

Better Work Jordan: Garment Industry 2nd Compliance Synthesis Report

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Executive Summary

The emergence of the garment industry has presented Jordan with challenges in assuring the effective application of local labour laws and international labour standards. In response, the Government of Jordan has developed a broad program of action to improve labour administration and compliance. An important component of this program of action is Better Work Jordan.

A partnership between the International Labour Organization (ILO) and the International Finance Corporation (IFC), Better Work Jordan was launched in February 2008. Its goal is to reduce poverty in Jordan by expanding decent work opportunities in the apparel sector. The program aims to improve competitiveness of the industry by improving compliance with Jordanian labour law and the ILO's core labour standards.

Independent research commissioned by Better Work provides evidence that public reporting significantly contributes to continuous improvement in factory compliance levels. Better Work Jordan released its first public synthesis report in May 2010. The present report illustrates the findings of the assessments carried out between December 2009 and December 2010 by Better Work Jordan in 24 factories, which employ a total of 20,203 workers of the approximately 40,000 in the industry. Of these, ten have received a second assessment visit.

These findings provide a snapshot of the non-compliance findings during the reporting period in factories participating in Better Work Jordan. The data collected illustrate non-compliance with labour standards according to eight clusters: four based on ILO core labour standards and four indicators based on national law pertaining to working conditions. The major findings emerging from the eight clusters are:

Child Labour—No evidence was found of non-compliances related to child labour in any of the participating factories.

Discrimination—Cases of discrimination were found in four factories (16%). These non-compliances were related to discrimination on the basis of race and origin as well as discrimination on the basis of 'other grounds'.

Forced Labour—Approximately two thirds of the assessed factories continue to have a curfew for workers at night. In addition to curfew, concerns related to conditions of bonded labour over the payment of fees to recruitment agents in sending countries were raised in seven factories (29%). These included failure of employers to ensure that recruitment agents do not charge recruitment fees and the inability of workers to leave their jobs when they owe fees to agents or employers. In general, issues related to labour migration can be challenging to address since they involve both sending and receiving countries.

Freedom of Association—In July 2010, in the absence of a Parliament, the Cabinet approved a series of amendments to the labour law. Among the amendments was the elimination of language that specifically forbids migrant workers from joining trade unions. Still in the law is language that forbids migrant workers from forming unions of their own choice. *Better Work Jordan views this amendment as a significant step toward respecting the freedom of association rights of migrant workers in the apparel sector.* In addition, the labour law stipulates a single trade union structure thereby impeding the ability of all workers to form or join a union of their own and of unions to join a federation or confederation of their choice.

Compensation—Better Work Jordan was unable to confirm accuracy of time and payment sheets provided by five factories (21%) which accounts for a significant percentage of the non-compliances for the incorrect payment of wages in accordance with the law. Other compensation issues include properly informing workers about the calculation of wage payments and deductions. In some cases deductions for food, accommodation and air tickets were not included in labour contracts and/or exceeded 10% of wages in violation of the law. Late payment of wages to some workers beyond seven days after the end of the payment period as required by law was seen in 29% of factories.

Contracts and Human Resources—Growing pressure on factories to meet production deadlines, especially during the peak season of August–November, resulted in concerns about excessive harassment and bullying of workers to meet daily production quotas. Mostly this took the form of verbal abuse although there was one case of inappropriate body search. Workers not in possession of their legal documents were found in 16% of the factories.

Occupational Safety and Health (OSH)—Similar to the 1st Better Work Jordan Compliance Synthesis Report, a majority of the non-compliances cited in this report have to do with occupational safety and health issues, many of which are related to dormitory conditions. As part of its advisory service effort to improve OSH in the factories and the dormitories, in 2011, Better Work Jordan is instituting training programs for factory managers, workers and OSH committees.

Working Time—The issue of excessive work hours and compulsory overtime remains a major concern of Better Work Jordan and international buyers. Working hours will continue to be closely monitored and a major focus of Better Work Jordan advisory services. In the 1st Better Work Jordan Compliance Synthesis Report, a concern was expressed that weekly work hours may be rising as the sector recovers from the global economic crisis. Better Work Jordan found instances of weekly work hours in excess of 90 hours per week, as well as overnight shifts sometimes exceeding 24 hours.

Of the ten factories that have been assessed for a second time, five showed measurable improvement in their overall compliance effort (the difference in non-compliance between the first and the second Better Work assessments), four showed some decline and one did not change in overall compliance effort. With regard to the core labour standards, a previous finding of non-compliance for discrimination based on race and origin was no longer present for three factories and two factories ended nightly curfews for their workers. However, the issue of recruitment fees, and the restrictions this placed on workers' ability to leave their jobs, emerged in three new factories.

Many improvements in compliance effort were seen in three compliance clusters under working conditions; compensation, contracts and human resources, and working time. Two fewer factories were cited for non-payment of minimum wage or annual leave and for issues related to their contracting procedures. Four factories were no longer cited for disciplinary issues and two fewer factories were cited for compulsory overtime. Given the concern over excessive work hours, the fact that the data indicates a decline in the number of factories with compulsory overtime violations after a year of Better Work Jordan advisory services provides some optimism for the future.

In the coming year, Better Work Jordan will work with the Ministry of Labour to revise the Human Rights Protocol between Better Work Jordan and the Ministry to include a clear procedure for addressing specific issues related to forced labour. Additionally, Better Work Jordan will seek the support of all key stakeholders on an approach to address a whole range of issues related to the migrant labour force, in such areas as working hours, curfew, labour contracts and recruitment fees, and dormitory conditions. Finally, Better Work Jordan is prepared to facilitate a process with all key stakeholders to develop and implement a strategy for increasing Jordanian employment and investment in the sector.

Section I: Introduction and Methodology

Introduction

Background

Better Work Jordan was launched in February 2008 at the request of the Government of Jordan, which is a major donor along with the United States Agency for International Development (USAID) and the Labour Programme of Human Resources and Skills Development Canada (HRSDC). The goal of the program is to reduce poverty in Jordan by expanding decent work opportunities in the apparel sector. The program aims to improve competitiveness of the industry by improving compliance with Jordanian labour law and the ILO's core labour standards.

The apparel sector mainly produces men's and women's apparel, ranging from jeans, sportswear and formal wear to undergarments. Most factories are located in Qualified Industrial Zones (QIZs) in Dulyal, Sahab and the Al-Hassan Industrial Estate. The industry employs approximately 40,000 workers, 75% of whom are migrant workers from Asia. In particular, migrant workers originate from India, Sri Lanka, Bangladesh and China. Women represent nearly 60% of the labour force.

Developments in the Sector

After a three-year decline in exports, from a high of US\$ 1.2 billion in 2006 to US\$ 748 million in 2009 (a decline of 40%), the industry rebounded strongly in 2010. Apparel exports increased by nearly 34%, reaching US\$ 1.05 billion¹, accounting for 16% of Jordan's total exports. This rapid expansion severely tested the industry, especially during the peak August–November season as factories struggled to meet international buyer production deadlines while facing significant challenges expanding their labour forces among both Jordanian and migrant workers.

The legal minimum wage in Jordan was increased at the beginning of 2009 by JD 40 (US\$ 56.49) a month to JD 150 (US\$ 212) a month. Workers in the garment sector were explicitly excluded from this increase, so for them the legal minimum wage has remained JD 110 (US\$ 155). Migrant workers are also provided room and board, although some employers legally deduct an amount to offset these costs, and some Jordanian workers have been provided a JD 40 monthly allowance.

In March 2010, the Government of Jordan decided to legally require all factories in the apparel sector exporting to the United States and Israel and their sub-contractors to participate in Better Work Jordan. A Ministerial Instruction was issued on 1 December 2010 to enforce the government decision. Once all of these factories join the program, Better Work Jordan will be able to assess and improve conditions on a broad sectoral scale. At present, 28 factories out of approximately 80 in the industry have joined Better Work Jordan. These 28 factories employ over half of the labour force in the sector and account for over three quarters of the sector's exports.

In this Report

This report illustrates the findings of Better Work Jordan assessments carried out in 24 factories between December 2009 and December 2010, which represent all of the assessments completed during this reporting period. The sample is characterised by factories employing an average of 842 workers, 78% of whom are migrant workers and 62% of whom are women (on average).

¹ Government of Jordan, Ministry of Industry and Trade.

Institutional Context

The emergence of the garment industry has presented Jordan with challenges in assuring the effective application of local labour laws and international labour standards. In response, the Government of Jordan has developed a broad program of action to improve labour administration and compliance. An important component of this program of action is Better Work Jordan.

Better Work Jordan is advised by a tripartite Project Advisory Committee (PAC). The committee comprises three representatives from the government (two from the Ministry of Labour and one from the Ministry of Industry and Trade), three from the employers (one from the Jordan Garments, Accessories, & Textiles Exporters' Association, one from the Foreign Investors Association, and one from the Chamber of Industries), and three from worker organizations (two from the General Trade Union of Workers in Textile, Garment & Clothing Industries and one from the General Federation of Jordanian Trade Unions). The PAC has met six times since the inception of the project. It has played an important role in building stakeholder support for the project, identifying challenges and building a tripartite consensus around proposed solutions.

The PAC is complemented by an annual Buyers' Forum, which provides for broad stakeholder consultation. Better Work Jordan meets and communicates regularly with buyer representatives to discuss assessment and advisory processes, to generate greater buyer support to encourage their suppliers to participate in the program and to encourage buyers to expand their commitment to the Jordanian apparel sector.

A collaboration plan outlining cooperation between Better Work Jordan and the Ministry of Labour was signed in July 2010. Elements of the plan include selected Labour Inspector supplementary training and quarterly meetings between the Better Work Jordan Enterprise Advisor team and the Ministry's Labour Inspectorate. The plan also includes a protocol for fundamental human rights violations. This protocol has been agreed to by both parties and covers the handling of human rights violation uncovered during the course of any factory visit.

The first quarterly meeting was conducted on 23 February 2011. Labour Inspectors have observed Better Work Jordan factory assessments and advisory visits, and have participated in staff trainings and factory training programs. A review of the protocol will be conducted during the first half of 2011 to build in more specificity concerning Better Work Jordan's responsibilities, vis-à-vis the Ministry of Labour, with regard to potential serious forced labour non-compliances.

Better Work Methodology

Better Work carries out factory assessments to monitor compliance with international labour standards and national labour law. In its factory and industry-level reports, it highlights *non-compliance* findings. Better Work reports these figures to help factories easily identify areas in need of improvement. Collecting and reporting this data over time will help factories demonstrate their commitment to improving working conditions.

Better Work organizes reporting into eight areas, or clusters, of labour standards. Four of the clusters are based on fundamental rights at work regarding child labour, discrimination, forced labour, and freedom of association and collective bargaining. In 1998, Member States and workers' and employers' representatives at the International Labour Organization identified fundamental principles and rights at work regarding these four issues based on eight very widely ratified International Labour Conventions (29, 87, 98, 105, 100, 111, 138, and 182). These Conventions provide the baseline for compliance with the fundamental rights clusters across all Better Work country programs.

The four other clusters monitor compliance with standards primarily set by national law, so they vary from country to country. This set consists of compensation, contracts and human resources, occupational safety and health, and working time.

Each of the eight clusters is divided into its key components. These components are known as compliance points (CPs). Each CP contains specific questions that may vary from country to country to reflect national labour law. The detailed list of CPs within each cluster is indicated in the table below.

	Compliance Clusters		Compliance Points
Core Labour Standards	1	Child Labour	1. Child Labourers 2. Unconditional Worst Forms 3. Hazardous Work 4. Documentation and Protection of Young Workers
	2	Discrimination	5. Race and Origin 6. Religion and Political Opinion 7. Gender 8. Other Grounds
	3	Forced Labour	9. Coercion 10. Bonded Labour 11. Forced Labour and Overtime 12. Prison Labour
	4	Freedom of Association and Collective Bargaining	13. Union Operations 14. Interference and Discrimination 15. Collective Bargaining 16. Strikes
Working Conditions	5	Compensation ²	17. Minimum Wages 18. Overtime Wages 20. Method of Payment 21. Wage Information, Use and Deduction 22. Paid Leave 23. Social Security and Other Benefits
	6	Contracts and Human Resources	24. Employment Contracts 25. Contracting Procedures 26. Termination 27. Discipline and Disputes

² The questionnaire for Jordan does not include CP 19 on Premium Pay. This is because the labour law of Jordan does not specify premiums for working hours at night.

	Compliance Clusters	Compliance Points
	7 Occupational Safety and Health	28. OSH Management Systems 29. Chemicals and Hazardous Substances 30. Worker Protection 31. Working Environment 32. Health Services and First Aid 33. Welfare Facilities 34. Worker Accommodation 35. Emergency Preparedness
	8 Working Time	36. Regular Hours 37. Overtime 38. Leave

Calculating Non-Compliance

In public synthesis reports, Better Work calculates the collective average non-compliance rates for participating factories, as shown in Chart 1. Non-compliance is reported for each subcategory (compliance point) within a cluster. For each factory, a compliance point is reported to be non-compliant if even one question within it is found in non-compliance. With respect to the averages presented in synthesis reports, for example, an average non-compliance rate of 100% means that all participating factories were found to have a violation in that area.

While it is a strict indicator, the non-compliance rate is useful for Better Work to aggregate and compare data across countries. However, this number is not sufficient to fully describe the specific issues that Enterprise Advisors have observed during their assessments. For this reason, tables presenting non-compliance findings at the question level are also presented in Section II with the title of “In Focus Tables”. These tables allow the reader to fully appreciate the specific challenges in compliance identified in factory assessments by highlighting compliance points within each cluster that show high non-compliance. From this report onwards, the In Focus Tables will report the number of factories found to be non-compliant to each specific question (as opposed to percentages showed in the first synthesis report).

Note on the factories represented in this report

Better Work compiles synthesis reports every six months for each of its country programs. The synthesis reports present a snapshot of assessed non-compliance findings in the participating industry in the country at the time of the report. The rates presented in the synthesis report refer to participating industry averages. As factories are assessed once per year, in some cases the data included in the synthesis reports is older than 6 months.

This second synthesis report presents the aggregated findings of all assessments conducted by Better Work Jordan as of January 2011. Assessment findings for 5 factories that have been already presented in Better Work Jordan’s first synthesis report (May 2010) are repeated in this report.

Better Work’s policy on public reporting entails adding factory-specific non-compliance findings in Section III once a minimum of 10 factories have received a second assessment report from Better Work. Since Better Work Jordan conducted second assessment visits in 10 factories, this second synthesis report includes detailed information on these factories in Section III.

Limitations in the assessment process

The assessments carried out by Better Work Jordan follow a thorough checklist of 240 questions covering the above mentioned labour standards.

The detailed factory assessment reports are based solely on what was observed, investigated through document reviews and interviews, and analyzed during the performance of the actual assessment. Some factories are not cooperative during the assessment process. Factories are given five working days before the reports become official to provide feedback that may in some cases impact the final report language.

Certain issues remain very difficult to assess and verify independently. Sexual harassment is difficult to identify in a factory assessment visit. It is generally considered that due to the sensitive nature of the issue, sexual harassment is likely underreported. Workers experiencing sexual harassment are often reluctant to report it due to fear of stigma or retaliation.

Limitations in the assessment process also arise on issues related to migrant workers. It is beyond the current scope of Better Work to investigate contracting procedures in migrants' home countries, or the relationship between migrant workers and third-party labour contractors. Detecting violations of workers' entitlements upon the termination of their employment contract, after workers have left the factory or even left the country, is particularly difficult.

Finally, assessing compliance with freedom of association in Jordan continues to present many challenges. One challenge is that freedom of association is not adequately protected under Jordanian law. Despite the Cabinet action to remove language in the labour law that prohibited migrant workers from joining a union, legal restrictions on freedom of association for migrant workers remain. Furthermore, legal constraints on trade union pluralism bring into question the right of all apparel workers, both Jordanian and migrant, to join or form a union of their own choice. Hence, all factories that adhere to national law remain in non-compliance with ILO Convention 87 on Freedom of Association. This has implications for a broader range of issues related to freedom of association, including collective bargaining. In the future, Better Work Jordan will focus more on employer behavior related to other aspects of freedom of association. This may include interference with union operations and discrimination against union members in garment factories. Better Work Jordan is also aware of allegations of corruption between some managers and union representatives. All of these issues are very difficult to independently verify.

Section II: Findings

Average Non-Compliance Rates

Chart 1 provides an overview of average non-compliance rates for factories covered in this report. Key findings are indicated below, followed by a section providing additional details.

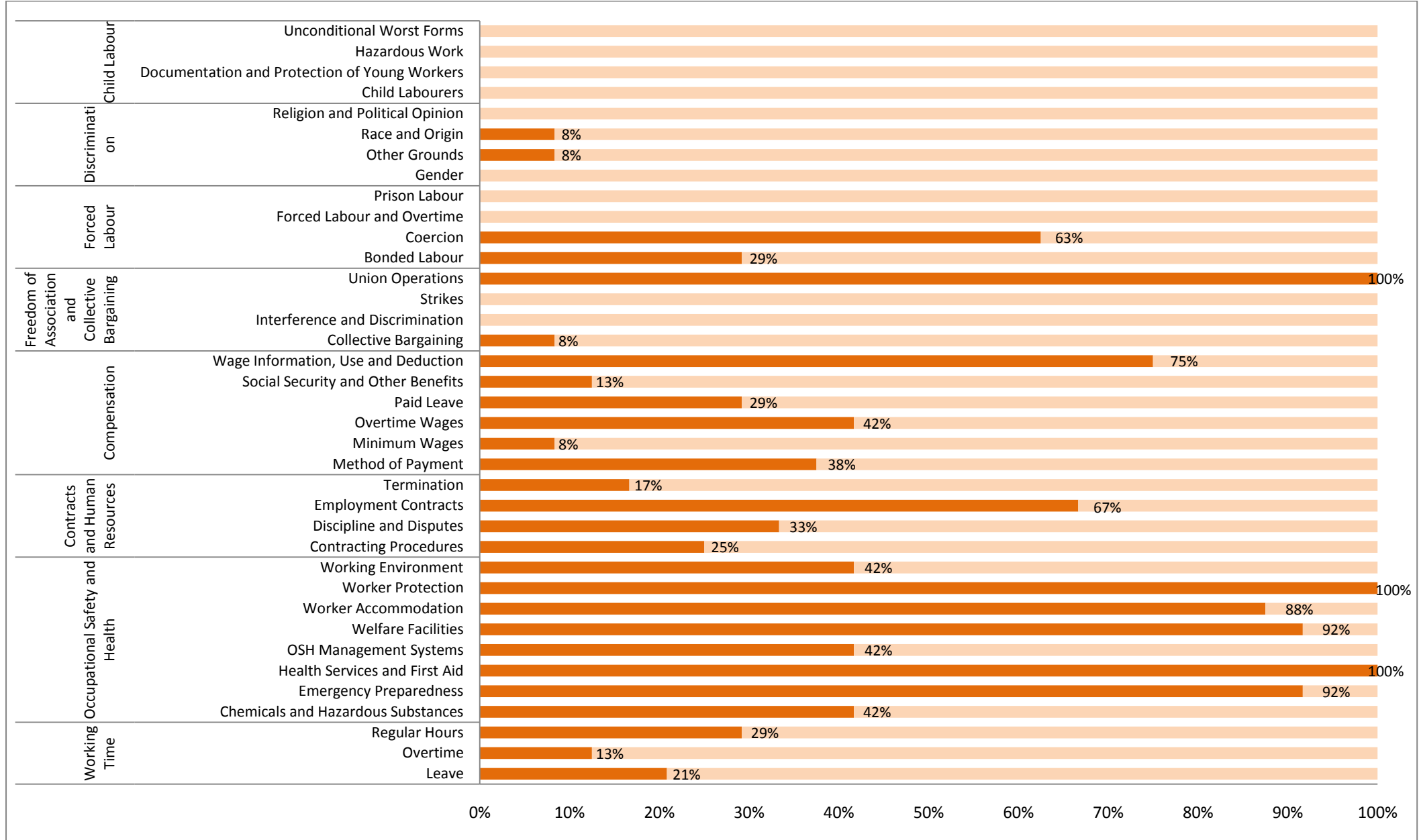
In the areas of Core Labour Standards:

- **Child Labour**
- **Forced Labour**
- **Discrimination**
- **Freedom of Association and Collective Bargaining**

In the areas of Working Conditions (national law):

- **Compensation**
- **Contracts and Human Resources**
- **Occupational Safety and Health**
- **Working Time**

Chart 1: Average non-compliance rates



Detailed Findings

This section describes the level of non-compliance across participating factories for each subsection (compliance point) within each of the eight categories (clusters) of labour standards covered by the Better Work Jordan assessments. Using the In Focus Tables, it presents detailed findings at the question level.

1. Forced Labour

In Focus Table: Bonded Labour

<i>Question</i>	<i>Number of factories out of compliance</i>
Can workers who owe recruitment fees to a third party freely leave their jobs?	4
Can workers who owe recruitment fees to the employer freely leave their jobs?	1
Has the employer ensured that the private employment agency does not use bonded labour?	3
Does the employer provide non-cash benefits that make workers so indebted to the employer that they are unable to leave the job?	0

Bonded labour concerns surfaced during the reporting period, perhaps partially in response to labour shortages during the peak season of August–November. In dire need of workers, some factories became less likely to monitor whether their labour recruiters charged recruitment fees to foreign workers. Seven factories (29%) were cited for employing worker who owed recruitment fees to labour recruiters, the employer or a third party. This raises the issue of the freedom of these workers to leave their jobs while in such debt. In general, issues related to labour migration can be challenging to address since they involve both sending and receiving countries and bilateral agreements regulating the recruitment process are lacking.

In Focus Table: Coercion

<i>Question</i>	<i>Number of factories out of compliance</i>
Does the employer allow workers to come and go freely from the dormitories and the industrial park or zone in which the factory is located?	14
Does the employer allow workers to leave the workplace at all times, including during overtime?	1
Does the employer delay or withhold wage payments in order to coerce workers to stay on the job?	1
Does the employer deny workers access to their personal documents (such as birth certificates, passports, work permits and ID cards) when they need them?	2
Does the employer use violence or the threat of violence to intimidate workers?	1
Does the employer force workers to work to discipline them or as punishment for participation in a strike?	0
Does the employer use any other coercive tactics to overwhelm workers' ability to make decisions in their own interest?	0

Does the employer use threats such as deportation, cancellation of visas or reporting to the authorities in order to force workers to stay at the job?	0
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A majority of factories (58%) maintain a curfew for workers living in dormitories, in some cases as early as 8pm nightly. This raises concerns about workers' lack of freedom to leave the factory/dormitory premises.

2. Freedom of Association and Collective Bargaining

In Focus Table: Union Operations

<i>Question</i>	<i>Number of factories out of compliance</i>
Can workers freely form and join the union of their choice?	24
Can the union(s) freely form and join federations and confederations of their choice?	24

In addition to some remaining restrictions on migrant workers' freedom of association, the labour law stipulates a single trade-union structure, thereby impeding the ability of workers to form or join a union of their own. Therefore, all factories that adhere to the law are in non-compliance with international labour standards regarding freedom of association.

3. Discrimination

Cases of discrimination were found in four factories (16%). These non-compliances were related to discrimination on the basis of race and origin as well as discrimination on the basis of 'other grounds'.

4. Child Labour

Better Work Jordan assessments found no evidence of non-compliances related to child labour in any of the participating factories.

5. Compensation

In Focus Table: Method of Payment

<i>Question</i>	<i>Number of factories out of compliance</i>
Are wages paid in a convenient manner?	1
Are workers paid within seven days from the date wages become payable?	7
Do in-kind wage payments comply with workers' employment contracts?	3

Twenty-nine percent (29%) of the factories did not pay wages within 7 days of the end of month as required by Jordanian law. None of these factories were late by more than two weeks, meaning that wages were paid by the end of the third week of the following month.

In Focus Table: Paid Leave

<i>Question</i>	<i>Number of factories out of compliance</i>
Does the employer pay workers correctly during sick leave?	3
Does the employer pay workers correctly for annual leave (14 or 21 days)?	3
Does the employer pay workers correctly for paid public holidays?	4
Does the employer pay workers correctly during idle periods or work stoppages?	0
Does the employer pay workers correctly for 10 weeks' maternity leave?	0
Does the employer pay workers correctly during breastfeeding breaks?	0
Does the employer pay workers correctly for other types of leave when required?	0

Concerns about the payment of leave in accordance with the law were raised with eight factories (33%). Given the labour shortages experienced by some factories, requests for leave were often not approved or discouraged as factories strained to meet daily production quotas.

In Focus Table: Overtime Wages

<i>Question</i>	<i>Number of factories out of compliance</i>
Does the employer pay workers 125% of their normal wage for ordinary overtime?	7
Does the employer pay workers 150% of their normal wage for overtime worked on public holidays?	5
Does the employer pay workers 150% of their normal wage for overtime worked on weekly rest days?	9
Does the employer pay workers for all overtime hours worked?	10

Nearly 42% of factories do not pay workers for overtime to which those workers are entitled. However, half of the factories were cited for this non-compliance because Better Work Jordan could not confirm the accuracy of the attendance and leave records provided during the assessment. With respect to findings based on confirmed accurate records, the issue of incorrect payment of overtime was confined to security guards in three factories. In these cases, the factories have special arrangements with security guards with the consent of the Ministry of Labour.

In Focus Table: Wage Information, Use and Deduction

<i>Question</i>	<i>Number of factories out of compliance</i>
Does the employer keep only one accurate payroll record?	5
Does the employer properly inform workers about wage payments and deductions?	12
Does the employer restrict workers' freedom to use their wages as they choose?	0
Has the employer made any unauthorized deductions from wages?	6
When required for in-kind payment, does the employer provide enough decent quality food for workers?	5

Workers failing to understand how their wages are calculated were found in half the factories. This is a particularly challenging issue given the multiple languages spoken by workers and the complexity

of the wage payment systems employed by many factories. Better Work Jordan is working with factories to introduce simpler and more transparent systems as part of our advisory process. Unauthorized deductions include monthly deductions beyond 10% of salary in violation of national law and deductions for food, accommodation and air tickets not consistent with what is in the employment contract.

6. Contracts and Human Resources

In Focus Table: Contracting Procedures

<i>Question</i>	<i>Number of factories out of compliance</i>
Is the probationary period limited to 3 months?	2
Does the employer consider workers on fixed term contracts who work beyond their term as unlimited duration contract workers?	1
Does the employer comply with agreed limits on the period for vocational training?	0
Does the employer comply with requirements concerning sub-contracted workers at the workplace?	0
Do the migrant workers have valid work permits and residence IDs?	4
Does the employer pay for the return trip of migrant workers who have been expelled from the country because of an invalid residence ID?	0

Workers who were not in possession of their legal documents were found in 16% of the factories. The factories attribute this to the slowness of the government process to renew legal documents for migrant workers, which can take over 100 days to complete. Better Work Jordan expressed its concern about the slowness of the process to the Minister of Labour, who authorized a review of the process for the purpose of finding ways to streamline it.

In Focus Table: Discipline and Disputes

<i>Question</i>	<i>Number of factories out of compliance</i>
Do the disciplinary measures comply with legal requirements?	0
Have any workers been disciplined using physical punishment or humiliating treatment?	1
Have any workers been bullied or harassed for any other reason?	7
Did the employer resolve collective disputes in compliance with legal requirements?	0
Did the employer resolve individual disputes in compliance with legal requirements?	0
Did the employer resolve grievances in accordance with the factory bylaws?	0

Growing pressure on factories to meet deadlines, especially during the peak season of August–November, resulted in concerns about excessive harassment and bullying of workers to meet daily production quotas. One factory was cited for an inappropriate body search of its employees upon their departure.

In Focus Table: Employment Contracts

<i>Question</i>	<i>Number of factories out of compliance</i>
Do all persons who perform work for the factory, both on the premises and offsite, have a contract?	2
Do the employment contracts comply with Jordanian law?	6
Do the employment contracts specify the terms and conditions of employment?	2
Do the factory bylaws comply with Jordanian legal requirements and were they communicated to workers?	9
Do workers understand the terms and conditions of employment?	5
Does the employer maintain a personnel file for each worker?	1
Does the employer provide a copy of the labour contract as required in Jordanian labour law?	4

Workers found in five factories (21%) did not have copies of their employment contracts. In over a third of factories, factory bylaws and/or employment contracts were not adequately communicated to workers by translating them into workers' languages, posting bylaws on bulletin boards, and by other means.

7. Occupational Safety and Health

In Focus: Health Services and First Aid

<i>Question</i>	<i>Number of factories out of compliance</i>
Do workers who have been exposed to work-related hazards receive free health checks?	2
Does the employer comply with legal requirements regarding pre-assignment and periodic medical checks for workers?	11
Does the workplace have required onsite medical facilities and staff?	7
Has the employer arranged for prompt first-aid treatment of injuries likely to occur during the course of work?	21
Has the employer provided first-aid training for workers?	2

Most factories continue to be found with first-aid boxes that are not adequately stocked in accordance with Jordanian law. Managers complain that frequent usage and theft make it difficult to keep first-aid boxes always fully stocked. Better Work Jordan is assisting factories to implement systems that maintain and protect first-aid boxes, while ensuring that they are accessible at all times.

In Focus: Worker Protection

<i>Question</i>	<i>Number of factories out of compliance</i>
Are materials, tools, switches, and controls within easy reach of workers?	1
Are appropriate safety warnings posted in the workplace?	0
Are proper guards installed and maintained on all dangerous moving parts of machines and equipment?	9
Are standing workers properly accommodated?	18
Are there sufficient measures in place to avoid heavy lifting by workers?	6
Are workers effectively trained and encouraged to use the personal protective equipment that is provided?	11
Are workers effectively trained to use machines and equipment safely?	0
Are workers punished if they remove themselves from work situations that they believe present an imminent and serious danger to life or health?	1
Do seated workers have suitable chairs?	13
Does the employer provide workers with all necessary personal protective clothing and equipment?	5

Many of the issues identified, such as the installation of proper guards, the provision of mats for standing workers and chairs with backs for seated workers, and the use of personal protective eyewear, persist. Better Work Jordan is instituting training programs for managers and workers as part of the effort to bring about measurable improvement.

In Focus: Emergency Preparedness

<i>Question</i>	<i>Number of factories out of compliance</i>
Has the employer informed and prepared workers for possible emergencies in the workplace?	2
Does the workplace have a fire detection and alarm system?	9
Does the workplace have adequate fire-fighting equipment?	10
Has the employer trained an appropriate number of workers to use the fire-fighting equipment?	1
Are emergency exits and escape routes clearly marked and posted in the workplace?	17
Are there enough emergency exits?	3
Are the emergency exits accessible, unobstructed and unlocked during working hours, including overtime?	14
Does the employer conduct periodic emergency drills?	4

Fire safety remains a major concern and focus for improvement. Emphasis is being placed on the introduction of systems to maintain adequate emergency preparedness at all times.

In Focus: Welfare Facilities

<i>Question</i>	<i>Number of factories out of compliance</i>
Does the workplace have adequate accessible toilets?	8
Does the workplace have adequate hand washing facilities and adequate soap?	16
Does the employer provide workers enough free safe drinking water?	6
Does the workplace have adequate changing rooms?	0
Does the workplace have an adequate eating area?	6
Is the workplace clean and tidy?	10

Issues of cleanliness persist. The provision of soap in washing facilities is lacking in two thirds of the factories.

In Focus: Worker Accommodation

<i>Question</i>	<i>Number of factories out of compliance</i>
Does the accommodation comply with minimum space requirements?	4
Does the accommodation have enough safe water?	14
Does the accommodation have adequate toilets, showers, sewage and garbage disposal systems?	11
Is the accommodation protected against fire?	11
Is the accommodation adequately protected against heat, cold, and dampness?	13
Is the accommodation protected against disease carrying animals or insects?	15
Is the accommodation protected against noise?	0
Is the accommodation adequately ventilated?	7
Does the accommodation have adequate cooking facilities?	15
Is the accommodation adequately lit?	1
Does the accommodation offer workers adequate privacy?	3
Has the employer adequately prepared for emergencies in the accommodation?	13
Are readily trained first aid personnel available?	2
Are adequate first aid supplies readily accessible on all floors?	20
Is the accommodation clean?	11
Is the accommodation separate from the workplace (even though it may be in the same compound/industrial park)?	2

While improvement has been observed in some factories, the condition of dormitories for migrant workers remains a major concern for Better Work Jordan, given the high volume of non-compliances. The improvement of dormitory conditions will continue to be a focus of Better Work Jordan advisory and training services.

8. Working Time

In Focus: Overtime

<i>Question</i>	<i>Number of factories out of compliance</i>
Does the employer require workers to work overtime without their consent only for reasons allowed by law?	2
Is overtime work voluntary?	2

Given the fact that Jordanian law does not limit the number of hours a worker can work each day and each week provided that legal overtime payment is provided, daily production targets are often set quite high, with concerted pressure on workers to meet the daily targets. In addition, most migrant workers desire to work overtime, provided that they are paid for it in accordance with the law and their labour contracts, which can make the distinction between voluntary and compulsory overtime difficult to determine.

In Focus: Regular Hours

<i>Question</i>	<i>Number of factories out of compliance</i>
Do regular daily working hours exceed 11 hours per day?	3
Do regular weekly working hours exceed 48 hours?	1
Do the working time records reflect the hours actually worked?	5
Does the employer comply with the daily break periods specified in the factory bylaws?	0
Does the employer provide required weekly rest periods?	2
Does the employer comply with the minimum period of rest within a 24 hour period that is specified in the factory bylaws?	0

Better Work Jordan was unable to confirm the accuracy of time sheets and payment sheets provided by five factories (21%), which accounts for a significant percentage of the non-compliances for the incorrect payment of overtime in accordance with the law. In three factories, the non-compliance with regard to incorrect payment of overtime was confined to security guards who work long overnight shifts but are not paid overtime beyond eleven hours or on holidays per their work contract.

Section III: Factories in Detail

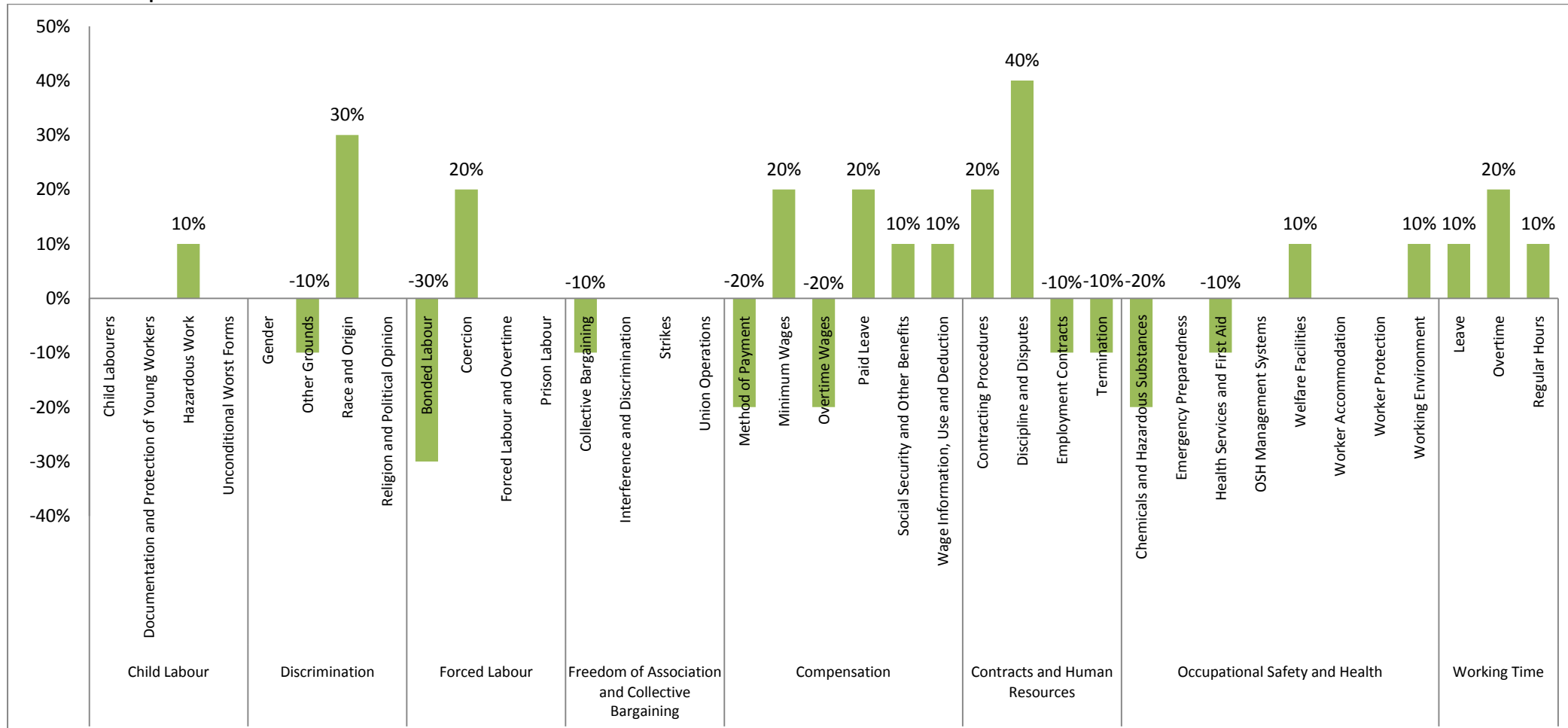
Methodology

This section of the synthesis report concerns only the ten factories that have been assessed twice by Better Work Jordan.

Chart 2 shows the changes in non-compliance that have occurred in the ten factories between the first and second Better Work Jordan assessments. Positive percentages indicate a compliance effort in a specific compliance point that shows movement toward improved performance. Better Work defines compliance effort as the difference in non-compliance between two consecutive Better Work assessments.

Compliance effort

Chart 2: Compliance effort



Section IV: Conclusion

Conclusions and Next Steps

The unexpected growth of the sector, especially during the second half of 2010, placed a great deal of stress on factories as they struggled to meet international buyer deadlines and daily production quotas. This was exacerbated by the difficulties experienced by factories hiring more workers in order to meet the expansion, either through the recruitment of Jordanian workers or additional migrant workers. Facing difficulty finding workers, some factories resorted to increasing work hours. Concerns about excessive work hours, compulsory overtime, bullying and harassment, and the improper payment of overtime surfaced. With this said, a review of the data for the ten factories assessed by Better Work Jordan for the second time after a year of advisory services indicates measurable improvement in compliance effort (the difference in non-compliance between the first and the second Better Work assessment), particularly in the areas of compensation, contracts and human resources and working time. The major findings emerging from the data are as follow:

Child Labour—No evidence was found of non-compliances related to child labour in any of the participating factories.

Discrimination—Cases of discrimination were found in four factories (16%). These non-compliances were related to discrimination on the basis of race and origin as well as discrimination on the basis of 'other grounds'.

Forced Labour—Approximately two thirds of the assessed factories continue to have a curfew for workers at night. Factories claim that curfews are intended to protect the safety of migrant workers living in a foreign environment. In addition to curfew, concerns related to conditions of bonded labour over the payment of fees to recruitment agents in sending countries were raised in seven factories (29%). These concerns included the failure of employers to ensure that recruitment agents do not charge recruitment fees and the inability of workers to leave their jobs when they owe fees to agents or employers. In general, issues related to labour migration can be challenging to address since they involve both sending and receiving countries.

Freedom of Association—In July 2010, in the absence of a Parliament which was dissolved by the King, the Cabinet approved a series of amendments to the labour law. Among the amendments was the elimination of language that specifically forbids migrant workers from joining trade unions. *Better Work Jordan views this amendment as a significant step toward respecting the freedom of association rights of migrant workers in the apparel sector.* Other restrictions on freedom of association remain. The labour law stipulates a single trade union structure thereby impeding the ability of any workers to form or join a union of their own choice and of unions to join a federation or confederation of their choice.

Compensation—Twenty-nine percent (29%) of the factories did not pay the wages within seven days of the end of months as required by Jordanian law. None of these factories were more than two weeks late, meaning that wages were paid by the end of the third week of the following month rather than within one week as required by Jordanian law. In addition, Better Work Jordan was unable to confirm the accuracy of time and payment sheets provided by five factories (21%) which accounts for a significant percentage of the non-compliances for the incorrect payment of overtime in accordance with the law. In xx factories, the non-compliance with regard to incorrect payment of overtime was confined to security guards who work long, overnight shifts but are not paid overtime beyond eleven hours or on holidays. Finally, in half the factories, management failed to properly

inform workers about the calculation of wage payments and deductions. In some cases, deductions for food, accommodation and air tickets were not included in labour contracts and/or exceeded 10% of wages in violation of national law.

Contracts and Human Resources—Growing pressure on factories to meet production deadlines, especially during the peak season of August–November, resulted in findings of excessive harassment and bullying of workers to meet daily production quotas. Mostly this took the form of verbal abuse although there was one finding of inappropriate body search.

Occupational Safety and Health—Similar to the 1st Better Work Jordan Compliance Synthesis Report, a majority of the non-compliances cited in this report have to do with OSH issues, many of which are related to dormitory conditions. As part of its advisory service effort to improve OSH in the factories and the dormitories, in 2011, Better Work Jordan is instituting training programs for factory managers, workers and OSH committees, many of which are not functioning.

Working Time—The issue of excessive work hours and compulsory overtime remains a major concern of Better Work Jordan and international buyers, and will continue to be closely monitored. In the 1st Better Work Jordan Compliance Synthesis Report, a concern was expressed that weekly work hours may be rising as the sector recovered from the global economic crisis. Better Work Jordan found instances of weekly work hours in excess of 90 hours per week, as well as overnight shifts sometimes exceeding 24 hours.

Of the ten factories that have been assessed for a second time, five showed measurable improvement in their overall compliance effort (the difference in non-compliance between the first and the second Better Work assessments), four showed some decline, and one did not change in overall compliance effort. With regard to the core labour standards, a previous finding of non-compliance for discrimination based on race and origin was no longer present for three factories and two factories ended nightly curfews for their workers. However, the issue of recruitment fees, and the restrictions this placed on workers' ability to leave their jobs, emerged in three new factories.

Many of the improvements in compliance effort were seen in three of the compliance clusters under working conditions; compensation, contracts and human resources, and working time. Two fewer factories were cited for non-payment of minimum wage or annual leave and for issues related to their contracting procedures. Four factories were no longer cited for disciplinary issues, a significant decline over the previous year, and two fewer factories were cited for compulsory overtime. Given the deep concern over excessive work hours, that fact that the data indicate a decline in the number of factories with compulsory overtime violations after a year of Better Work Jordan advisory services provides some optimism for the future.

While the data suggest that measurable improvement has been made by factories in a number of areas during the first year of participation in Better Work Jordan, there is still much work to be done. In the coming year, the program will work with the Ministry of Labour to revise the Human Rights Protocol between Better Work Jordan and the Ministry to include a clear procedure for addressing specific issues related to forced labour. Additionally, Better Work Jordan will seek the support of all stakeholders—the Jordanian government, factories, the garment union and international buyers—on an approach to address a range of issues related to the migrant labour force, in areas such as working hours, curfew, labour contracts and recruitment fees, and dormitory conditions. Finally, as one outcome of the research being conducted by Tufts University to measure the value added of the apparel sector to Jordan's economy, Better Work Jordan will be poised to facilitate a process with all key stakeholders to develop and implement a strategy for increasing Jordanian employment and investment in the sector.

Annexes

Annex A: Factories Covered in this Report

Al Hanan for Cloth Manufacturing Est.
AL Masera Textile
Apparel Concepts L.L.C
Atlanta Garment MNF Company
Camel Textile International Corp
Casual Wear Apparel LLC
Century Standard Textile
Century Wear Co.
Classic Fashion Apparel Industry Ltd. Co
Classic Jeans Apparel Manufacturing Co.
EAM Maliban Textiles Jordan (PVT) Ltd.
Fine Apparel Ltd.
Hi-Tech Textile L.L.C.
International British Garments
Ivory Garments Factory
Jerash Garments and Fashions Manufacturing Co. Ltd
M/S United Creations L.L.C.
Maintrend International Corp.
Mustafa & Kamal Ashraf Trading (Jordan) Garment Ltd.
Needle Craft Ltd. Jordan
Prestige Apparel Manufacturing LTD Company
Sterling Apparel Manufacturing
Third Dimension Apparel LLC
Vega Textile LTD.

Annex B: Buyers Participating in Better Work Jordan

- American Eagle
- Gap
- Jones Apparel Group
- Polo Ralph Lauren
- LL Bean
- New Balance
- Sears
- Wal-Mart
- Marks & Spencer
- Hanes Brand Inc.
- Talbots