### **Highlighted figures**

Factories participating in the Better Work Jordan programme employ around **95%** of the total workforce in the Jordanian garment industry.

**96%** of garment factories in Jordan pay workers their social security benefits correctly.

**39%** of garment workers in factories in Jordan say they are concerned about being required to work excessive overtime.

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### **Better Work Jordan**

# Newsletter

No. 7, August-October 2012



## Better Work Jordan publishes research on local employment in the Jordanian garment industry



Above: Local worker in a factory at the Al-Hassan Industrial Estate in northern Jordan

Despite the rapid growth of the garment industry and high levels of unemployment among Jordanians with low educational attainment, the percentage of workers in the sector who are Jordanian stands at only twenty per cent.

In order to improve understanding of the barriers and obstacles to increased Jordanian employment in the sector, Better Work Jordan (BWJ) has published a research paper entitled "Employment of Jordanians in the Garment Industry: Challenges and Prospects".

The findings of the paper are based on focus groups carried out with Jordanian garment workers and low-income unemployed people in three Jordanian cities, as well as in-depth interviews with factory managers.

Interestingly, the focus groups revealed that while Jordanian factory workers themselves are generally satisfied with their jobs, most unemployed people have a negative impression about work conditions in the industry. The findings suggest that the low social status of employment in the garment industry is mostly related to the level of income earned by garment workers, common perceptions that employers in this sector do not respect workers' rights and the idea that women who work in factories have bad social reputations.

In line with the findings of most international studies on job satisfaction, this paper found that Jordanians obtain higher job satisfaction from working in jobs that are perceived as meaningful or beneficial to society. However, it was also clear from the focus groups that little social value is placed on the outputs of the Jordanian garment industry or its contribution to the Jordanian economy. While the workers feel a sense (continued on page 2)

## Better Work Jordan publishes research on local employment in the Jordanian garment industry

(continued from page 1) of pride in producing items that are exported abroad, they do not see themselves as part of the bigger picture, or as valuable members of the Jordanian workforce or the Jordanian economy.

The paper puts forward several recommendations for increasing Jordanian employment in the garment industry including specific recommendations for improving working conditions in the industry, improving the image of the industry and running successful outreach programmes to local communities. The research was conducted as an input into the development of a national strategy for increasing Jordanian employment and investment in the apparel sector, which is being facilitated by BWJ. The full research paper is available on BWJ's website here.



Above: A factory at the Al-Hassan Industrial Estate in northern Jordan

### Worker center at Al-Hassan Industrial Zone enters construction phase

The initiative to establish a worker center in the Al-Hassan Industrial Zone is now entering the construction phase, following a six month planning and design process which involved legal registration of the center as a non-profit association, as well as the preparation of architectural and electromechanical plans and the completion of a financial sustainability study.

The workers' center is an innovative initiative intended to provide garment workers with a safe and accessible space for recreation and targeted programming to increase the quality of their daily lives as well as their ability to care for their own well-being. Better Work Jordan is coordinating the establishment of this

center with support from USAID, the Al-Hassan QIZ Authority and apparel factories in the industrial zone, the garment workers union, and international brands. The center will provide workers with low-cost or free access to recreational facilities, training, legal services, and mental health and psychosocial services.

According to the financial sustainability study conducted, the sale of goods and services to at the center will cover 60-75 per cent of its operating costs over the first five years, with the remaining expenses covered through monthly contributions by factories and worker membership fees.

## Enterprise Advisory Team discusses continuous improvement of Better Work Jordan services with factory managers

On October 11th, Better Work Jordan's (BWJ) Enterprise Advisory Team held a meeting with managers from thirteen garment factories to obtain feedback on BWJ's delivery of assessment and advisory services and discuss suggestions for improvement.

The largely positive feedback received from factories is a reflection of BWJ's commitment to excellence and to continuously improving the services it provides to factories and international brands. Factory managers noted their satisfaction with the expertise of BWJ's Enterprise Advisors and with improvements in the speed of BWJ's reporting process.

In response to feedback received during the meeting, BWJ will be working to further build the capacity of the interpreters it uses for interviews with migrant factory workers and modify its reports so as to provide greater detail about factories' efforts to remedy non-compliances.

According to Zainab Yang, BWJ's Enterprise Advisory Team Leader "We hope to hold such meetings on a regular basis in the future. This kind of constructive dialogue with factories is key to BWJ's vision for maintaining our standards of excellence in providing assessment and advisory services."



Above: Annual cycle of Better Work services offered to factories

## ILO: Better minimum wage policies key to poverty alleviation in the Arab world

From September 17th-20th, the ILO hosted a regional conference on wage policies in Arab states in Amman, Jordan. The conference showcased research papers by senior ILO economists demonstrating how Arab governments could lift millions out of poverty by adopting more coherent and inclusive minimum wage setting policies.

"The minimum wage is an important policy tool for alleviating poverty and promoting social stability," said Nada Al-Nashif, ILO Regional Director for the Arab States, adding that "the increasing vulnerability of workers as a result of the global financial



Above: Ms. Nada Al-Nashif and Jordan's Minister of Labour Dr. Atef Odibat (center)

and economic crisis makes the need for sound wage-setting policies all the more pressing."

Arab wages have remained stagnant in recent years, increasing economic hardship and entrenching social inequity in the region. In several countries, existing minimum wage levels have fallen below poverty thresholds, increasing demands on cash-strapped governments for welfare support in the absence of adequate social protection.

The level of the minimum wage in Jordan has long been an issue of contention between workers and employers, especially in the garment industry which has often been exempted from minimum wage increases. According to Phillip Fishman, Programme Manager of Better Work Jordan, "A just and equitable minimum wage that provides a living wage for all garment workers, while maintaining the competitiveness of the apparel sector in the global supply chain, is an important goal for the garment industry in Jordan, especially given the fact that the minimum wage is the prevailing wage in this sector."

The regional conference came to a close with pledges from government, employer and worker representatives from around the Arab region to work towards fairer pay for Arab workers.

## Better Work International Buyers' Forum brings stakeholders together to discuss future directions for the programme

On October 22nd, Better Work hosted an International Buyers' Forum in New York City attended by leading international apparel brands in addition to representatives of Better Work programmes around the world.

The Better Work Buyers' Forum is a community of companies with supply chains in developing countries who have a shared interest in the Better Work programme and are committed to supporting innovative solutions to meet labour standards challenges. The forum provides an opportunity for international buyers to coordinate input to Better Work and acts as an incubator for new ideas on responsible supply chain management.

The event provided an opportunity to discuss the evolution of Better Work and the new directions under consideration, including a Partnership Agreement between international brands and Better Work that is currently under consideration. This agreement would deepen the responsibilities and commitments that Better Work and participating buyers have towards each other with regard to building sustainable improvement throughout the global supply chain. The forum also explored the potential for Better Work collaboration with other initiatives that work

to improve labour standards in global supply chains. Buyers involved in other initiatives led round-table discussions about areas of overlap with Better Work, as well as learning and collaboration opportunities.

In addition to participating in these discussions, Better Work Jordan (BWJ) met individually with several international brands to discuss compliance issues specific to the Jordanian garment industry. BWJ provided updates to international brands already sourcing from Jordan as well as holding discussions with brands who are considering sourcing from the country.



## Better Work training on preventing and addressing sexual harassment to be piloted in Jordan

Sexual harassment has long been an issue in the garment industry worldwide and is a major concern for the Better Work programme.

In response to this challenge, Better Work has developed a sexual harassment training package for garment factories which will be piloted in Jordan by the end of 2012. This package will deliver training to senior managers, middle managers, supervisors and workers, with each training tailored to the needs of each of these four groups. The training aims to ensure factory managers and employees understand the concept of sexual harassment, the adverse impact of such behavior on workers and on the enterprise and how to respond to incidences of sexual harassment. The manager training will also aim to build managers' capacity to develop robust and effective policies and procedures to prevent, identify and deal with sexual harassment in factories.

The training will also be complemented by an awareness-raising kit containing posters and brochures.

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Netherlands Ministry of Foreign Affairs

State Secretariat for Economic Affairs, Switzerland (SECO)

United States Council Foundation, Inc. (funds provided by select USCIB member companies)

#### **Participating Buyers**

American Eagle Outfitters, Inc.

Gap, Inc.

Jones Apparel Group, Inc.

L.L. Bean

Marks & Spencer

**New Balance** 

Patagonia, Inc.

**Sears Holding Corporation** 

Wal-Mart Stores, Inc.

Li & Fung

Target

Hanesbrands

Ann Inc.

#### Participating Suppliers

Ahmad Qadri Co. & Partners

Al Areen for Garment Manufacturing L.L.C.

Al Hadaf Manufacturing Co.

Al Hanan for clothes manufacturing.

Al Masera Textile

Al Tafilah Apparel Co. Ltd.

Apparel Concepts L.L.C.

Aseel Universal Garments Manufacturing Co Ltd.

Atateks Foreign Trade

**Atlanta Garment Manufacturing Company** 

Business Faith Garment Manufacturing Co.

Camel Textile International Corp.

Casual Wear

Century Miracle

Century Wear

Classic Fashion Apparel Industry Ltd Co.

Classic Jeans Apparel Manufacturing Co.

EAM Maliban Textile Jordan (PVT) Ltd.

EAM Maliban Textile Jordan (PVT) Ltd. (Satellite Unit)

Elzay Ready Wear Manufacturing Co.

Fine Apparel Ltd.

**Galaxy Apparel Industry** 

Harthi Textile Industrial

Hi-Tech Textile L.L.C.

Hifa Apparel

Horizon Clothing Manufacturing Co.

International British Garments Mfg Co. Ltd.

International Business Garment Mfg. Co. Ltd.

Ivory Garments Factory L.L.C.

Jerash Classic Garments Manufacturing Co.

Jordan Clothing Co. P.L.C.

Jordan Star

Jordanian Modern Textile

Kareem Manufacturing Company

Modern Apparel Co. Ltd.

Mustafa and Kamal Ashraf Trading (Jordan) Garment Ltd.

Needle Craft Ltd. Jordan.

Oasis Textile International Co. Ltd.

Paramount Garment Ltd.

Prestige Apparel Manufacturing Ltd

Rainbow Textile

Rich Door Textile Factory.

Rich Pine International Group Ltd.

Standard Textile Jordan

Sterling Apparel Manufacturing

Sterling Apparel Manufacturing. (Satellite Unit)

Straight Line

The Sun Jordan Textiles Co. Ltd.

Third Dimension Apparel L.L.C.

Trans World Apparel Mfg. Co. Ltd

Tusker Apparel Ltd. Co.

United Creations L.L.C.

Vega Textile Ltd.

W&D Apparel (Jordan) Corp.

### **UPCOMING PUBLIC TRAINING**

Better Work Jordan offers a range of targeted training programs to managers, supervisors and workers, both in the classroom and at the factory. Our trainings focus on improving compliance with labour standards, productivity and quality through building effective workplace cooperation. For more information, please contact our offices.

OCCUPATIONAL SAFETY AND HEALTH MANAGEMENT		
About the course:	This course helps participants understand that OSH should be an integral part of factory management. The training gives guidance on how to improve safety and health within factories to meet both national and international standards. Participants will engage in a series of practical activities that will not only benefit safety and health within the enterprise, but also offer low-cost suggestions for improving working conditions and increasing productivity.	
Target participants:	Factory management, OSH committee members and trade union/worker representatives	
Duration:	2 days	
Cost per participant:	80 JDs	
INTRODUCTION TO HUMAN RESOURCES MANAGEMENT		
About the course:	This course is designed to help factories overcome non-compliance in human resources and bridge the gap between BWJ standards and current practices in garment sectors. The training programme covers: Human Resources roles, workplace cooperation, compliance with national labour legislation and personnel administration. Factories are guided to create concrete action plans, and encouraged to implement them. BWJ Enterprise Advisors monitor factories' progress through regular visits.	
Target participants:	Human resource managers, Human Resource Officers, Compliance Officers	
Duration:	5 days	
Cost per participant:	160 JDs	
HUMAN RESOURCES MANAGEMENT FOR COMPLIANCE		
About the course:	This course provides participants with in-depth training on the following human resource management topics:  > Conflict resolution and industrial relations  > Performance appraisal  > Continuous improvement  > Training/capacity building of employees  > Competency mapping and job descriptions  > Succession planning  > Compensation and benefits	
Target participants:	Human resource managers, Human Resource Officers, Compliance Officers	
Duration:	5 days	
Cost per participant:	200 JDs	
SUPERVISORY SKILLS TRAINING		
About the course:	This course enables participants to gain valuable leadership and management skills to further enhance dialogue between the company and its employees. The content of the course will cover the following topics:  > How to be a professional supervisor  > Building good relationships  > Influencing skills  > Managing people  > Videotaped practice	
Target participants:	Factory supervisors and managers	
Cost per participant:	Cost per participant: 120 JDs	

This newsletter is published by Better Work Jordan, a joint programme between the International Labour Organization (ILO) and International Finance Corporation (IFC). The opinions expressed do not necessarily reflect the official views of the ILO, nor those of the IFC.

For more information about Better Work Jordan, visit www.betterwork.org/jordan or contact us at jordan@betterwork.org