

Labour and Employment Conditions in Export Processing Zones A Socio-Legal Analysis on South Asia and South Pacific*

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Introduction

The need for change from import-substitution-industry to export-led-industrialisation programmes particularly by developing countries, renders the establishment of export processing zones necessary. Export-processing zones are usually regarded as means of attracting transnational enterprises to invest in export manufacturing.

Establishing an export processing zone is often considered as a policy objective directed at enhancing a country's productive capacity in manufactured goods, especially for the world market. However, in most cases it is an isolated export effort by governments to achieve the best production and export results within the shortest possible time.

In addition, export processing zones are expected to assist in the attainment of a nation's development objectives. These include creation of jobs, training of skilled workers, increase in foreign exchange earnings and probably technology transfer.

In an attempt to realise these objectives, quite a growing number of countries in South Asia and to a later extent South Pacific island nations (of recent Fiji), now provide or are expected to provide either export processing zones or similar facilities at individual off-shore facilities.

Although fewer countries operate export processing zones in Western Asia, and in the South Pacific, the number currently offering export processing conditions either nationally or at specific sites, together with specific incentives for export production is growing. i

Establishing an export-processing zone raises interesting questions pertaining to employment effects and labour conditions in the various spheres of activities. For instance, Asia accounts for a little more than half of all export processing zones employment throughout the developing world. Within the Asian sub-continent, the concentration of employment is in three countries. This represented about 57 per cent of the region's export processing zone employment. However, 94.5 per cent of this region's employment can nevertheless be found in only eight countries or areas. ii

Scope of the paper

The paper concentrates on employment effects and labour conditions in export processing zones in South Asia the South Pacific. In particular, it discusses how transnational enterprises generate direct or indirect employment in export processing zones, as well as, in other sectors of the economy. In addition, it examines the prevailing socio-economic and legal conditions of employment by looking at the structure of the labour-force in export processing zones.

The paper also examines the structure and legal framework of export processing zones. It further discusses the role and characteristics of these zones and their effect on technology transfer to the host economies. The paper concludes by analysing the future direction of export processing zones in global industrial output.

Definition of an export processing zone

The phrase "export processing zone" can be defined in various ways. Thus, a water-tight definition is difficult to arrive at because of borderline cases. An export processing zone is defined (within the context of this paper);

"as a clearly delineated industrial estate which constitutes a free trade enclave in the customs and trade regime of a country and where foreign manufacturing firms producing mainly for export benefit from a certain number of fiscal and financial incentives". iii

For practical purposes, this definition can be enlarged to include multinational enterprises from the developing world that act as investors in some export processing zones particularly in Asia.

While the main aim of an export processing zone is to produce goods for export, the Manaus free zone in Brazil produces and sells its output to the local markets. Equally, Singapore, Hong Kong and Macau have no tariffs or import restrictions and their entire territories are nonetheless considered as export processing zones. In the case of China entire cities and regions have been cordoned off and designated as "special economic zones". iv These are borderline examples of export processing zones.

What is noticeable in these borderline cases is that they all possess common features of conventional export processing zones, while at the same time retaining their peculiar dimensions. However, the borderline examples are for the purpose of this paper excluded from this discussion. Further more, the paper does not intend to cover other types of off-shore manufacturing facilities like the special economic zones in China.

Legal Structure of an Export Processing Zone

The first step is the passing of an Act v that will empower the establishment of an export processing zone. A statutory board or parastatal and in some cases a commercial company is established to oversee and regulate the operations of an export processing zone. The powers of the regulatory authority are usually specified in the enabling Act.

To establish an export processing zone, as well as, to derive maximum benefits from such an arrangement, a country should exhibit prior potential comparative advantage in a product line or lines. Such advantage, should be one that can easily be turned into a price advantage in world market. This is the incentive that will attract firms to invest in manufacturing products for export. vi Comparative advantage in this sense means access to adequate supplies of relatively low cost but good quality factors of production in locations that are or can be easily integrated into, well established international freight routes so that the products could reach important markets.

In order to properly establish an export processing zone, localisation factors, fiscal incentives and potential investments portfolios are important considerations that might influence countries to specially establish industrial estates. These estates are isolated business enclaves within the national economy. In most cases, legislation has been enacted by national governments to create these zones, usually with an administrative body charged with the responsibility of managing the zone. The localisation facilities include availability of land, efficient water and sewage systems, good transportation network (nationally and internationally), constant and reliable supply of electricity, good communication network and adequate banking and insurance facilities.

Generally speaking, authorities in export processing zone offer lengthy tax holidays in order to attract new investments but in particular so as to prevent relocation of existing facilities. There are also very minimal restrictions in terms of profit repatriation and foreign exchange controls. The government also abandons interventions such as import controls, overvalued exchange rates, subsidies especially to domestic industries. Singapore for instance, found it necessary to increase the tax holiday for pioneer plants from five years to ten years, while minimum amounts to be invested by firms was lowered to about one million dollars in order to make the country competitive in the quest for new investments. vii

Although countries have their peculiarities in terms of legislative, fiscal and physical incentives in relation their export processing zones, the general incentive package being offered to investors differ very little. This might be explained as a result of the similarities in the nature of activities of export processing zones. Major areas of divergence are on matters respecting permission of sales to domestic markets. In Malaysia and Philippines, local sales are not allowed. viii Also the admission of local investors in the zones (South Korea and Pakistan domestic ownership is restricted to joint ventures) and the policies facilitating purchases of locally produced raw materials (free from export duty), might differ from country to country.

Employment effects

Multinational enterprises operating in export processing zones play important roles in generating direct and indirect employment opportunities. The direct effect being particularly more important, is the employment created in the investors' plants. This is usually determined by the extent of labour intensity, the size of the existing market for the products and the sales efforts made by the firm. ix The indirect effect is manifested in terms of ancillary employment opportunities generated in sectors of the economy affected by the operations of the export processing zone.

The employment pattern in export processing zones is determined largely by the size of the facility. This varies from country to country. The distribution of employment in export processing zones is, however very uneven. The employment effects of export processing zones in Asia is evenly spread, especially in the following countries; Korea, Malaysia, Hong-Kong, Philippines, Korea, Malaysia, Hong-Kong, Philippines, India, Thailand, Macau Sri-Lanka, Pakistan, Indonesia, Bahrain, Bangladesh, etc. x

In terms of the direct employment effects, export processing zones take the following forms. The first is where the manufacturing sector accounts for more than three-quarters of employment in the zones. This is especially possible in the smaller export processing zones countries like Macau and Mauritius. In the second category industrial jobs represent a substantial percentage of export processing zone employment. Countries like Singapore, Malaysia, Hong Kong, Mexico, Korea, Taiwan present such features. Lastly, is the group of countries where export processing zone employment is marginal when compared to the country's population. xi

However, the fact that the export processing zones in the third category account for such a marginal proportion of manufacturing employment does not in any way diminish their importance in terms of their contribution to the overall employment effects in those countries.

With increasing expansion of export processing zones there is also a corresponding effect on employment generation. This is most noticeable in countries with expanding manufacturing sectors. xii

In the Philippines, the performance of export processing zone has been discouraging when compared to other export processing zones in South Asia. However, it still accounts for 10 per cent of all new manufacturing jobs. xiii The direct employment effect is more pronounced in Asian export processing zones in view of their relatively high employment figures and the even distribution of the effects in the various countries.

In outlining the effect of export processing zones on employment in the region, Chaudhuri makes the following observation: "Since their establishment export processing zones have accounted for at least 60 per cent of the manufacturing employment expansion in Malaysia and Singapore and for about 10 per cent in the area of Hong-Kong, the Philippines and Republic of Korea. xiv

The overall impact of export processing zones on employment would better be appreciated if the indirect effects are also examined. The major problem is the lack of any precise assessment of the indirect impact on the whole economy resulting from remuneration spent in the local economy by employees of export processing zones. This problem extends to the employment generation effects from purchase of local inputs as raw materials and semi-finished goods.

In the same vein, it is difficult to analyse the indirect employment effect of foreign subsidiaries operating in export processing zones, in relation to effects on the whole local economy. This is because major parts of the inputs for production utilised by enterprises in zones are usually from abroad. The isolated nature of these zones in relation to the local economy also makes forward and backward linkages a bit difficult to establish.

A firm operating in an export processing zone generates certain amounts of value added such as labour inputs and physical inputs (raw materials, components, etc.) which are either imported or purchased locally. In addition it also pays for local services (transportation, financial), which have indirect but beneficial effects on employment generation. xv The indirect effect also depends on the backward linkages of the export processing zone industry with local suppliers of raw materials and other required inputs. As a result of using a high level of local content of materials by the food processing industry in export processing zones, a substantial percentage of indirect employment is further created. This is because the domestic market will have to supply the needs of the industry.

Lall identifies a host of activities that result in indirect employment generation. These include;

"the potential increase in government revenues resulting from the presence of multinational enterprises, the increased availability of foreign exchange, the transfer of skills, emergence of forward and backward linkages with firms located in the zones and the impact of firms which are directly competing with export processing zones enterprises." xvi

As a result of the limited backward and forward linkages, industries in export processing zones have lower levels of indirect employment effects than other categories of industries in the local economy. On the whole, taking into account direct employment effects, the job losses in OECD countries and the indirect effects especially due to backward and forward linkages, it has been estimated that about 2.5 million jobs were created in export processing zones. This has been due to the forward and backward linkages between the export processing zone and the local economy. xvii

The important point to observe here is that apart from the direct employment generated by industries in export processing zones, indirect employment is also generated. This is because other service sectors, though operating outside the zones, take advantage of the fall out from the income being spent in the domestic economy. This effect is very difficult to quantify.

Structure of Employment

The features of the structure of employment in export processing zones relate to sex, age marital status, educational background and previous work experience of the workers. A majority of the workers are women, usually aged between 16 and 25, unskilled or semi-skilled and are mostly employed as production workers. Women account for as high as 90 per cent of total export processing zone labour force. This high percentage is explained not in terms of social or economic factors but rather by the nature of export processing zones industries. The two most important export processing industries (electronics and textiles) whether in the developed or developing countries have high percentage of female labour-force. The low skill needed, high degree of manual dexterity and the ability to concentrate on repetitive jobs for longer periods attract more of female labour than male. xviii

Another important feature of employment in export processing zones relates to the age of the employees. A substantial number of the workers fall within the 16-25 age bracket. While this range is neither static nor does it represent a universal age median in all export processing zones, there is however no significant distinction in age pattern between processing zones that have been in operation for several years and ones that have been recently established. xix

From a careful examination of the operations of export processing zones, it is apparent that there is the lack of adherence to minimum international standards regarding employment. There has been no concrete steps taken by government of host countries to control this problem. This is because the governments are not signatories to international labour conventions. Thus, the workers are usually at the mercy of their superiors in terms of the right to be hired or fired.

Most, if not all the export processing zones are located in urban areas. They are sited close to or by established air or sea routes. Because they are often also isolated from the local economy and sometimes having little link with other sectors of the host nation's economy. The use of migrant labour in these circumstances is necessary in order to satisfy the intensive labour requirements of the industries.

The preference for young, unskilled, inexperienced and unmarried female employees in export processing zones has a lot to do with the willingness to accept wages inferior to men, the absence of alternative employment opportunities and the reservation of skilled jobs for men. More importantly, employers in export processing zone feel that the naturally endowed characteristics of women such as better eye-sight, agility and nimble fingers make them ideal for these types of occupations. xx

This attitude sanctifies gender inequality and condemns such employees to exploitation. Because of the high stakes involved, regulatory authorities often turn a blind eye to such abuses. Their inaction is often based on the theory of achieving development at all cost. It is rather surprising to also notice the Governments' inertia in taking steps to rectify these violations.

Labour Conditions

The ever-increasing importance of employment provided by export processing zone renders it necessary for this paper to also examine the labour conditions regarding such employment. This approach raises other social questions pertaining to labour, especially in view of the assertion by Quizon xxi that workers in export processing zones are labouring under adverse working conditions with respect to the level of wages, hours and intensity of work, job security, occupational safety, and health etc.

The aversely low age of employment in export processing zones and high rate of labour turnover, (due to abundant and cheap labour), affect the length of employment. These phenomena discourage long term employment. Further more, the long probationary period allowed by export processing zone authorities, means that the period of employment rarely exceeds a few years.

In spite of the foregoing, one may still acknowledge the fact that export processing zones have significantly affected income redistribution in the Asia-Pacific countries. More people are gradually being integrated into wage structured employment. This in itself has a multiplier effect in terms of the increased incomes of zone employees spent in the local economy. This results in further employment generation in other sectors of the economy. Whether this can correctly be referred to as gainful or optimum employment or not is a factor for future consideration.

Apart from such considerations as political stability and overall enterprise productivity, a major factor that influences foreign investment in export processing zones is the low level of wages. However, other factors such as the quality of the labour-force, its educational level, its willingness to work ultimately affects a firm's investment decision. xxii

The wages in export processing zones tend to be low. This is particularly so when compared to the wage level in the formal sectors of the local economy such as manufacturing. For instance, in the electronics sector in Sri Lanka, earnings were slightly lower than the national wages for the same jobs. Younger workers receive lower remuneration than workers with longer professional experience.

Payment of lower wages by industries in export processing zones is a reflection of not only the provisions of the minimum legal wage requirements, but also that of the composition of the work-force. According to Lim "...female wages are usually less than half of the male wages. In some countries, this amounts to about a quarter to a third". In comparison to similar sectors in industrialised countries, the hourly wages are further lower than the prevailing minimum. xxiii

However, one may quickly point out that international comparison in this regard is meaningless in view of differences in per capita incomes of industrialised and developing countries. But what is clear though is that there is an unjustifiable degree of wage disparity between male and female employees even within the zones. When compared to the formal sector of the economy, the wages in the zones are much lower. The absence of regulatory provisions on labour conditions meant that employers in the zones are not legally bound to respond to the needs of their employees especially in terms of pay rise or equality of treatment. This neglect amounts to a breach of the employees' fundamental rights.

South Korea and Bataan export processing zones represent countries with exceptionally higher working hours of up to 60 per week. xxiv South Korea is however not a member of the International Labour Organisation and is not bound by any international labour conventions. A more disturbing issue comes to the fore when overtime is tied to normal working hours. The absence of unionisation and the covert and sometimes overt pressures by employers weigh much in influencing workers to work longer hours.

Productivity incentives schemes instituted by most employers in export processing zones with "demerit points" affecting pay and possibly job security, xxv low pay and sometimes pressures have gone a long way in increasing work intensity and consequently longer working hours. Economic and social conditions are however, more important factors that push workers in export processing zones into working longer hours. In a survey xxvi of 40 of 100 women workers in Sri Lanka export processing zone, 63 per cent of them were of the view that overtime was a practical necessity.

Important social problems arise in relation to shift and night work for women in export processing zones. Because of the economic benefits in terms of increase in man-hours generated by shift and night work resulting in higher productivity, most export processing zone authorities permit these practices. Despite the prohibition of night work by women in factories, in Mauritius, night work though expressly prohibited by the Labour Act of 1975, still authorises enterprises in export processing zones to engage women in night work but subject to a mandatory break of 12 hours thereafter. xxviii Sri Lanka has also denounced the International Labour Convention and several other export processing countries are not bound by the

Convention. These include countries like Singapore, Philippines, Macau, Taiwan and China.

The implication arising from this assertion is that shift work is also more frequently undertaken in export processing zones, than in the other sectors of the local economy. For instance, Singapore and Malaysia xxix have waived existing legislation prohibiting night work for women in order to allow enterprises in export processing zones to operate three night shifts of women workers per day. In the case of both countries, steps have been taken to render the longer working hours bearable. Employees work in air-conditioned electronic plants thus making the 45 hour per week night shift relatively easy to pursue. This is in addition to financial benefits that would accrue to them from such undertaking.

Unionisation of Employees

The conditions of labour and the characteristics of employment also necessitate a discussion on the extent to which unionisation was allowed in export processing zones. There are no specific legislation prohibiting unionisation in export processing zones. However, the right of workers to organise themselves into trade unions, (in some countries (Malaysia and South Korea)) depends on government authorisation. Legal restrictions affecting the right to strike affect not only the zones but also other sectors of the economy as a whole. Philippines has expressly prohibited the right to strike on the ground that export-processing zones are so important to the nation's economy, that strikes will have damaging effects. xxx

The character of the labour force is made up of predominantly young women, who possess minimal skills. This poses considerable obstacles to effective unionisation in export processing zones.

The non-ratification of the International Labour Organisation Convention or its denunciation by many countries operating export processing zones has made it extremely difficult for the International Labour Organisation to monitor compliance with the provisions of the conventions that affect the conditions of labour in these zones.

The workers have been deprived of the right to association. This fundamental guarantee is found only as a lip service in the constitution of the countries. The courts have also been handicapped in enforcing or proclaiming these rights because of ouster clauses in the various anti-labour prescriptions that prohibit any effective unionisation by employees. These restrictions do not only disorganise the workers from effectively pursuing their rights, but also render them liable to exploitation by some of the firms operating in these zones.

Technology Transfer

Before completing this paper, it would be equally important to examine the question of technology transfer even if, it is at the level of transferring simple production or assembly skills to workers employed by firms in export processing zones.

Export processing zones have not been regarded as effective technological enclaves. This is because their main aim has more to do with the need to generate more employment than to transfer technology. However, it has been observed that "through the purchase of local raw materials, components, goods or machinery, a foreign subsidiary can directly or indirectly help to upgrade and the develop the technical skills of its suppliers". xxxi This is particularly so in instances where backward linkages with local suppliers and forward linkages with customers within the local economy have been fully achieved.

In practice however, three factors xxxii have prevented the realisation of this objective. First, because of their export oriented-policy, enterprises in export processing zone do not have the same economic and technological effects on domestic enterprises as a foreign subsidiary might have through industrial, technological and commercial interaction with the host country's economy. Second, is the heavy reliance on imported inputs and third, perhaps more important is, the intention of setting up firms in export processing zones. The aim is to produce high technology products which have nothing to do with either the exploitation of the traditional skills of the labour force or the pre-existing industrial experience and technical capacity of the host country.

The character of the labour force being unskilled and semi-skilled means that transfer of technology is limited to acquisition of the relevant skills needed for particular production processes. In theory, employees acquire skills from firms in fields of industrial management, technology acquisition, marketing design and production development. In practice, the fragmentation of production process implies that only assembly operations are undertaken in the zones. The more complex and important aspects of the production

processes are reserved for performance in the host country.

The implication of this is that majority of export processing zone workers are engaged in simple routine operations that might be learnt in few weeks. xxxiii Also because of the rather short employment period, firms in export processing zones are not interested in investing on improving the skills of the workers. Usually, the form of training is mainly "in-house". The skills acquired by these workers are not readily transferable xxxiv to other sectors of the economy once they leave export processing zones employment.

Finally, in cases where different industries co-exist side by side in the same export processing zone or where two different industries are in close proximity to one another, it is possible that a lot of know-how and information is transferred informally between the unrelated firms. To that extent, indirect benefits in terms of technology transfer might benefit the local economy.

Conclusion

The successful performance of export process zones when compared to other sectors of the local economy has a lot to do with the advantages that are accorded to the zones usually in terms of improved infrastructure, fiscal and legal incentives. These in turn attract foreign investment and technology. Foreign investment and technology are regarded as important pre-requisites to the success of the firms operating in these zones.

While the primary aim of setting up export processing zones is not technology transfer, (but the generation of employment and the boosting exports of manufactures), however invisible benefits resulting from production technology, (even if it is in respect of assembling components), have accrued to the advantage of the host country.

Transnational corporations invest mainly in garment and electronics firms in export processing zones. These sectors being labour-intensive are able to benefit from abundant and cheap labour in South Asia and potentially in the South Pacific. However, it should be pointed out that the cost of labour is not the only determinant for investing in export processing zones. The productivity of the group enterprise in terms of the costs and benefits of production is usually the most important factor.

South East Asia and the South Pacific can effectively use export-processing zones as launch pads for their industrialisation. For maximum benefits to be transmitted to the local economy, the authorities in the export processing zones should come up with policies that compel minimum standards regarding forward and backward linkages between the zones and the local economy.

Transnational companies willing to invest in export processing zones must ensure that they also comply with minimum labour standards as specified by the International Labour Organisation. Governments must also ensure that the rights of the employees are protected through the promulgation of relevant domestic legislation to augment the ILO conventions. The authorities in these zones also have a responsibility of ensuring that the regulations are enforced against erring companies.

Finally, from the look of things export processing zones are beginning to exhaust their expansion capacities, (some like Brazil (Manaus)), changing to import processing zone. The implication is that within a relatively short period of time, most economies in the developing world would likely be converted into import processing zones. This is increasingly becoming relevant in view of the rapid pace of population growth in South Asia and the South Pacific. The growth usually creates market for the goods. The demand for such goods instead of being outwardly directed will then be inward driven.

NOTICE TO READERS

The writer welcomes comments, constructive criticisms or observations on matters that might help in improving the quality of this working paper. The writer is still researching on the topic with a view to improving the scope of discussion on the South Pacific region. Any suggestions made will be duly acknowledged.

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ENDNOTES:

- i. Kreye, Henrichs, Frobel, Export Processing Zones in Developing Countries: Results of a New Survey, Working Paper No., 43, ILO Geneva, (1987), p., 7.
- ii. Economic and Social Effects of Multinational Enterprises in Export Processing Zones, ILO, (1988), pp., 9.
- iii. Economic and Social Effects of Multinational Enterprises in Export Processing Zones, ILO (1988), p., 4; See also World Bank: Planning and Implementation of Industrial Estates and Export Processing Zone Projects, Staff Working Paper No., 379, (Washington, DC, 1981), p., 7.
- iv. See generally Osborne, M; China's Special Economic Zones (Paris, OECD, 1986), in Economic and Social Effects of Multinational Enterprises in Export Processing Zones, pp., 6.
- v. See for instance, the Fiscal Incentives Act, 1973, Point Lisas Export Processing Zone, Trinidad; Liberia Investment Code, 1973, and Jamaican Export Free Zone Act, 1982, which allows exclusively exported oriented production incentives in assembly type operations.
- vi. Wall, D; Export Processing Zones, Journal of World Trade Law, Vol., 10, pp., 482 .
- vii. Maex, R; Employment and multinationals in Asian Export Processing Zones, ILO Working Paper, No., 26, (1985).
- viii. Cf. the Manaus Zone in Brazil.
- ix. Watanabe, S; "Multinational Enterprises, Employment and Technology Adaptation", International Labour Review, Vol., 120, No., 6, pp., 693-708.
- x. Kreye, et.al: op.cit. pp., 19.
- xi. Economic and Social Effects of Multinational Enterprises in Export Processing Zones, ILO, (1988), pp., 23.
- xii. Table 1: Estimated share of (some) EPZs in the creation of new manufacturing employment since their beginnings (in percentages).

Country or area

Mexico	20
Singapore	>60
Republic of Korea	10
Hong Kong	10
Malaysia	>60
Mauritius	95
Philippines	10
Dominican Republic	>30
India	<1
Indonesia	<1

Source: Case studies prepared in the framework of the ILO-UNCTC Project. Cited in *Economic and Social Effects of Multinational Enterprises in Export Processing Zones*, pp., 56.

xiii. See ESCAP/UNCTC Joint Unit on Transnational Corporation: An Evaluation of Export Processing in Selected Asia Countries, (Bangkok, United Nations, 1985); Castro, J; "Philippines: The Bataan Export Processing Zone", in E. Lee (ed.): *Export Processing Zones and Industrial Employment in Asia*, (Bangkok, ILO and Asian Employment programme, 1984).

xiv. 20 "The role of free trade zones in the creation of employment and industrial growth in Malaysia", Bangkok, ILO-ARTEP, May, (1982), pp., 33 .

xv. *Economic and Social Effects of Multinational Enterprises in Export Processing Zones*, ILO, (1988), pp., 73 .

xvi. "The Indirect Employment Effects of Multinational Enterprises in Developing Countries"; MNE Programme Working Paper, No.,3, (Geneva, ILO, 1979), pp., 61

xvii. Ibid footnote 15 at pp., 79.

xviii. *Economic and Social Effect of Multinational Enterprises in Export Processing Zones*, ILO, (1988), pp., 62 .

xix. ILO, Working Paper, No., 43; Cf. Frobel, Heinrichs, Kreye, op. cit. pp., 344.

xx. For a more detailed discussion on the criticisms against this point of view see Lim, L; *Cultural Content, Subservance and domination at Home and Workplace*, "Labour and Employment Issues in Export Processing Zones in Developing Countries, ARTEP Paper, 1982, pp., 10.

xxi. "Free Trade Zones: A Critical Assessment", in *Impact*, Social Impact Foundation, No., 10, Vol., 14, (Manila, October, 1979), pp., 349.

xxii. See Long, F: *Employment Effects of Multinational Enterprises in Export Processing Zones in the Caribbean*, ILO, 1986.

xxiii. Long, op.cit., pp., 13.

xxiv. Maex, R; op. cit.; Lee, op. cit.

xxv. Tsuchiya, "Masan-an epitome of Japan-ROK Relationship", in Pacific-Asia Resource Centre: Free Trade Zones and Industrialisation of Asia, Special Issue of AMPO, Tokyo, 1977, pp., 69; See also ILO: Night work, (Geneva, 1977)

xxvi. Voice of Women: Women Workers in Sri Lanka Free Trade Zone, (Colombo, 1981), pp., 34-35 .

xxvii. See generally Night Work (Women) Convention, 1919 (no., 4); Convention No., 89 of 1949.

xxviii. Hein, C: Multinational Enterprises and Employment in Mauritian Export Processing Zone, Multinational Enterprises Working Paper No., 52 (Geneva, ILO, 1987).

xxix. Maex, op.cit. pp., 57.

xxx. International Textiles, Garment and Leather Workers' Federation; Seminar on Asian Export Processing Zones, Part 1, Texts of Lectures, and Part II, Country Reports (Tokyo, March, 1983), in Economic and Social Effects of Multinational Enterprises in Export Processing Zones, ILO, (1988), pp., 99.

xxxi. ILO: Technology Choice and Employment Generation by Multinational Enterprises in Developing Countries, (Geneva, 1984).

xxxii. For other factors see, Economic and Social Effects of Multinational Enterprises in Export Processing Zones, ILO, 1988, pp., 109-110.

xxxiii. Kim, J. C: The Case of Korea, Paper prepared for an evaluation meeting on policies to attract export oriented industries: The Role of Free Export Processing Zones, (Paris, OECD Development Centre, June, 1981); Maex, op.cit. pp., 42.

xxxiv. Lim, op. cit. pp., 352. This position may not be true for all types of firms. For instance in the Monrovia export processing zones (manufacturing agricultural machinery), on leaving employment ex-export processing zones workers could be employed in allied industries as welders or metal fabricators.

It is also interesting to note that because of their low skill, the promotion prospects of female workers in the export processing zones is severely restricted. In fact most of them start working as factory floor operators and because of the virtual absence of internal job ladder, they remain in this position until they stop working in export processing zones.