

The bulk of this sector is made up of Israel's high tech industries. Many are located in specially designed industrial parks close to scientific research institutes, thereby stimulating the generation of technological ideas and their development in a commercial environment. The success of this approach is reflected in the international prestige of Israel's high tech exports, particularly in such fields as electronics, medical instrumentation, solar energy, water desalination, electro-optics, lasers and aeronautics.

Textiles and Clothing

Israeli textiles and fashions have achieved a worldwide reputation for quality, design and competitiveness. The textiles and clothing sector accounts for 10 per cent of Israel's total industrial production by value and 11 per cent of industrial exports. It employs 16 per cent of the country's industrial work force. The sector comprises a number of large factories with over 1 000 workers and many smaller plants, as well as small-size subcontractors.

All manufacturing processes necessary to produce finished textiles and clothing are carried out in Israel. Accordingly, there is a comprehensive structure of enterprises, including those engaged in spinning natural and synthetic fibres, dyeing, weaving, knitting, finishing and printing. Israel produces a wide range of finished goods such as fashion clothing, beachwear, household textiles, outdoor wear, camping equipment and protective clothing. Many processes are enhanced by the use of CAD/CAM technology, developed locally in co-operation with the electronics and printing industries.

Chemicals and Pharmaceuticals

This sector exploits Israel's limited natural mineral resources, its high tech infrastructure and oil-refining capacity to manufacture a wide range of chemical intermediate and pharmaceutical products. Chemicals and pharmaceuticals (defined here as including oil refining but excluding rubber and plastics production and mining of minerals) account for some 10 per cent of Israel's total industrial production, 19 per cent of its exports and 6 per cent of the country's industrial work force.

Both the chemical and pharmaceutical industries in Israel are characterized by their high investment in capital equipment and R&D. An example of local innovation is the progress achieved by the biotechnology sector. During the past six years, 10 new Israeli companies have been established for the specific purpose of engaging in biotechnological research, development and production.