

PLI boost: Apple creates 100,000 jobs in 19 months

TAKING BIG STRIDES

60% of new direct jobs generated by Apple's three vendors: Foxconn, Pegatron and Wistron

35,500 jobs (about one-third of new jobs) created by Foxconn, which exclusively makes iPhones

7,000 more jobs created by the three vendors than they had committed for second year

40,000 new jobs generated by Apple's supplier ecosystem

200,000 Govt's job target through mobile device PLI



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Apple has become the single largest creator of blue collar jobs in the electronics sector after having generated 100,000 new direct jobs in the past 19 months.

They have been created by Apple's key vendors in India and their ecosystem of component suppliers who help in the manufacture of iPhones under the government's smartphone Production Linked Incentive (PLI) scheme.

The vast majority of these new jobs have been created in the 19 months since the PLI scheme came into effect in August 2021.

The three vendors who assemble the iPhone — Foxconn Hon Hai, Pegatron and Wistron — have collectively generated 60 per cent of the new jobs. This already exceeds their second year commitment to generate new jobs under the scheme by roughly 7,000 new jobs.

With a month still to go of the financial year, it is expected a few thousand more jobs will be added.

The remaining jobs have been created by Apple's ecosystem which includes suppliers of components and chargers. These suppliers have generated 40,000 additional jobs and include names such as Tata Electronics, Salcomp, Avary, Foxlink, Sunwoda, and Jabil.

The data is based on the three vendors and the companies in the Apple ecosystem who are required to file the employment numbers on a regular basis with government authorities.

Of the 100,000 new jobs, Tamil Nadu-based Foxconn Hon Hai, which exclusively makes iPhones, has created the largest number — over 35,500 or more than a third.

Also in Tamil Nadu is Pegatron which only started production this financial year but has already become the second largest employer with 14,000 jobs.

Wistron, located in Karnataka, has generated 12,800 jobs.

An Apple Inc spokesperson did not respond to a query on these

employment numbers.

In the supply chain, sources say that Tatas Electronics, which is Apple's key component supplier for mechanical parts, has employed substantial numbers of employees.

The other contributors are Salcomp with over 11,000 employees, along with Jabil, Foxlink, and Sunwoda.

According to a government press release issued on October 6, 2020, it estimated that a total of 200,000 direct jobs would be created in five years under the smartphone PLI scheme.

It is clear that the industry is well on the way to achieving the target, mostly led by the Apple ecosystem.

Turn to Page 6 ▶

Apple...

The government has also estimated that for every direct job, nearly three times the number of indirect jobs are created in electronics manufacturing.

By this calculation, the total number of direct and indirect jobs created by the Apple ecosystem would be close to 300,000.

According to the India Cellular and Electronics Association, the total number of jobs directly and indirectly created by mobile device manufacturers and their suppliers is around two million over seven years.

Apple is also the first company to export over \$1 billion worth of iPhones within a month in December 2022. It had clocked over ₹30,000 crore of exports in the nine-month period of April-December 2022 which accounted for around 40 per cent of the total smartphone exports in value from the country.