contract by an Indian agent on behalf of a local company. **(Feb 93)**

Foreign investors in the EPZ had recourse to foreign labour since the level of absenteeism registered from Mauritian labour averaged between 15 to 20% annually. The relatively high level of absenteeism had direct negative repercussions on the efficiency of firms where at times 50 % of the chain operations could not be effected. But with the employment of foreign labour, the total turnover of many EPZ companies improved despite the fact that they had to bear the cost of lodging and a personal allowance of Rs 10 per head for food. It was also found that local labour were good but lacked the determination to work compared to foreign labour. However, Mauritius cannot depend solely on foreign labour to enable firms to operate profitably. Instead, a proper blend of both local and foreign labour would be the most suitable formula for the proper running of enterprises. **(March 93)**

The Chairman of MEPZA noted that the percentage of foreign workers would rise from 4 to 9 % in fifteen month as from May 1993. It was also observed that 4,750 people from different nationalities obtained work permit in 1992 as against 2,607 in 1991. A private sector operator noted that the importation of migrant workers has stimulated productivity. In fact, Chinese labour have 40% more capacity to work than a normal local worker and they bring with them a new culture of work where time is really money. **(May 93)**

### **1994**

Government expressed concern in 1994 on the repercussions of easy employment of migrant workers on the modernisation process of the industrial sector. Proposals were formulated to implement measures which would help to foster consolidation and modernisation of the manufacturing sector in

view of easing the problem of labour shortage. The issue of non-compliance of the contract agreement between migrant workers and employers were raised in various quarters, particularly with MEPZA, by government. **(Jan 94)**

Following the employment of female Chinese labour in illicit activities, the Chinese embassy noted that it would be impossible to exploit migrants if they are employed through appropriate and authorised channels where they obtain formal contract agreements. In addition, it was also observed that there were more to lose than gain for an employer to exploit migrants as it would tarnish his reputation and image in the future. The embassy pointed that prior to the departure of Chinese migrants from china to all the countries where they are allowed to be employed, a basic disciplinary programme that should be respected is being taught to them and also added that all the stakeholders should respect the rules and regulations in force according to the contract agreement. **(Jan 94)**

Ninety nine Chinese workers refused to work for a construction company due to non-payment of their wages and have formally requested to know the terms and conditions of their employment contract. The Chinese Embassy was also involved in sorting out the issue. **(Jan 94)**

The Federation of Progressive Unions decided to set up a unit which would cater for the needs of those migrant workers who were ill-treated by their employers. **(Jan 94)**

Five Chinese workers returned back safely to their parents in China after having worked for an EPZ company in Mauritius. An EPZ company repatriated eight Chinese workers owing to misconduct. **(Jan 94)**

The FSCC objected to the idea of employing migrant workers in Mauritius as it reduces the bargaining power of local workers. In addition, the union pointed out the various problems encountered by migrant workers in terms of lodging and wages. **(Feb 94)**

In view of the problems encountered by migrant workers in two textile companies, the Ministry of Labour set up a special unit which would cater for the proper industrial relations between employers and migrant workers. **(Feb 94)**

Twenty Indian migrants were employed by an EPZ company which did not make any formal for work permit. **(Feb 94)**

Concerning the agricultural sector, the new agricultural Minister informed the agricultural community that it would not allow the importation of foreign labour for the agricultural sector and has no intention to impose retirement age at 65. **(March 94)**

Given the numerous difficulties facing migrant workers, L'Organisation Solidarite des Travailleurs was set up in view of safeguarding their rights and claimed an EPZ employer to refund back air travel fees to nine Chinese workers who were repatriated following problems emerged concerning their employment conditions. **(March 94)**

Government is of the view that there is no exploitation of foreign labour in Mauritius as against certain allegations from some unions. It was observed that unfounded allegations might have very bad repercussions to our exports to Europe. **(March 94)**

A human resource development and information programme was launched by Government through its Workers Education Branch (WEB) to sensitise migrant workers, particularly in the EPZ sector, about their rights and rules and regulations governing their employment conditions in Mauritius. **(March 94)**

Due to shortage of local labour, a fish canning company is proposing to employ foreign labour from India and Bangladesh given the labour-intensive type of operations involved in the cleaning of fish. Moreover, owing family obligations, local labour are not willing to work at night, hence the crucial need to import labour. **(April 94)**

However, twenty Indian workers were employed in sugar cane fields in the northern part of Mauritius by the Northern Planters Association. The workers were recruited on a contract basis for 2 years and were provided with food and lodging by the Northern Multi-purpose Agro-Mechanical Corporation. Following the employment of foreign labour in the sugar sector, the association observed that labour cost declined by 30% and Indian workers work during eight hours per day compared to Mauritian who

work by piece rate. On the other hand, Government is against the import of labour in the agricultural sector, and it was observed that the permits were approved prior to the coming into office of the new Minister. ( **Aug 94** )

Twenty - two Malagasy workers were not allowed to land in Mauritius from a Mauritian boat as they had no documents to certify their employment in a Mauritian company which was looking forward to employ them as fishermen. ( **Aug 94** )

The MLC commented aggressively against the employment of foreign workers in the EPZ where they note that local labour is being shunned against the employment of migrant workers. They propose that the Labour Act be amended in order to condemn employers who replace local labour by foreign labour. The union also criticised the lack of vision of government who they found out were side-tracking from the real problems facing Mauritius. They argued that not much emphasis were placed in human resource development and training in high-tech areas which would allow Mauritius to be competitive globally. Instead, a new form of modern slavery has cropped up where Mauritian workers are being laid down leaving them helpless after years of sacrifice to improve the lot of Mauritian labour. ( **Oct 94** )

As at May 1994, around 9,500 to 10,000 foreign workers were employed in Mauritius which represents an increase of 50 % compared to the previous year. In addition, about 8694 work permits were delivered by 13 October 1994 to foreign workers by the Ministry of Civil Service Affairs and Employment. In 1993, 6,787 work permits were provided as against 4,644 in 1992, representing an increase of 22 %. The vast majority of the migrant workers are employed in the EPZ sector where 5,988 obtained jobs. ( **Oct 94** )

The other sectors where there are migrant workers are the construction industry which employs 1,500 foreigners followed by the hotel sector which employs 324 foreign workers. Seventy three are employed in the parastatal sectors like the CEB, CWA and MT. The migrant workers originate mainly from China, India and Sri Lanka, Hong-Kong, Madagascar, Bangladesh and Taiwan amongst others. In May 1993, the majority of workers came from China (1,424) followed by India (736), South Africa (464), France (384), Sri Lanka (281) and U.K (243). Another interesting feature is that foreigners from Greece, Holland, Israel and Yugoslavia are employed according to the Ministry. ( **Oct 94** )

After repeated requests formulated by unions concerning the preference of employing migrant workers over local labour, government stated that priority is normally given to local labour and there was no real evidence to state that this was not the case. Taking an example, The Minister illustrated that following the laying off of 300 employees by an EPZ company, they were offered employment by another EPZ company with the same salary and conditions of work. However, only nine people responded favourably indicating the high labour turnover which is around 20%. Consequently, the substitution of local labour by foreign labour is no real issue. ( **Dec 94** )

A representative from a construction firm was of the view that Mauritian are not incompetent people but they lack concentration and are less productive. Local labour work less than their foreign counterparts and as a result they earn less. Had Mauritian firms relied solely on local labour, many projects would not have completed in time. He observed that the mentality of local labour will have to be changed to face the emerging challenges in the new world economic order. ( **Dec 94** )

The Textile Clothes and Other Manufacturing Workers Union expressed their concern over the massive employment of migrant workers. The union proposes that Government establishes a ceiling over the importation of migrant workers through appropriate legislation following the classic strategy of some employers who have laid down local workers and had recourse to employing migrant workers. ( **Dec 94** )

The unions have put forward the question of whether Mauritian workers need to work seven days a week to ensure high levels of productivity. It was noted that Mauritian workers have a social life alongside their work and employers are utilising migrant workers as a bargaining strategy to force local workers to work overtime. This scenario might lead to a permanent danger to local workers where they can lose their job at any point in time. In this connection, it was proposed that the industrial strategy should be reviewed together with the training policy in order to ensure that Mauritius has more qualified labour. ( **Dec 94** )

The phenomenon of employment of migrant workers was due to sustained economic development

which Mauritius experienced over the past decade. Migrant workers has become a necessity following the acute shortage of local labour. It was found out that there were two categories of migrant workers, namely highly skilled and low skilled. The economic benefits derived from the employment of highly skilled foreign labour is extremely beneficial to the country. As regards, low skilled labour, they are a temporary measure to allow Mauritius to face the transitory phase towards a capital-intensive economic development. Their medium and long term impact will have to be assessed since an easy access of migrant labour might retard the process of industrial modernisation which is required to become competitive world-wide. Studies on migrant labour have revealed that there is an important distinction between those migrants who return to their country after expiration of their contract and those who permanently reside in the foreign country with their family. It was observed that so far Mauritius has not experienced permanent immigration which is in line with Government's policy. With temporary employment of migrant labour the impact on society is more sustainable but however certain problems are inevitable by the very fact of employing migrant labour. Firstly, their conditions of work and stay should be carefully monitored. A few exceptions were noted concerning the non-compliance of contract agreement by employers in Mauritius. In the same spirit "Solidarite Travailleur Etrangers" was created in Mauritius which has the aim of ensuring that the rights of migrant workers are respected, to provide legal assistance to those who are victimised and to encourage healthy interaction between the local population and migrant workers. Secondly, the co-habitation between local workers and migrant workers in the place of work and residential areas is necessary in order to create social harmony. The cultural diversity and notion of tolerance in Mauritius has largely contributed to avoid friction. However, there are signs of social dislocation like the beginning of a prostitution network where Chinese girls are involved which will have to be looked into. In general, there is consensus to the idea of having recourse to low-skilled workers as a temporary measure in view of the modernisation of the productive sectors of the economy.

**(Dec 94)**

For the first quarter of 1994, 4,034 work permits were delivered and is classified as follows :- **(Dec 94)**

**Country of origin**

Chinese	60%
Indians	19%
South Africans	4%
French	3%
Others	14%

**Sector**

Textile	68%
Construction	16%
Hotel and Restaurant	3%
Other industries	13%

**Allocation of work permits**

Sep - Dec 1993	2,493
Jan - Apr 1994	4,034
Increase	1,545

As at February 1995, 10,000 migrant workers obtained work permits.

**1995**

Following a work accident, a Chinese worker obtained Rs 150,000 as compensation. **(Jan 95)**

In the context of the Chinese Spring Festival, the Municipality of Curepipe organised a cultural concert for Chinese migrant labour where they were congratulated for their hard labour in the EPZ sector which is contributing to the economic development of Mauritius. **(Feb 95)**

The employment strategy of migrant workers aims at attaining a market equilibrium but is not a permanent solution to the problem of shortage of labour in Mauritius concluded the Minister of Employment. In this context, Government set up a high level committee to analyse all the implications in relation to the importation of foreign labour in Mauritius and to chart out a national strategy for the future. **(Feb 95)**

A consultant in job inspection pointed out that a rational redeployment of existing local labour would unleash a considerable number of underemployed labour which will inevitably reduce our dependence on migrant labour. This can be achieved by efficiently managing the human resources employed in all sectors of the economy. In order to attain that objective, it is necessary to control the utilisation of labour and develop diverse methods and techniques to evaluate the needs of each and every organisation. **(Feb 95)**

A local fishing company terminated the contract of 13 Malagasy frigoboyes. The apostolat de la mer was of the view that as long as there would be no proper contract agreement among the fishing companies and the fishermen and frigoboyes, problems are bound to arise. **(March 95)**

Following a mission led by the chairman of the Northern Planters Association in India, 125 Indian workers were recruited to work in the sugar cane fields for five co-operative societies in Mauritius. The members observed that local workers did not appreciate the import of labour for the sugar sector but pointed out that they would be paid at the same rate as local workers and 23 co-operative societies would benefit from this measure given that they have already invested in the purchase of agricultural equipment. **(April 95)**

The Artisans and General Workers Union voiced out their concern over the import of labour in the agricultural sector, particularly in the sugar cane fields. Following the decision taken by the Northern Planters Association to recruit 125 foreign labour, the unions stated that the bargaining power of local agricultural workers would be eroded and that young people are no longer interested in this sector as they are not well paid for their hard labour. The union pointed out that government committed itself to

import foreign labour in the agricultural sector at the technical level only and there was no stated policy that manual workers would be imported for the sugar cane industry. **(April 95)**

A study should be carried out to analyse the profile of workers from Bangladesh and Sri Lanka who come in Mauritius to take employment in EPZ industries, to identify their motivations that push them to migrate and to verify the channels through which they got employed as well as their conditions of stay. **(April 95)**

The economic indicators for the first quarter of 1995 reveal that there is a decline of employment in the EPZ sector and there are strong inclinations at the policy making level to stop the employment of foreign labour. In fact, by the beginning of 1995 Government stopped issuing working permits to foreign labour in the EPZ sector and there were no renewals of contract, except in certain specific areas. Work permits would be granted to areas which are in real need of labour like in the sugar industry sector. There were certain cases of abuse where lorry drivers and bakers amongst others were granted work permits. **(April 95)**

The Ministry of employment prepared a videocassette for foreign workers to explain them the labour laws in force as well as hygienic and minimal security that they is required whilst working in Mauritius. **(April 95)**

An EPZ industrialist who employs 3,200 people out of which 900 are foreign labour observed that the local labour lack discipline, refuse to do overtime and are more liable to be absent from work compared to foreign labour. The level of absenteeism registered in the firm turned around 7 to 8% annually compared to 0.5 % for foreign labour from China. Another problem commonly faced by the industrialist was that local labour stop working one hour before the departure time by spending their time in the toilet and in doing their make-up. He also noted that one foreign labour was equivalent to two local labour in terms of the amount of work done and foreign labour are more skilled in manipulating machines and clothing relative to local labour. He pointed out that it is becoming more and more difficult to find good local labour and that foreign labour is being used to enable local firms to meet their obligations from buyers for delivery of goods, otherwise many firms would already have been closed thus shedding local labour. He was of the opinion that if some entrepreneurs were ill- treating and abusing foreign labour, the latter would already have left Mauritius. **(May 95)**

Another EPZ industrialist who has six enterprises with no foreign labour was of the view that he has been able to met the orders from buyers located in the Europe despite an annual absenteeism level of 8 to 9 %. But in order to be able diversify his market by tapping the American market, he is seriously contemplating to have recourse to foreign labour to be able to meet deadlines for delivery of goods. He added that foreign labour work harder since they aim at maximising their income through a short lapse of time which is not the case for Mauritian labour which is more a partner between their labour and capital. The two main challenges lying ahead of EPZ firms is to create employment and be able to sustain the level of employment which could be achieved through upgrading the level of productivity. **(May 95)**

Foreign workers are paid Rs 4,000 per month according to the piece rate system and it was also observed that foreign labour contribute 10% of their value to the EPZ exports. **(May 95)**

Around 26 Chinese female workers did not obtain their wages for the month of April 1995 from an EPZ company. An thorough inquiry by government revealed that the Chinese workers do not get less than their Mauritian counterparts and their conditions of work are being respected. The Chinese workers will have to wait for the Chinese recruiting agent to come over to Mauritius to discuss the issue with the employer since Mauritius has no right to get involved into the internal matters of china and only a tribunal in china will be able to establish justice in such cases. **(May 95)**

As at 15 March 1996, employment of foreign labour in the EPZ by the main companies stood as follows:-

<b>Companies</b>	<b>Number</b>
Textile Industries Ltd	927
Novel Garments	404
Sinotex	292

Afasia Group of companies	210
Leisure Garments Ltd	186
Summit Textiles Ltd	166
Novel Textiles Ltd	161
Mauritius Tuna Fishing and Canning Enterprises	149

Despite the barriers of language that many migrant workers have to face in Mauritius, they expressed their satisfaction on their conditions of work and on their remuneration to the President of Mauritius. In general, they receive twice as much money as in their country (Bangladesh) and project to build up their house once they return back. The migrant workers are aware that they will have to return back to their country of origin. They also stated that they did not experience any sense of xenophobia from the part of their local counterparts. (**May 95**)

A representative from Malawi put forward the idea of employing labour from Malawi in Mauritius. To this end, the local Minister of employment stressed the fact that the best option would be to set up joint-ventures with appropriate use of human and financial resources available in the offshore sector. (**May 95**)

The MEF pointed out that foreign workers are recruited whenever there is shortage of local labour and Mauritian firms operate within the jurisdiction of the laws in force. With the rapid economic development of the country many labour laws have become outdated and incompatible with the realities of the day. In this context, the MEF proposes that the rules be rendered more flexible with the introduction of collective negotiation. (**June 95**)

Following critics for the employment of foreign labour in the sugar sector, the Minister of Agriculture pointed out that small planters have not mechanised their cane cutting operations and as such would need to employ foreign labour to face the labour shortage in this sector. The long time lag registered for the mechanisation of small planters sugar cane fields was attributed mainly to the absence of planning at the Sugar Mechanical Pool Corporation. (**June 95**)

Following the comments made by the industrialist of Esquel Group, employees of the factory expressed their dissatisfaction to the idea that the employer has so far refused the employees to become members of a union. They stated that they have worked for 19 years for the company against all odds and it is not wise to make comparisons between local and foreign labour. (**June 95**)

According to the MEF, migrant workers bring with them their know-how which Mauritian workers have to learn to replace back the migrant workers. The policy to have recourse to migrant workers is a short-term solution to the shortage of labour in Mauritius and should not be viewed as a long-term solution. The lack of skilled labour from newcomers on the local market also spurred firms to employ migrant workers. The other reason behind the employment of foreign labour by local firms is that they generate a high level of turnover. Moreover, the poaching of local labour by competing firms has raised the labour costs. Foreign labour represent a form of security for the turnover of the enterprise. (**June 95**)

The regulations are very strict as regards foreign labour. The girls have no right to go out of their quarters after 18 hours and for their own security there is a security guard who is employed 24 hours a day. If a Chinese girl is found wandering on the streets after 18 hours, the person is liable to be dismissed from work. They are allowed to go out only in groups for their own security. (**June 95**)

There exists several leisure activities for foreign labour in Mauritius like T.V, video, radio in Chinese language, sewing, outing to seaside and trips around the island in groups. Some workers are invited by Mauritians from Chinese origin. Some manage to take private tuition in English and French and many go to pagodas and churches on Sundays. (**June 95**)

Following a parliamentary session, the Minister of labour pointed out that the northern Multi Purpose and Mechanical co-operative society and the Mauritius Agro-Mechanical Co-operative Federation Ltd have recruited 75 workers of Indian origin in the sugar sector and that the Minister of Co-operatives would raise a few issues with the Co-operative societies of Medine Camp de Masque and Camp Ythier. (**July 95**)

Following a visit to the residence of 64 Chinese workers at Pointe-aux-Sables who were employed by

Gamma Civic/ Chang Chung Esquare, the Minister found the living conditions extremely precarious and unacceptable. **(Aug 95)**

Following allegations made by Indian workers who were employed by the Agro-Mechanical Co-operative Federation against the recruitment agency from India for the non-satisfactory conditions of work, three enquiries were established by the Indian High commission. The 19 workers were thereafter repatriated to India. **( Aug 95)**

Following a site visit to an agro-based industrial firm, the Minister of employment was satisfied with the conditions of work of foreign labour from Madagascar.**(Aug 95)**

A few Indian workers have affirmed having bribed a recruiting agent from the Recruiting Division of the firm Export and Import in Mumbai. The Indian Authorities in collaboration with the Mauritian Government have decided to freeze all import of labour from India. **(Aug 95)**

The MLC is proposing to set up an immigration Board in view of putting an end to the exploitation of foreign labour in Mauritius and to control the import of foreign labour.**(Aug 95)**

During a meeting held by the Ligue Ouvriere d' Action Chretienne, the Minister of Labour ( Oct 1995) pointed out that foreign workers were not exploited and refuted the fact that they were obtaining only Rs 1,500 per month. According to him, foreign workers does not constitute a potential threat to local workers. He added that there were 13,000 foreign workers of 59 nationalities and agreed to verify all the issues of ill treatment which has been referred to in the press. **(Oct 95)**

According to some social workers, foreign workers from India and Bangladesh were badly treated and sexually used by a tuna fishing company. More than 60 workers were being lodged in a relatively small building and sanitary conditions were not being respected. Food which were being provided were not up to the requirements of the workers who originate from different parts of India. Moreover, the workers were under strict surveillance under security officers who did not allow them to get in touch with their local counterparts. The foreign workers stated that their working and remuneration were below their expectations to what they were told in India where they had to pay large sum of money to the recruiting agents. **(Oct 95)**

After an enquiry made by the Ministry of labour, it was found out that there was a problem of co-habitation between the foreign workers who were employed to the tuna fishing company. It was found out that all the documents of the workers were in order. It was found out that the company employed 47 women and 7 men of Indian origin and 29 men from Bangladesh. The men were lodged separately to the women who stayed at Roche - Bois. The allegations made that the women who were sexually used could not be verified by the Ministry. **(Oct 95)**

The Indian High Commission stated that its margin of manoeuvre was very little in cases like that occurring in the tuna fishing company. However, following the various problems encountered by the Indian agricultural workers, the Government of India has made some strict provisions for the recruitment of workers through accredited agents and where the employer will have to (i) obtain an import permit and (ii) provide a bond guarantee which would guarantee the repatriation of the worker under his charge. The Indian High Commission was of the opinion that it fall under the jurisdiction of the Government of Mauritius to settle out any issues concerning workers from India. **(Oct 95)**

After a site visit carried out by the Minister to the tuna fishing company, he noted that the adverse press reports were not true and expresses his satisfaction to their conditions of stay. After the visit, the foreign workers stated that their main problem was the inadequate supply of water. The tuna company employs 1,226 people out of which 132 are foreign. **(Oct 95)**

The MLC observed that there were abuses in some cases where foreign workers were not paid at the same rate as local labour and added that the official number of foreign workers is being understated and requested an inquiry from the ILO office to look into the matter. **(Oct 95)**

## **1996**

Foreign workers who were working under contract since January 1994 had not obtained their end of

year bonus neither in 1994 nor 1995. The SILU added that the workers did not benefit from their annual salary compensation in accordance to government's policy. According to the Labour Act, all foreign workers should benefit from similar privileges if they are working in Mauritius. On the other hand, the employer is stating that all bonus and salary compensation were paid to the employees for the month of September 1995 and ordered them to leave their lodging as their contract expired on 31 December 1995. Given the conflicting situation prevailing. The ministry of Labour referred the case to the Industrial Relations court which ruled against the employer, the northern Multipurpose and Mechanical co-operation Society where the latter will have to pay each of the workers an amount of approximately Rs 28,000. **(Jan 96)**

The Federation of Progressive Unions is in favour of the full integration of manual foreign labour in the Mauritian society. In this connection, they propose that manual foreign labour should not only have work permits but also be allowed to vote, marry and if possible to bring their family. In contrast, the union **(Jan 96)**

The SILU/UASI claimed a commission of inquiry on the import of foreign workers in the sugar sector. They alleged that the workers were forced to pay lip-service to the recruiting agents. Amongst the workers involved in the agricultural sector, figures out engineers and qualified technicians. The union noted that some firms were laying off workers prior to the 12 months of service in order not to have workers employed under a permanent basis. **(Feb 96)**

Three Indian workers left their work to take employment to another person. According to the prevailing law, no worker is allowed to take up employment whilst still employed by another person. The workers complained that they were not paid according to the agreed rates. After verification by the Ministry of labour, it was found out that there was no written contract agreement between the foreign workers and the employer. **(Feb 96)**

In a memorandum submitted to Government, the Mauritius Employers Federation made a case to enable easier rules and regulations for the employment of foreign labour. The MEF pointed out that it was very difficult to find out qualified people for Mauritian industries. **(Feb 96)**

Four workers of Indian origin were fined at Rs 500 each given that they were illegally working in Mauritius. **(March 96)**

By early 1996, foreign workers represented 2% of the labour force in Mauritius which originate mainly from India, china, Sri Lanka and Bangladesh. The government was of the view that if there was a proper training policy in Mauritius, the country would have recourse to lesser imported labour. The main reason for importing labour according to the private sector was not necessarily because of relatively cheap labour ( as the firm has to bear the airfare, food and lodging) but also because of the high level of absenteeism registered by companies and lesser commitment to work overtime from local labour. Government, on its part, is conscious of the significant role played by foreign workers in areas where there are shift systems. The migrant workers have also played a crucial role in enhancing the productivity of many local firms in the manufacturing sector thus enabling firms to meet delivery dates. **(March 96)**

The policy of Government is aimed at having recourse to migrant workers only in those sectors where there is an acute shortage of qualified people on the local market. It was found out that migrant workers would be needed in areas like offshore, informatics and jewellery. As regards the interaction of migrant workers vis-à-vis local labour, time has proved that they were complementary. The maximum duration for stay for a migrant worker in the EPZ is three years whereas it varies in sectors like freeport, offshore and information technology. Migrant workers who are recruited for construction works are employed for specific projects only and once the project is completed the foreign worker will have to return back to his home country. Out of the 10,000 migrant workers on average who work on the island over the last few years, a very small percentage stay back at the end of their contract agreement. So far, an average of 20 marriages are registered between foreign labour and local people. **(March 96)**

Foreign labour represent around 20% of total labour employed in some enterprises of the EPZ sector. Foreign workers are always willing to work overtime and maximise their income in the same way as Mauritians do when they go abroad to work. **(March 96)**

According to the MEF, Mauritian and foreign labour are complementary and in no way has the bargaining power of Mauritian labour decreased. Moreover, local labour can have access to more leisure time with the employment of foreign labour since local labour no longer have to work during Sundays and public holidays. Firms will no longer benefit if the employment of foreign labour is no longer allowed. Foreign workers obtain the same remuneration as those of their local counterparts. By employing foreign labour, the MEF is of the view that firms benefit from healthy competition between local and foreign labour to meet delivery dates and maintain high quality of finished products. In addition, foreign workers are very flexible in their approach to work unlike local labour which is relatively rigid in changing their work schedule and are of the opinion that their output would be negatively affected if they change their work. Mauritian workers in general prefer to do light jobs leaving those activities which require more skills to migrant workers. Local and migrant workers are therefore complementary. The presence of foreign workers by the side of Mauritians created a salutary effect on the need for improvement in productivity among all workers. Mauritian workers are today more responsive to quality and discipline. **(March 96)**

According to a representative of the local company CMT, there were 500 foreign Chinese labour out of a total of 2,800 workers. The migrant workers were of paramount importance to the company which operates throughout the whole year, 24 hours a day through a shift system of 8 hours. Due to the lack of local labour to work at night, mainly because Mauritians have not developed the cultural habit to work at night, the firm had recourse to Chinese migrant workers. Another major factor behind the import of labour was the fact that firms had to meet short lead times which turned around 4 to 6 weeks compared to 3 months formerly. In order to meet the delivery time period, the firm had to review the whole organisational setup where overtime was introduced and where workers have to work seven days a week. Employment of foreign labour costs more to the firm compared to local labour though they get similar compensation where on average they gain between Rs 3,500 and Rs 5,000 per month. With piece rate, a Chinese worker can obtain between Rs 4,500 and Rs 6,500 per month. According to the CMT, for every foreign labour employed over a period of two years, the company bears additional costs of Rs 2,500 monthly which over a year represents Rs 24,000 for a two-way ticket, Rs 1,000 for food and Rs 500 for lodging. In the construction sector, there are some work which cannot be done by local labour since they lack the expertise **(March 96)**

A Chinese worker was fined at Rs 5,000 for homicide . **(April 96)**

Some 15 Malagasy fishermen were arrested given that they were working without work permits and 13 Malagasy workers who were illegally in Mauritius were called upon by the Court. **(April 96)**

Seven Chinese workers were repatriated given that they were not abiding as per the terms and conditions of their contract agreement. **(Nov 96)**

A Chinese worker was found drowned at Beau-Bassin. **(Nov 96)**

Indian workers made vent of their low salary compared to their local counterparts. **(Nov 96)**

## **1997**

Around 50 Chinese workers refused to take up their employment at Esquel, a textile industry. The main problem according to management was the difficult co-habitation between the new foreign workers and the former foreign ones. However, the action of the Chinese workers is also being explained by the non-respect of conditions of work. The foreign workers were facing a real problem of language vis-à-vis management. The Director noted that out of a total of 400 workers around 700 to 800 workers were of Chinese origin and that it was the first time that such a problem has cropped up since 1991. He also pointed out that it was the first time that the workers originated from different provinces in China and that the older workers were not in a position to co-habitate with the new ones despite the fact they have separate lodging and cooking facilities. **(June 97)**

## **1998**

A Bangladeshi male worker went on strike because he claimed not to have received Rs 63000 that the

factory where he was working owed him for his salary and bonuses. **(April 1998)**

A Bangladeshi worker on hunger strike for non-payment of his salary was supported by the local All Workers Federation who visited him. They are fighting his case with the Ministry of Labour and he agreed to accept Rs 20000 as compensation. Following this incident the AWF addressed a letter to the President of the Republic asking him to establish a Commission of Inquiry into the conditions of work of foreign labour. On the specific issues of abundance of contracts by recruiting agents and employers, number of hours worked, freedom of movement, housing and general conditions of work. They drew a parallel with the period of indenture. A decision was made to establish a special wing of the AWF to take up the cause of foreign workers. **(April 1998)**

A Pakistani worker started a hunger strike to protest against the non-abundance of his contract of work. Following mediation between Government and the company, the issue was resolved. **(June 98)**

According to Mauritians of Chinese origin, it is estimated that out of 8,000 Chinese female workers 2,500 to 3,000 of them are engaged in prostitution. The main target groups are the Taiwanese and Korean sailors as well as Mauritians. According to a rough estimate around 25 to 30 Chinese workers do prostitution out of a dormitory of 70 workers and in some cases all of them do prostitute to obtain more money at the end of the month. The Chinese workers normally move in groups of five at night, preferably during Saturday and Sunday nights and are very conversant with the Mauritian taxidrivers who speak mandarin fluently. The most common place where they meet potential clients is in the Casinos at Pailles and in Port-Louis and the rates vary from Rs 25,000 to Rs 500 per night depending on the type of clients. Normally, they charge more with higher grade clients.

Many of the Chinese workers like to roam around Chinatown in Port-Louis where they find many Taiwanese sailors. There are even Mauritian translators who serve as the go-between between the Chinese girls and the Mauritian clients. Most of the Chinese female labour originate from the provinces in China and in order to enable them to meet the costly airfare to Mauritius, their families very often have recourse to mortgaging their house. The mortgage is normally managed by mafia organisations where they lend money for the airfare in return to obtain the house on mortgage unless the money is being refunded back. Thus most of the salary obtained by the Chinese labour is sent to their families in china where they can pay the debt contracted. And in order to enable them to sustain themselves in Mauritius, they engage in prostitution to obtain maximum money within the minimum time period. As an example some can earn Rs 15,000 on one day only with only one client.

The Caudan waterfront as well as the North station are places where the Chinese girls prefer to go. One of the Casinos have refused access to the Chinese girls as very often they do not play games and consequently do not enable other players to have the opportunity to play. However, some Chinese girls do play in the expectation to obtain clients.

According to a hotel employee, the Chinese girls are allowed to come with their clients as they have sufficient money to pay the bill. Normally, the clients do pay but at times the Chinese girls foot the bill. As regards the hotel clients, they do not find any inconvenience that the Chinese girls come to the hotel and money is not a problem for the clients. The practice of prostitution is common not only in the city but also in rural areas where for example villagers in Pointe-des-Lascars have revealed that the rural people like them and the Chinese girls do prostitute in sugar cane fields.

The Chinese girls do not protect themselves against any risk of contracting diseases and some are not even aware about AIDS and other venereal diseases. Some of them have even fell pregnant where they have been to Community Health Centres to have abortion as they are not aware that abortion in Mauritius is illegal. It is worth noting that those who have returned again after their initial contract period of three years and who were fully engaged in prostitution are continuing with this activity. As regards the police force, they have rather overlooked this activity on several occasions in the public areas as they are of the opinion that they are responsible to ensure security only. **(August 1998)**

A General Assembly was organised following an article on prostitution by Chinese workers. They felt that aggrieved and hurt by these accusations and at the same time the junior Minister of Health arranged a meeting with factory managers to discuss the issue with them. The workers have admitted that the problem did exist but that the figure of 2500 to 3000 was exaggerated and that following these allegations those responsible for dormitories were taking all the necessary measures to monitor the

situation closely. (**October 1998**)

## CHAPTER 8

### SUMMARY AND RECOMMENDATIONS

#### I INTRODUCTION

In this final chapter we present a summary of the key findings in the research and go on to make some recommendations for future research and policy. The main issues addressed in this conclusion are:

1. The strategies of employers to address the issue of labour shortage and the need for higher productivity in EPZs.
2. The process of implementation of this strategy through an examination of processes of recruitment, and systems of incentives.
3. The profile of the migrant including their demographic characteristics, reasons for working in Mauritius, contractual arrangements.
4. The migrants' experiences in Mauritius: working and living conditions
5. The local responses to migrant labour including the effects on wage rates and on the local labour market, social change and the overall impact of immigration on Mauritian society and economy.
6. Future research and policy implications of international labour migration recruitment in EPZs.

Although the research covered the areas listed above, the overall purpose of this project was to obtain an overview of this industrial strategy of employing foreign workers by focusing on the migrant workers themselves. As mentioned in the introduction (see Miller 1986) the condition of temporary workers remains under-researched and our objective was to gather more detailed information of their experiences and identify areas for further research. This would make possible comparative studies with similar processes taking place in other countries. Our interest lies also in understanding the ways in which temporary work has become a wider global phenomenon at every level of employment including those occupations which require higher levels of skills, are more highly paid and have traditionally been carried out on a more secure and permanent basis. We argue that the issue of a flexible labour force has become increasingly important through processes of globalisation. At the same time, there has been a shift in the characteristics of the temporary industrial labour force whereby male labourers have been replaced with female workers. This has given rise to other gender-specific issues such as harassment of female workers and changes in domestic responsibilities.

As mentioned earlier, the research process included the collection of a range of data from a variety of sources using different research methodologies. While quantitative data lends itself much more easily to statistical analysis, there has been increasing value within the social sciences placed on the information provided through the collection of qualitative data. However, it is difficult to generalise on the basis of individual case studies and information gathered through focus group discussions. In fact, much social science research is sceptical even of the generalisations drawn from quantitative material and question the objectivity of any form of research, arguing as we do here that all research is highly subjective.

Qualitative data is difficult to analyse and present although it clearly provides some very interesting and invaluable information. We, therefore, chose to present and analyse much of the research material in a combination of statistical representations and case studies in chapter 6. In this conclusion we want to stress that we cannot nor do we want to make generalisations about, for example, the experiences of migrant workers. Instead, the objective is to provide a rich source of information about the various strategies adopted by individuals and groups, and different people's perceptions of foreign labour in order to understand more fully this industrial strategy and its economic and social implications.

Having said that, although people's experiences are diverse, there are some common themes that continuously recur.

## II STRATEGIES OF EMPLOYERS

Prior to the research, there had been a lot of discussion and debate on the reasons for the increasing necessity to employ foreign workers. As identified in Chapter 3, these included primarily the issue of labour shortages and the need for higher productivity in the EPZs. Main arguments presented by industrialists and the Government also included high levels of absenteeism amongst local labour, unwillingness to do overtime work and the need for more highly skilled labour.

While some of our findings confirmed these justifications for the employment of migrant workers there are also some other significant issues which emerged such as reducing the previously high levels of labour turn over, as foreign workers are confined to working for the same employer throughout the period of their contract. In addition, foreign workers were seen to be more multi-functional than local labour thus, increasing their attractiveness as a flexible labour force.

There was an important difference between industrialists and government officials in their analysis of the need for foreign workers. The industrialists tended to be more concerned with productivity levels and flexibility of labour supply, namely continuous availability of workers round the clock whereas the Government prioritises the higher skills level of foreign workers as a major justification for their importation. In fact the research shows that the foreign workers may have had previous experience of working in factories but do not necessarily have higher levels of education or of skill than their Mauritian counterparts.

There would also appear to be a divergence in the analysis made by government officials compared to that made by industrialists importing labour; government officials on the whole felt that the importation of labour would be a temporary phenomenon which would become less important as Mauritians become more well trained and disciplined leading to a general rise in productivity. The industrialists, on the other hand, seemed to link the presence of foreign workers much more to what they refer to as their 'work ethos' and therefore, not as necessarily a temporary strategy but as one that may be necessary in the long term to guarantee the competitiveness of the industry in an increasingly demanding world market. More than half of the employers surveyed envisaged a rise in the demand for migrant labour and 70% currently employing foreign labour said that they would be keen to employ more if the employment procedures were more flexible.

As we saw in Chapter 2, the strategy adopted initially by industrialists and the Government to address the issue of high unemployment was to encourage the establishment of an Export Processing Zone in the early 1970s. Subsequently a shortage of labour necessitated the importation of workers. Now, however, as our research indicates, the issue of labour supply is more complex with the continuation of importation of labour despite first signs of unemployment in the local labour force. This further confirms that the importation of foreign labour is more than an issue of labour shortage alone.

Preliminary findings suggest that while the wage rates for local and foreign labour are the same, the differences in productivity levels make the employment of foreign labour far more attractive. The search for cheaper and more flexible labour often requires that manufacturing industries relocate to even lower wage economies as is evident in other countries such as Mexico and Bangladesh. This is not a common strategy adopted by industrialists in Mauritius firstly because much of the capital in the EPZ is local and secondly because of easier access to established markets in Europe and the US. There have been a couple of cases of relocation such as Floreal Knitwear to Madagascar.

Instead of relocating, the strategy by industrialists has been to recruit labour from lower wage economies, such as China, Bangladesh, India, Sri Lanka and Madagascar. The survey of establishments show that foreign owned or partly foreign owned establishments are more likely to employ foreign labour because they tend to be larger than those which are exclusively locally owned and because they are often subsidiaries of larger units located in other countries. This makes it easier to organise the recruitment and control of workers from these countries.

The survey shows that while there are many advantages to employing foreign workers there are also

disincentives. These include, the high initial cost to the employer, especially the small establishment, in relation to transport, guarantees, and accommodation, and the communication problems encountered when people speak different languages and come from different cultural contexts. However, it is obvious that the benefits outweigh the costs.

Whilst the strategy of employing foreign labour in the EPZ is relatively new, it does not appear to be one which is temporary. If it is a more long term strategy as the research suggests and local unemployment continues to rise, this must be an issue for further research in order to identify more specifically why migrant labour continues to be preferable and/or why local labour are rejecting employment in the EPZ.

### **III PROCESSES OF RECRUITMENT**

There are a variety of recruitment practices which involve local contractors, middle men or recruitment agencies. Most of the workers interviewed stressed that this was a difficult and problematic process and one which was often corrupt. Indeed, many industrialists also emphasised that the recruitment procedures were unsatisfactory and some had resorted to travelling to these countries to monitor the process or recruit labour directly.

In China, there is extensive advertising by recruiting agencies sometimes even inside factories, promising the opportunity of earning significantly higher wages in Mauritius. However, the wages promised are not always forthcoming and workers are often required to pay high administrative charges. Since they have no savings, these costs are deducted from their salaries once they start working overseas and it is often not until they are well into their contract period that they are able to save money to send to their families.

Many of the workers said that there were also problems when contracts arrived immediately before their departure and thus, they were not provided with sufficient time to study them adequately and for problems to be addressed prior to their arrival in Mauritius. Very often the workers had no direct contact with their employer until they arrived in Mauritius and many felt that they were not informed about the high cost of living in Mauritius.

It is clear that the procedure of recruitment is fraught with difficulties and this is an area that needs further investigation.

### **IV THE PROFILE OF THE MIGRANT**

The majority of foreign workers are young women, primarily between the ages of 20-30 years although this varies slightly by nationality. In many studies of women workers in EPZs, the striking feature of the characteristics of the workers are that they are single, young women. One of the more interesting findings of this study is that almost 50% of the women are married and many of them with children. An area for more detailed research would be in exploring how these women negotiate leaving their husbands and children behind and the strategies that their families adopt while they are away particularly in relation to taking over the women's domestic responsibilities.

Working in Mauritius, was for the majority of those interviewed, their first experience of working abroad. Most of them had received at least 9 years of schooling, and amongst the Sri Lankans many had 14-17 years of schooling. They also had had previous experience of working in factories and were therefore, used to operating the machines.

As is common with migrant workers elsewhere, they work long hours and are very keen to take on as much overtime work as they can get. Hours of overtime carried out by foreign labour greatly exceeds that taken on by local labour partly because the latter have family and other domestic responsibilities while the foreign workers are living as single people and need to earn as much as they can during the period of their contract. When it comes to sending remittances home, there are sharp differences between the migrants; whilst nearly all groups confirmed that they were working in order to send money back to their families and were concerned because of the low wages, almost half of the Chinese

women said that they did not send money back home. This challenges much previous research into economic strategies of migrant workers which suggests that people take up temporary contract employment overseas primarily as an economic survival strategy.

While most workers confirmed that they had migrated because they thought there would be more money to be earned here and because of the low standard of living in their own countries, a significant proportion, particularly women, stressed the importance to them of having the opportunity to travel and have new experiences. These sorts of reasons for migrating are rarely considered in much of the literature on migration yet are clearly important in shaping people's decisions to move from one place to another. Further research could be carried out into the differences between men's and women's motives for migrating.

## **V THE EXPERIENCES OF MIGRANTS IN MAURITIUS**

Most foreign labour work as machinist although a few are supervisors. They generally work the regular day shift from 7.30am-5.00pm and do overtime from 5.45pm-9.00pm. They are paid on a combination of time and piece-rate basis and most are able to earn between Rs.4000 and Rs.6000 per month. The average monthly earnings of foreign workers is Rs.5000 per month while for local labour is Rs.4000 due to the overtime work carried out by the migrants. However, from this the foreign workers pay for accommodation and food and many are responsible for paying back debts incurred in arranging their contract and transportation costs. This means that few are able to send remittances home in the first few months and even after that they send less than they thought they would be able to before they arrived. Although their earnings are higher than at home, some workers complained about the unexpectedly high and rising cost of living in Mauritius compared to that in their own countries. Their health needs are sometimes not met by their employer and because they lose pay when not working, they are often forced into working when they are unwell.

Migrant workers spend most of their time working, regular hours and overtime in order to earn as much as possible during the period of their contract. Little time is left for leisure activities although most do have half day on Saturday and the whole of Sunday off work. Many said that much of this time was spent sleeping and relaxing as they try and recuperate from a hard week at work. It seemed that few of them had much contact with Mauritians apart from in the workplace and even there, their interactions were limited because of language differences and as breaks are often divided whereby, for example, local labour take lunch at a different time to foreign labour. Some foreign workers did say that they had made Mauritian friends, but these were mainly Indians and Bangladeshis, partly due to less language barriers and some shared cultural meanings. It was the Chinese workers who were the least connected with Mauritian people partly because they live together in large dormitories and their mobility is controlled and also because of problems of communicating in a different language.

In general, most workers did not belong to trade unions and this meant that they had little recourse to challenge poor working conditions. There seemed however, to be few work based problems although some cases of non-payment of salaries had been reported. Some commented that if they did have any problems at work that they would usually refer to their supervisor who is usually also a migrant worker from the same country. This minimised the problems of communication and meant that they had access to share problems and lodge complaints.

There were few workers who would want to stay on beyond their contract. Many were homesick and others felt that they were not being remunerated to the extent that they had previously thought and would prefer to go back and work in their own countries.

Some of the living conditions were more problematic with overcrowded accommodation and limited mobility outside of the dormitories. Although the government has set up regulatory bodies with remits to ensure compliance with work and living conditions these have not always been fully effective. The lack of support from trade unions has also meant that there have been few challenges to the conditions of the migrants. There was little mention of harassment to women workers within factories but some did suggest that they were harassed by young men when they went out. This situation has been exacerbated by media coverage of the increasing numbers of prostitutes among migrant workers. It may be necessary to look into the possibility of having formal support and counselling services for migrant workers who may not wish to report to their supervisors or to management intimate personal

issues and sensitive problems such as sexual harassment and exploitation in and out of the workplace.

This research confirms the findings of other studies which show that temporary or foreign workers migrate primarily for economic reasons. They are willing to accept poor working and living conditions because they view their employment opportunities abroad as being only temporary. In addition, by being away from their own environments, families and networks, they become particularly vulnerable to exploitation. Despite these problems, many foreign workers particularly those from Bangladesh, India and Sri Lanka, confirmed that they are able to earn more in Mauritius than in their own countries and that remains an incentive even in the light of poor living and working conditions.

## **VI THE IMPACT ON MAURITIAN WORKERS**

As mentioned earlier, the strategy of employing migrant workers has been challenged by those who argue that since there is no longer a local labour shortage, Mauritian labour should be employed. However, a local labour shortage is only one among many reasons why industrialists may not choose to employ Mauritians. These include, as we have seen, that they feel that migrant labour are more productive and more flexible. It is therefore unlikely that greater availability of local labour would necessarily make importation of foreign labour unnecessary. This section of the research which draws on the work of a World Bank/ILO study looks at the perceptions of the local labour force in relation to foreign workers in the EPZ.

What the research confirms is that many of the local labour do indeed agree that foreign labour work harder and that they perform more overtime. The issue of competition for employment was not so clear although most Mauritian workers said that they were doing the same sort of work as foreigners. While a large majority of local workers said that they did make friends with foreign workers, they also commented on communication problems and the fact that in many factories the workers are segregated and have little opportunity to interact.

This is a significant area for further research. If unemployment amongst Mauritian low skilled labour increases then it is likely that the antagonism towards the importation of foreign labour will increase. It is worth carrying our further research into the displacement or not of local labour and to confront more directly the issue of higher productivity amongst foreign workers. Furthermore, research could be carried out into the training and skills levels and differences between foreign and local labour to see if this is a basis for the employment of foreign workers and into the supposed differences in the quality and productivity of work carried out by Mauritians and foreign workers.

## **VII FUTURE RESEARCH AND POLICY IMPLICATIONS**

The future labour strategies in the EPZ depend to a great extent on the future production techniques in, and the continuing importance of, the EPZ to the national economy.

All the figures show that this trend of employment of migrant labour will increase and that it is not a transient phenomenon. Towards the end of this project it emerged that almost 50% of new recruits to the EPZ were foreign workers. However, some have argued that the employment of cheap and flexible migrant labour discourages industrialists from further mechanising and upgrading the production process. Continued access to cheap labour, thus, acts as a disincentive to move to high technologically based production. There is also evidence that the level of education has increased in Mauritius and thus there may now be some local people who could provide the skilled labour if production becomes more technologically based.

More research needs to be carried out into why local people are not working in the factories. Is it because they no longer want to work in this low pay, low-skilled sector or are factories not keen to employ local labour because of the additional benefits and profits to be made through the supposed higher productivity and less frequent absenteeism of temporary foreign workers? Are local women, especially mothers finding it difficult to combine home responsibilities with the exigencies of factory work increasingly requiring longer hours of overtime in order to be competitive on the world market? Is it likely that over time, the comparatively depressed wage levels and poor working conditions in this sector would make it increasingly unlikely that employers will be able to hire local labour,

consequently making the employment of migrant workers imperative. A further issue to be addressed is whether with rising levels of unemployment and economic insecurity local labour will wish to return to this sector. It should be noted that an important windfall of this strategy has been the greatly reduced problem of labour turnover which was becoming a plague in the EPZ sector. Migrant workers are tied to an employer for at least 3 years.

There is evidence to suggest that the segregation of the workforce, of local and foreign labour, within and between factories, has divided workers. In this situation of limited contact between groups of labourers antagonisms are fuelled and stereotypes proliferate. However, some management suggest that this segregation is important in maintaining discipline amongst the workers and facilitates team work on the work site. This limited contact not only prevents workers becoming acquainted at a social level but also discourages them from uniting to challenge what may seem to be unfair working conditions and low pay. The proportion of foreign workers who said that they did not like Mauritian people is a problem which should be addressed.

Despite increasing numbers of foreign workers and their poor living and working conditions, trade unions remain ambiguous in their attitude towards, and support of, migrant workers. There is some fear that their presence is lowering standards of treatment to workers and displacing local labour yet some unions feel a commitment to the rights of workers irrespective of their nationality. This ambivalence places migrant workers in an even more fragile situation as they are not necessarily guaranteed the support of groups who defend workers' rights. However, there are some foreign workers who have gained the support of unions although this has tended to be more informal often because workers have agreed in their contract not to join any trade union.

In the absence formal trade union support, the Press has played an important role in uncovering some of the serious problems that migrant workers were facing. In fact the numerous articles which have appeared in the Press have sensitized the public and official authorities on a number of problems which were subsequently addressed and some of them solved. However not all Press reports on the issue of migrant workers may have been accurate and beneficial to the workers.

One of the areas not covered in this research but which is important in terms of understanding the wider implications of temporary workers is the impact on labour-sending countries where wage remittances from workers abroad are often of critical importance. Given that many of the foreign workers in Mauritius are disappointed with their contracts and levels of pay, an area for future research would be to explore the short and long-term impact of labour migration on the economies of labour-sending areas.

The workers raised many significant issues relating to their experiences as migrants but generally they felt that they were no major dissatisfaction. In fact, some of those who have worked in other countries suggested that their experiences there were far worse. There were a number of aspects that they particularly liked about Mauritius which included the natural environment and freedom of mobility, however, a large proportion said that they found the Mauritian people unfriendly and unapproachable.

While their experiences may have not been as bad as elsewhere, the very nature of migrant work requires working conditions to be of much lower standard than that for local workers. The strategy to employ foreign labour must provide the employer with increased benefits and these are at the cost of the migrant labourer who will carry out more overtime, often accept sub-standard working and living conditions. In this way, the industrial sector restores those characteristics of a low wage economy and is able to retain its comparative advantage and for capital accumulation for the sector to continue.

There are a number of policy implications which emerge from the discussion above which include a commitment to further research into the areas identified. More immediately there is a need to review the rules and regulations governing the recruitment procedures, and working and living conditions of migrants and ensuring that they are supportive of workers' rights and are adequately enforced. In order for this to be fully effective, organisations which support foreign workers need to be established to ensure that their needs are met and problems addressed.

**List of key informants**

Mr Ramlugun, Principal Assistant Secretary, Ministry of Employment  
Mr Ramgoolam, One Stop Shop, Ministry of Industry  
Mr Philip Chan Kin, General Manager of a Textile Factory  
Mr Ali Parkar, General Manager of a Textile Factory  
Mr Raj Gunnoo, Personnel Manager of a Fish Processing Factory  
Father Paul of the Chinese Catholic Mission  
Mrs Danielle Wong of the Mauritius Export Processing Zone Authority  
Mr Yusuf Sooklall, Vice President of the Mauritius Labour Congress and responsible for the EPZ.

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## Summary of Discussions

### Introduction

This paper gives a summary of the comments of the panelists and other participants to the presentations of Mrs. Kothari, Mrs Kalasopaten and Associate Professor Mrs. Nababsing about the findings of the above project. Mr. Treebhohun, Director of the Export Processing Zone Development Authority, chaired the discussions, and the other panelists were:

Associate Professor Mrs. V. Nababsing	Dean Of Faculty University Of Mauritius
Mr. T. Gunnoo	Personal Manager Mauritius Tuna Fishing & Canning Enterprises Ltd
Mr. C. Moorghen	Industrial Relations Officer Mauritius Employers Federation

The main topics of discussions which are elaborated below, included:

- ***Recruitment of foreign labour***
- ***Living conditions of foreign workers***
- ***Relations between foreign and local workers***
- ***Industrial strategy vis-à-vis foreign labour***
- ***Area of further research***

### Recruitment of foreign labour

A reaction to the survey findings that there were some workers who were under the legal recruitment age was that it is difficult to recruit foreign labour below 20 years of age. Age is recorded on the application forms for work permits and these are scrutinised by the Ministry of Industry, and also by the foreign governments. Although there may be some cases where prospective workers over report their age, this should be marginal. On the whole, the recruitment procedures function properly and Mauritian employers are able to select the most valuable workers abroad.

In some places like Bangladesh, Mauritian compete with employers from other countries (e.g. from the Middle East) to recruit labour. Workers are well aware of conditions in various countries and choose Mauritius en connaissance de cause. Foreign governments also closely monitor the recruitment of their nationals. Bangladesh for instance, restrict export of female workers.

It should be noted that the study focused on shop-floor workers. In the textile sector there are also some foreign cadres in middle or top management, which were not included in the present study.

### Living conditions of foreign workers

Foreign workers live in dormitories or houses that are closely guarded. This is not to sequester or to isolate them from the Mauritian population, but to ensure their security. Actually, employers care for the well being of their foreign employees. They employ welfare officers to look after them, and organise festivities for special occasions like their national day.

### Relations between foreign and local workers

The Export Processing Zone Labour Welfare Fund (EPZLWF) tries to integrate foreign labour and local workers. Actually, some foreign workers start speaking Creole after a few months,

while others speak Hindi as their mother tongue. This facilitates their interaction with local workers.

Although they legally have the right to join a trade union, few foreign workers do so. It should however be noted that the rate of unionisation is low for Mauritian labour also.

### **Industrial strategy vis-à-vis foreign labour**

The view that foreign workers are cheap and that they are imported as a substitute for sophisticated technology may be misplaced. On the contrary some factories which have invested in expensive equipment need to operate 24 hours a day in order to increase their revenue and recoup their investment. This is possible only by employing foreign labour, since Mauritian workers are reluctant to do night shifts. It may also be that young Mauritians, who have a higher level of education than their elders, no longer want to work in factories. In this context, foreign labour can be an alternative to local workers.

On the whole, foreign workers do not have a high level of *education*. However, they have previous work experience in factories, and have thus acquired the *skills* required in the Mauritian industry. It should however be noted that a few weeks suffice to acquire these skills. The situation is different for workers from Sri Lanka who are in general more educated and have no language problems.

EPZ employees apparently do not have a good image of their work, they have no sense of belonging to their enterprises and they all seem transient, whether they are local or foreign workers. This is obvious for foreign workers who must leave after three years, but it is also true for local workers, as evidenced by the high level of labour turnover in EPZ enterprises. Actually there is no mechanism to retain local labour in the same enterprise. Career prospects are almost non existing, may be due to a lack of specific training which would enable workers to progress to higher levels in the factories (for instance, training schemes in the clothing sector have only recently been created). Moreover there are no enterprise linked pension plans for EPZ workers, so that they lose nothing when they leave an enterprise.

Overall, availability (that is, readiness to work in an EPZ factory, readiness to work long hours) is the key reason to employ foreign labour. This availability of foreign workers gives flexibility to the production process, which appears to be a major success factor in the global economy. In this sense, the EPZ depends on foreign workers for survival.

### **Area of further research**

About one third of foreign workers have not responded to the questionnaire which was sent to them. It could be worthwhile to study a sub sample of non-respondents to investigate why they have not responded.

A quantitative study on productivity should be undertaken. For instance, rates of pay of foreign and of local labour should be compared on a hourly basis. It would also be of interest to study the relation between the origin of workers (foreign or local) and their occupation and the technology they use. This study would clarify the related issues of labour availability, technology, efficiency, productivity, and flexibility. It should also address the possibility of moving towards a "low labour/high technology EPZ".