



**BETTER WORK JORDAN**

# **Annual Synthesis Report 2020:**

## **An industry and compliance review**

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## LIST OF ABBREVIATIONS

ACTRAV	Bureau for Workers' Activities
BWJ	Better Work Jordan
CBA	Collective Bargaining Agreement
DoS	Department of Statistics
EU	European Union
FoA	Freedom of Association
GoJ	Government of Jordan
GFJTU	General Federation of Jordanian Trade Unions
GTU	General Trade Union of Workers in Textile, Garment and Clothing Industries
IFC	International Finance Corporation
ILO	International Labour Corporation
JCI	Jordan Chamber of Industry
JD	Jordanian Dinar
JICA	Japan International Cooperation Agency
J-GATE	Jordanian Garment, Accessories & Textiles Exporters' Association
MoH	Ministry of Health
MoITS	Ministry of Industry, Trade & Supply
MoL	Ministry of Labour
OSH	Occupational Safety and Health
SCP	Strategic Compliance Plan
SHP	Sexual Harassment Prevention
PAC	Project Advisory Committee
ZTP	Zero-Tolerance Protocol



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## SUMMARY FINDINGS

Better Work Jordan's Eleventh Annual Report presents findings and observations from 81 factory assessments completed in 2019. The Annual Report also highlights trends in non-compliance rates over the past four years. Compliance findings are complemented by additional observations through factory engagement, the programme's collaboration with industry stakeholders, and extensive surveys of both workers and managers conducted in 2019.

Better Work's enterprise assessment – a two-day unannounced onsite visit – is a key component of the programme's core services. During this assessment, factories are marked as non-compliant if they do not adhere to specific components of Jordanian national labour law or core international labour standards. The compliance data is divided into eight clusters: four under core labour standards (assessed against international labour standards) and four under working conditions (assessed according to the national law and regulations). While individual assessment reports allow Better Work, the factory and buyers to identify and understand non-compliance in factories, the annual report presents an opportunity to analyse sectoral trends and put them in context. This report compares average non-compliance rates over the last four years to give a sense of the broader industry context for each point and see if progress is being made or if conditions are worsening. While there are some limitations to this approach (see Appendix C) these comparisons provide useful information, particularly when paired with background analysis.

The following are highlights from each compliance cluster:

### International Labour Standards

**Child Labour:** Employment of children under age sixteen is a zero-tolerance issue under Better Work Jordan's collaboration agreement with the Ministry of Labour (MoL). In 2019, Better Work Jordan (BWJ) reported three factories as non-compliant for violations on child and juvenile labour. Two factories had newly recruited Bangladeshi workers with falsified date of birth in their passports. This was an issue of child labour in one factory as the worker was under the age of 16, and cited as lack of proper documentation in the other factory. Such cases remain a challenge for everyone in the industry and the lack of follow-up after returning the child to their home country is a concern. In the third factory, juvenile Jordanians were working in the factory without proper documentation or safety protections.

**Discrimination:** Non-compliance on gender based discrimination increased markedly in 2019 because of changes in how Better Work assessed pregnancy tests. For the last two years, BWJ raised the issue of pregnancy tests with factories, and agreed on new guidelines for pregnancy tests with the tripartite partners. Better Work Jordan finds non-compliance if migrant workers have undergone recruitment-related pregnancy tests on or after 1 January 2019, including in cases where the employer has made an effort to prevent such testing. The overall non-compliance rate for discrimination based on *Race and Origin* is the same as last year, while non-compliance for discrimination based on *Other Grounds* dropped by 10 percentage points since last year. The drop is mostly due to much higher compliance with the legal requirements for hiring persons with disabilities.



**Forced Labour:** In 2019, BWJ observed two cases of forced labour: one under coercion, and one under forced labour and overtime. In one factory, management took workers' passports and documents. This factory was reported to the MoL under the established zero-tolerance protocol. In another factory, workers were forced to work overtime or lose their entire day's salary.

**Freedom of Association and Collective Bargaining:** As Jordan is yet to ratify ILO Convention No. 87 and the Jordan Labour Law currently stipulates a single trade union structure, all assessed factories were non-compliant under the compliance point *Freedom to Associate*. Another area of non-compliance was the implementation of the sectoral collective bargaining agreement (CBA). Although most factories met some requirements, forty-six factories had not implemented one or more provisions in the CBA.

## Working Conditions

**Compensation:** BWJ monitors many aspects of compensation to ensure that all workers are being paid fairly, accurately and on time and that all benefits in the full compensation package are paid in line with individual contracts and the sector-wide CBA. Nearly all factories are compliant on paying basic wages, however some factories do not pay their workers on time or are non-compliant on accurately paying overtime wages or other benefits. Around a quarter of factories are non-compliant on each of the main areas of compensation, including method of payment, overtime wages, social security and other benefits, and wage information and deduction.

**Contracts & Human Resources:** Several key aspects of working conditions fall under the *Contracts and Human Resources* compliance point, including the employment contracts themselves, the way that contracts are enforced and termination policies. Employers continue to have problems with proper contracts and translating them into the necessary languages so that workers can understand them. In addition, contracting procedures include how workers are recruited to jobs. In 2018, the tri-partite Project Advisory Committee decided that the program would report factories as non-compliant if workers recruited after 1 January 2019 paid any recruitment fees at all. Finally, issues of worker-manager dialogue are discussed in the Thematic Focus on Grievance Mechanisms on page 48.

**Occupational Safety & Health:** The Occupational Safety & Health (OSH) cluster continues to have some of the highest non-compliance rates, and employers continue to fall short of meeting basic OSH requirements for emergency preparedness, health services, and living and eating areas. Factories did make some improvements in the area of chemical storage and on some of the compliance points within the welfare facilities compliance point. In the coming year, Better Work intends to work with factories on developing effective OSH management systems so that factory management and workers can learn from each other and work together to address safety and health issues.

**Working Time:** The Jordanian Labour Law does not limit overtime hours but restricts regular working to 48 hours per week—beyond this, workers should be paid overtime. In 2019, four factories were non-compliant with keeping accurate working hours records. This non-compliance rate has dropped considerably since 2016, from 19 per cent to five per cent. The overall average hours worked was 53.6 per week, very similar to last year's average. The hours are starkly different based on nationality, with migrant workers working 60 hours a week on average and Jordanian workers working 42 hours per week on average.



**94**

Factories



**480**

Advisory  
Visits



**83**

Assessment  
Reports



**1,221**

Training  
participants



**74,130**

Workers in  
registered  
factories



**26**

International  
buyers





## INTRODUCTION

Better Work Jordan is a partnership between the International Labour Organization (ILO) and the International Finance Corporation (IFC). The ILO flagship programme brings together stakeholders from all levels of the global garment manufacturing industry to improve working conditions, enhance respect for labour rights, and boost competitiveness.

Better Work country programmes prepare public reports synthesising industry updates and highlighting non-compliance findings and trends in order to increase transparency and to communicate observations to a wider audience. Since the programme's inception in 2008, Better Work Jordan has published ten reports and this is Better Work Jordan's **Eleventh Annual Report**.

*Annual Report 2020: An Industry and Compliance Review* covers assessments and activities between January and December 2019. Compliance findings are drawn from **81 assessments reports** conducted in 2019. The report is divided into three sections: **Section I** presents the country context and updates from Better Work Jordan, **Section II** dives into detailed non-compliance findings from factory assessments, observations from advisory and training visits, and worker and manager opinions based on survey data, and **Section III** presents the conclusions and ambitions going forward. Details on methodology, limitations and the lists of participating factories and buyers can be found under the Annexes.

## COUNTRY AND LABOUR MARKET CONTEXT

### ECONOMY

The Jordanian economy continues to be strained by on-going regional uncertainty, which has suppressed both domestic and regional demand, as well as the persistent national current account deficit. As the World Bank notes, the country's recovery depends on reducing debt levels, implementing structural reforms and identifying sources to expand investment, while benefitting from international assistance and potential regional recovery.<sup>i</sup> The annual real GDP growth remained modest at **2 per cent** in 2019, based on current estimates from the World Bank.<sup>ii</sup> Inclusive growth has remained a challenge, with low economic growth rates in rural areas and the prevalence of high unemployment rates.

On the heels of the highest unemployment rates in 25 years, the Jordanian government announced in February 2019 that it would create 3,300 job opportunities for youth across all Jordanian governorates.

Jordan also pursued important structural reforms, introducing new regulations to govern aspects of financial transactions, such as insolvency, digital payments, and public procurement. As a result Jordan became one of the top 20 performers in the World Bank's 2020 Doing Business report, which takes into account a country's progress on making it easier for small- and medium enterprises to operate.<sup>iii</sup> One of the major initiative launched in October 2019 was the government's comprehensive program comprising of five packages: Stimulating the economy and investments, management and financial reform, improving citizens' livelihoods and improving public services comprehensively. Under these incentives, the government aims to impact citizens by providing jobs in addition to improving the national economy.

Despite the government's efforts, sit-ins and protests continued during 2019. The protests commenced with a number of sit-ins by unemployed people. These protests resulted in meetings with government



officials to discuss possible solutions and provide jobs to the unemployed protesters in the public sector. Jordan also saw the longest strike in its history following the Jordan Teachers Association (JTA) launch of a nationwide strike demanding a pay raise originally agreed on in 2014. The one-month strike ended in October after the government and the JTA brokered a deal.

## THE LABOUR MARKET

Jordan has a population of over 10 million, of whom about two-thirds are Jordanian nationals.<sup>iv</sup> The Jordanian labour market is characterized by three segments: Jordanians, migrant workers, and refugees. In 2018, there were over 352,000 registered migrant workers and refugees with the Ministry of Labour. The majority of the registered workers are from Egypt, Bangladesh and Syria and are employed in agriculture, construction and manufacturing.<sup>v</sup>

The labour market situation in Jordan has worsened over the past few years. Jordan's unemployment rate stood at **19 per cent** in the fourth quarter of 2019, a 0.3 percentage point increase since the fourth quarter of 2018.<sup>vi</sup> The unemployment rate was 17.7 per cent for men and 24.1 per cent for women. Unemployment was highest for young people, particularly university degree holders: the rate was 48.3 per cent for people ages 15-19 and 39.7 per cent for those aged 20-24. As before, labour force participation among women remained staggeringly low at 13.5 per cent during the fourth quarter, compared to 54.3 per cent for men. The Jordanian government continues to be the largest employer in the country. About 26 per cent of employed Jordanians were working in public administration and services in 2017.

Jordan continues to enact regulations that close specific sectors and occupations for non-Jordanians and has introduced sector-specific quota systems. Such quota systems are in place to encourage employers to increase the number of Jordanians they employ. In December 2019, the Minister of Labour partially opened previously restricted positions to non-Jordanian workers in the garment and textiles factories, particularly in middle and senior management positions. A new regulation on work permit fees for non-Jordanian workers was also released in 2019. The regulation re-categorizes the types of foreign workers that require work permits and introduces a general increase in application fees. A new penalty for failure to comply with work permit requirements will also be imposed on non-compliant employers.

Migrant workers by definition cross borders for economic opportunities and work. Among registered migrant workers, Egyptians and Bangladeshis are the two most represented nationalities. Egyptian men are commonly employed in the construction sector, whereas Bangladeshi women workers are associated with the domestic and garment manufacturing sectors. Jordan has continued to implement the *kafala* (sponsorship) system that ties migrant workers' immigration status with their employment status and a specific employer.

Following the London Conference in 2016, Jordan has made significant strides to simplify its regulatory system to enable Syrian refugees' access to the formal labour market. Starting in early 2016, the Jordanian government started issuing work permits to Syrians, which effectively enabled their access to formal work in specified sectors. Further, work permits in the agriculture and construction sectors are no longer linked with single employers for Syrian refugees in Jordan.



## MINIMUM WAGE

Since 2000, a tripartite committee for work affairs formed by the council of Ministers and comprised of representatives of the government, workers and employers is responsible for identifying the minimum wage in the Jordanian labour market and leading the discussions on wage issues with different relevant actors. As the cost of living and inflation rates continued to increase in Jordan due to regional turmoil and economic constraints, the national minimum wage remained unchanged since 2017 for Jordanians at 220 JDs (US\$310) per month, while the minimum wage for non-Jordanians remained fixed at JD 150 (US\$ 212) per month. Non-Jordanians in the garment sector are, however, paid a minimum of JD 125 in paid wages and JD 95 as in-kind, with the total amount adding to JD 220 as per the sector's collective bargaining agreement (CBA).

On 25 February 2020, the tripartite committee for work affairs decided to increase the minimum wages for both Jordanians' to JD260 (US\$ 367) and non-Jordanians to JD 230 (US\$ 324) as of January 1, 2021, providing that the pay gap between Jordanians and non-Jordanians will be narrowed within the following two years. This decision excludes domestic workers and workers in the loading/unloading sector, in addition to Jordanian and non-Jordanian labourers in garments and textiles industries. The decision will be carried over to next year to give the employers a chance to rearrange their financial affairs and list the needed allowances in their budgets.

## AMENDMENTS TO THE JORDANIAN LABOUR LAW

After a series of discussions between the Government of Jordan and the Jordanian Parliament, the amended Jordan Labour Law came into effect on May 2019 following the issue of Royal Decree to ratify and publish it in the official gazette. Main highlights of the amended law are bringing forward flexible working hours, addressing discrimination based on gender, exempting non-Jordanian workers of Jordanian mothers from attaining work permits, and setting a minimum age for certain professions and hazardous work. However, the MoL launched a public debate around 10 articles in the amended Labour Law in November 2019. The draft labour law was endorsed by the ministerial cabinet and referred to parliament for further deliberation.

The draft law focuses on articles around employment, labour market regulation and providing more legal protection for workers by setting stringent penalties on employers for violations of the labour law, particularly for those who engage in illegal employment as well as those who manipulate minimum wages. The draft law also aims to regulate the entry of foreign labour into the Jordanian market, and incrementally substitute migrant workers with Jordanian ones.

Article 29 of the labour law stirred controversial discussions around sexual harassment and identifying proper punishment, in addition to protecting victims' rights in the workplace, while article 69 addressed working hours for working women. The draft bill is projected to be endorsed by the parliament soon, which will be followed by the approval procedures in accordance with constitutional channels.

## INDUSTRY OVERVIEW

The Jordanian economy benefits from several free trade agreements. The most important agreement for the garment sector is the United States-Jordan free trade agreement, the **US-Free Trade Agreement**



**(FTA)** that was signed in 2000 and went into full effect in 2010. The FTA allows Jordan to gain preferential duty and quota-free access to the US market. The Jordanian garment industry has been one of the primary beneficiaries of this agreement. Prior to the US-FTA, the two countries had signed the Qualified Industrial Zone (QIZ) agreement in 1999.

In 2002, Jordan entered the Association Agreement with the European Union (EU) that enabled a Free Trade Area opening up two-way trade. The agreement was revisited in 2016 when the EU and Jordan agreed to **simplify the rules of origin (RoO)** requirements as a component of the EU's broader response to the Syrian refugee crisis. The revisions were aimed at boosting Jordan's trade competitiveness, supporting the host communities and promoting job creation for Jordanians and Syrians. The simplified RoO agreement was amended in late 2018 following a review by all parties. The agreement now extends until 2030, applies to all companies regardless of their geographic location, with a requirement to employ a minimum of 15 per cent of Syrian refugees in the production line of eligible factories exporting to the EU.

Jordan also has a free trade agreement with Canada. The Jordan-Canada Free Trade Agreement (FTA) came into force on October 1, 2012. The FTA gives Jordanian companies a competitive edge in the Canadian market, which allows them to export their products to Canada without paying any customs duties.

## **GARMENT INDUSTRY**

Jordan's garment exports continued to grow throughout 2019. Garments and related exports were valued to over US\$ 1.9 billion and accounted for about 23 per cent of the country's total exports in 2019,<sup>vii</sup> with 11 per cent growth compared to 2018. The US continued to be Jordan's largest garment export market due to the established Free Trade Agreement (FTA) between the two countries.

As of October 2019, the exporting garment industry employed over 76,220 workers, with 18,402 Jordanians and 57,818 migrant workers according to Ministry of Labour data.<sup>viii</sup> The majority of Jordan's garment factories are located in the economic zones in Dulayl, Irbid and Sahab and the majority of the workers are economic migrants from South and Southeast Asia.

Tackling high unemployment rates and low labour force participation among Jordanian women remained a priority for the government throughout 2019. The Jordanian government conceived the idea of '**satellite units**' in 2010 to address unemployment in rural areas and to promote a decentralized approach to economic development. A satellite unit is essentially a manufacturing unit, usually of smaller scale, which is wholly owned and managed by existing manufacturers, but operates outside Jordan's industrial zones. The driving idea was to bring factory jobs to rural Jordanian women rather than them going to the economic zones, which are often away from population centres. This initiative also provides employers with some incentives, such as rent-free buildings and covering some labour costs, to establish and run satellite factories. According to the Ministry of Labour, 20 satellite factories are operational, two are under construction and two are being planned by the end of 2020.



### Enabling access to non-garment factories

Following the Jordan Compact, the government of Jordan requested that BWJ support factories exporting to the EU under the relaxed Rules of Origin which seeks to expand Jordan's exports to the EU. This includes some garment factories that BWJ was previously working with, and, importantly, includes **selected non-garment sectors**.

Better Work Jordan supports national stakeholders, including the MoL, in monitoring and promoting decent work conditions in factories authorised under the RoO. BWJ collaborated with MoL and MoITS to develop inspection instructions to help Jordanian companies abide by the country's labour law and meet international labour standards. Following meetings and discussions with different actors, the Inspection Instructions for enterprises that benefit from the RoO came into effect as of 16 July 2019 upon its publishing in the official gazette. Based on the instructions, the MoL requested that all factories exporting to the EU under the trade scheme enrol in BWJ.

Following the release of the inspection instructions, a joint committee was formulated in July comprised of three MoL labour inspectors and three BWJ Enterprise advisors (EAs) responsible for conducting advisory and assessment visits to eligible factories exporting to the EU under the RoO in the plastics, engineering, chemicals, and garment manufacturing sectors.

Better Work Jordan also carried on with their induction visits to introduce the BW core services to EU exporting factories listed in the Jordanian Customs Department. Among 15 factories eligible to export to the EU under the RoO, nine factories (five non-garment factories and four garment factories) were registered with BWJ by December 2019. Better Work Jordan also conducted a total of 14 workshops and training sessions to 43 representatives (24 female, 19 male) from non-garment factories on Sexual Harassment Prevention (SHP), Supervisory Skills Training (SST), Jordanian Labour Law and Occupational Safety and Health (OSH).

**During 2019, BWJ assessed six eligible factories under the RoO (four garment and two non-garment) and conducted 34 advisory visits to eligible factories.** This report does not include data from non-garment factories in discussing the non-compliance situation in 2019. There are many fundamental differences between garment factories and non-garment factories that make it difficult to compare the compliance situation between the two groups. During the non-garment factory assessment and advisory visits, BWJ noted several issues in the factories including lack of compliance with some Core Labour Standards. Overall, the compliance situation in these factories can be compared to the situation in the garment sector ten years ago, when there was limited oversight on labour conditions from labour inspectors or buyers. The non-garment factories are not fully aware about the labour standards in global supply chains, but BWJ and the MoL team have been working closely with the employers and workers in these factories to promote decent working conditions.

Better Work Jordan anticipates more factories to join the programme next year. The programme will continue working with relevant actors to promote decent work principles inside factories and promote job creation opportunities to Jordanians and Syrian refugees in the apparel industry.



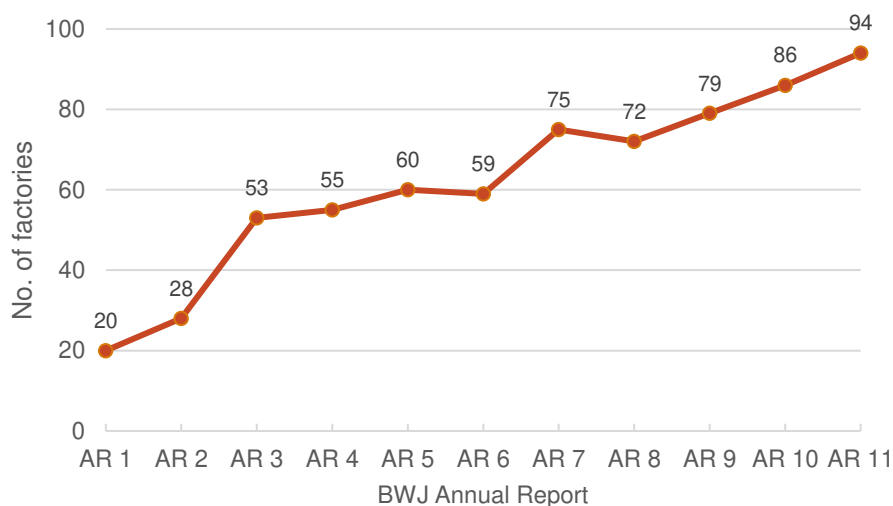
## BETTER WORK JORDAN

Better Work was established in Jordan in 2008 and started operations in 2009 at the request of the Jordanian government, marking a decade of operations and building partnerships in 2019. Currently, in its third strategic phase (2017-2022), Better Work Jordan has continued its work with the national tripartite constituents and international buyers to improve working and living conditions, promote decent work, and increase competitiveness in the garment sector and beyond.

## PARTICIPATING FACTORIES

Better Work Jordan was introduced as a voluntary programme for garment manufacturers in 2008. In the initial phase, participation was only limited to the main exporting factories, which was later followed by an increased enrolment of other factories exporting to the US and Israel and their subcontractors through the regulations of the Jordanian government. Following Jordan Compact, and as the EU eased the rules of origin initiative for Jordanian exporters employing Syrian refugees at the end of 2018, the Jordanian government once again, and through the issuance of the MoL inspection instructions for enterprises that benefit from the RoO in July 2019, requested the support of Better Work Jordan in providing its factory-level services to the EU-exporting factories (garment and non-garment). The number of Better Work Jordan factories has since grown simultaneously with the industry's expansion. Figure 1 illustrates the number of factories enrolled in Better Work Jordan as reported in the programme's annual reports. As of December 2019, **94 garment factories** were enrolled in Better Work Jordan – 48 direct exporters, 24 subcontractor, 18 satellite units, and 4 non-garment factories.

**Figure 1. Number of garment factories enrolled in Better Work Jordan.**



## PARTNERSHIPS FOR IMPACT AND SUSTAINABILITY

Recognising the importance of sustainability and ownership, Better Work Jordan has amplified its collaboration and capacity building efforts under its third strategic phase. The programme has **four operational collaboration agreements** with the national institutions – the Ministry of Labour, the Garment Trade Union (GTU), Jordan Chamber of Industry (JCI) and the Social Security Corporation (SSC).



### BETTER WORK JORDAN COLLABORATION WITH THE MOL

The MoL and Better Work Jordan have been working closely since the programme's inception in 2008. The first agreement was signed in 2010, which formalized the relationship between MoL and BWJ and outlined the necessary activities. The agreement was also accompanied by a Zero-Tolerance Protocol (ZTP) to address any human rights violations observed. The Better Work Jordan-MoL agreement was revised in late 2016 to add further clarity and detail. For instance, the revised agreement elaborated on training and capacity-building efforts and added definition to the ZTP issues and their remediation.

The collaboration has also initiated a long-term secondment programme that is now in its fifth year and is complemented with a short-term programme initiated in 2018 which maintains focus on the transfer of knowledge and skills to the labour inspectorate through in-class training and joint factory visits with Better Work Enterprise Advisors. Fourteen labour inspectors benefitted from the secondment programme in its two rounds in 2019, through joining Better Work Jordan's Enterprise Advisors in their assessment and advisory visits, and receiving in-class and field training on different topics, to name a few; BW Model, Sexual Harassment Prevention (SHP), dorms inspection, etc.

Fifty-eight MoL inspectors (19 female and 39 male) participated in various training and workshops on topics such as Better Work model, Supervisory Skills, Risk Assessment, Occupational Safety and Health (OSH) and Dorms inspection. Better Work Jordan is also supporting the ILO's additional efforts with the MoL, including the Strategic Compliance Plan (SCP).<sup>ix</sup>

### BETTER WORK JORDAN COLLABORATION WITH SSC

Better Work Jordan continued in 2019 working with an OSH officer from the SSC under the collaboration agreement signed in 2017. In addition to compliance assessments, the seconded officer vastly contributed to advising factories on OSH improvements and supported Better Work Jordan in designing and delivering industry seminars related to OSH.

### BETTER WORK COLLABORATION WITH THE UNION

Under the collaboration agreement signed between Better Work Jordan and Garment Trade Union (GTU) in 2018, and within the framework of the programme's phase III strategy (2017-2022), Better Work Jordan worked to strengthen the union's capacity in the garment sector to effectively organize and represent all workers in Jordan's garment sector, promote compliance, engage in social dialogue and improve working conditions at the factory and sectoral levels.

To enhance social dialogue, Better Work Jordan and the union conducted 25 joint visits to factories and training sessions to workers on different topics that include workplace communications, Sexual Harassment Prevention training, basic rights and responsibilities and other trainings. This collaboration will put an added emphasis on enabling and strengthening the GTU's capacity to engage workers, especially migrant workers. In addition to that, and through the support of Better Work Jordan, the union currently has three Bengali-Speaking female consultants that will deliver trainings to migrant workers to enhance communications and relationship between the migrant workers and the union leadership and its staff members in the industrial zones.



### 2019 COLLECTIVE BARGAINING AGREEMENT (CBA)

A three-year collective bargaining agreement (CBA) between two apparel employers' associations and Jordan's garment union was signed on December 2. The agreement was signed between the Jordan Garments, Accessories & Textiles Exporters' Association (J-GATE), The Association of Owners of Factories, Workshops and Garments (AOFWG) and the General Trade Union of Workers in Textile, Garment & Clothing Industries. With the support of Better Work Jordan and ILO/The Bureau for Workers' Activities (ACTRAV), around 300 union-affiliated workers hailing from Jordan, Nepal, India, Sri Lanka, Burma, Pakistan and Bangladesh held consultations touching on the CBA in the past few months. Their requests were discussed by stakeholders in the final negotiation rounds. Better Work Jordan also provided technical and legal expertise throughout the entire process and facilitated a series of meetings between employers and the union representatives during the negotiation process. The newly inked CBA adds new provisions to its previous versions, including an annual pay increase for workers, and a requirement to eliminate abusive behaviours from the factory floor through adopting internal policies under the factory's bylaws, which are proposed by the Ministry of Labour.

### BETTER WORK JORDAN GENDER STRATEGY (2019-2022)

Better Work Jordan continued in 2019 to implement activities under its four-year gender strategy to support the empowerment of Jordanian and migrant women in the garment sector by leveraging its convening power to create change around themes related to discrimination, health and wellbeing, voice and representation, and skills development. Women's voice and representation inside factories as well as in the sectoral dialogue are key to addressing challenges and promoting inclusive wellbeing. To realise this, Better Work Jordan gender-responsive activities included a two-day Training of Trainer for Respectful Workplace Program jointly facilitated by the Better Work Global gender specialist and BWJ trainers. The training aimed to enhance participants' facilitation skills and improve their understanding on sexual harassment prevention, policies and grievance procedures, and roles and responsibilities. In addition, Better Work Jordan delivered an industrial seminar on Sexual Harassment Prevention in Arabic in collaboration with MoL Women and Children Affairs directorate to HR officers and managers from participating factories.

#### EMPOWERING WOMEN ACROSS JORDAN'S GARMENT INDUSTRY

Driven by the positive feedback on the first round of GAP Personal Advancement and Career Enhancement (P.A.C.E), the second round of the training kicked off in October 2019. The core objective of this five-month round is to contribute to the empowerment and skills development of female workers in Jordan's garment, while also engaging women from different backgrounds in the process. The second round of PACE covers a larger target audience, including Jordanian, Syrian refugee, and migrant workers both in satellite units and the larger garment factories. The training modules focus on providing the participants with enabling knowledge, skills and confidence to navigate the workplace and their personal lives. Financial literacy, skills development and communication are only some of the training topics in the programme. Overall, it is anticipated that the training will benefit the participants as well as their communities in the longer-term.

The programme is also joining efforts with UN Women's 'Oasis Centers for Resilience and Empowerment of Women and Girls' to deliver the training to female job seekers in rural areas.





## RESEARCH FOR EVIDENCE-BASED POLICY MAKING

Better Work Jordan has recently published three research papers and a policy brief that explore both the past and present of the garment sector in Jordan by looking at challenges, opportunities and successes. The results of this research were presented at the 43rd PAC meeting with the goal of sharing findings with stakeholders, prompting discussions, and informing policy. Better Work continues to engage with this research and to formulate new opportunities for research to make sure that the policies carried out by the government and the garment industry are informed by the unique base of knowledge available through the Better Work program.

## WORKER AND MANAGER SURVEYS

Better Work has consistently invested in research to measure effects of the programme, which has involved collecting survey data directly from workers and managers to triangulate the programme's own compliance data. In June 2019, the programme re-launched surveys among workers and managers to gather information on current conditions and experiences in the participating factories. The survey gathered data from 1,700 workers across 77 factories on working conditions, factors for business competitiveness, engagement with national stakeholders, and life for workers outside the factory. Key results from this survey were published in the policy brief "Better Work Jordan Worker Voice Survey Results."<sup>ix</sup> The survey was adjusted and administered again in December 2019.

Data from the December survey, covering 1,660 workers and 71 managers is used throughout this report to provide further context from workers and managers alongside the standard compliance data gathered during assessment reports. While non-compliance data are based entirely on the observations and data triangulation of Enterprise Advisors during factory assessments, the worker and manager surveys provide a complementary perspective by gathering data from a representative sample of workers in an anonymous and confidential way.

## TRANSPARENCY AND COMPLIANCE: EVIDENCE FROM BETTER WORK JORDAN

Recent research shows that non-compliance rates improved in Better Work Jordan participating factories when the issues were publicly reported. The analysis shows that the new transparency portal that was agreed upon in 2016 clearly lowered non-compliance on the 28 issues posted online. This research adds evidence to the positive links between transparency and compliance, which have also been documented with the Better Factories Cambodia transparency portal. The report is posted as Discussion Paper 32.<sup>xi</sup> Given the success of the transparency portal in reducing non-compliance, there is a strong case for adding new compliance questions to the portal and for introducing the transparency portal in other sectors.

## NARRATIVE HISTORY OF THE GARMENT INDUSTRY

The report "The Jordanian Garment Industry and Better Work" traces the history of the garment sector in Jordan from the 1990s to the present. It examines the political, economic and legal context that gave rise to the garment industry, the events that nearly felled it, and how an alternative form of supply chain governance spearheaded by the ILO and IFC developed to sustainably build an important economic sector in Jordan. It examines the way Better Work Jordan has evolved over three phases and puts the current state of the industry and the program in context. The findings are based on interviews with key



stakeholders, current and former Better Work and ILO staff, and other researchers familiar with the programme. This report is posted as Discussion Paper 34 on the Better Work website.<sup>xii</sup>

## MENTAL WELL-BEING AND MIGRANT WORKERS

This report aims to understand the role of mental health on the well-being of migrant workers, lays out the current state of mental health care in factories, and proposes solutions for addressing gaps in psychosocial support. Gaps and barriers to available mental health services indicate the need for a decentralized mental health service structure at the factory level, along with adequate and consistent training in mental wellbeing education and awareness. Long-term policy goals are to increase the participation of migrant workers' home embassies and to integrate migrant worker mental health within Jordan's national mental health policy. The report is posted as Discussion Paper 33 on the Better Work website.<sup>xiii</sup> For on-going and future work in this area, see the box below.

### A FOCUS ON WORKERS' WELLBEING

Better Work Jordan worked with national stakeholders and partners to ensure a decent life to all migrant workers with a special focus on better understanding and responding to the psychological and psychosocial needs of the garment sector's workforce, especially for migrant workers.

To realise this, Better Work Jordan carried on the ongoing conversation around workers' wellbeing at both sectoral and factory-levels. Activities included a mental health roundtable discussion and a Mental Health GAP (MHGAP) training in collaboration with WHO and the participation of representatives from the garment factories and the union. Better Work Jordan engaged the program's stakeholders in this conversation through a session and a panel on workers' wellbeing during the 11th Annual Better Work Jordan Stakeholders' Forum held in June 2019. The informative sessions provided an overview of activities done by BWJ, the current situation of mental health issues in Jordan, efforts by different actors and the linkage between worker's mental state and productivity.

Better Work Jordan is currently working on potential future steps to improve workers' wellbeing. First, the program will carry out research on the current state of mental wellbeing among workers in the garment sector. Possible future actions include raising worker awareness of mental health issues to increase resilience and willingness to seek psychosocial support when necessary. This will be paired with improving access to the necessary support systems by developing a comprehensive intervention strategy at the individual, organization and national levels, as well as addressing the gap in mental wellbeing services provided to the garment workers. Better Work Jordan also notes a growing number of factories establishing 'welfare committees' and recruiting counsellors to provide support to workers, which is a positive development.

## COMPLIANCE FINDINGS

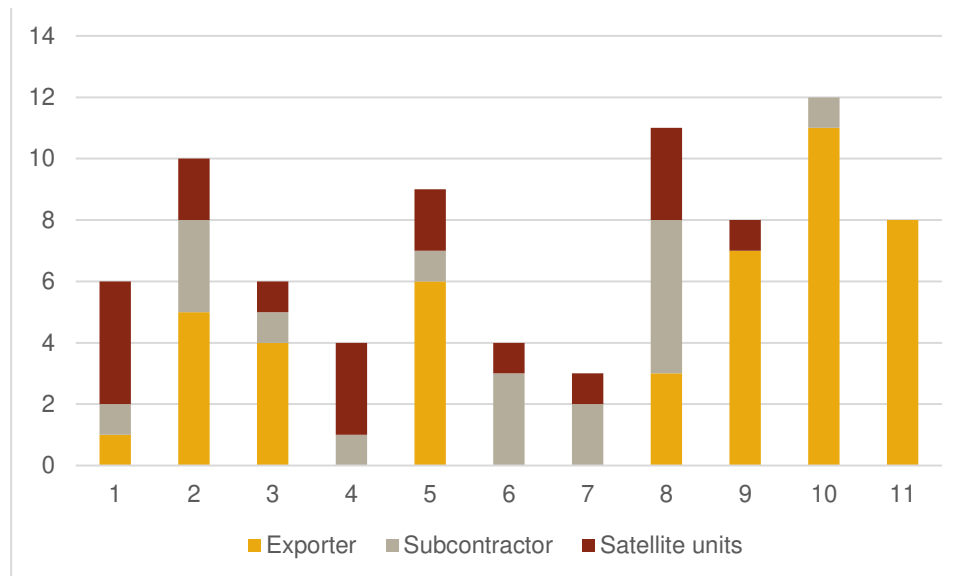
### FACTORIES IN THE SAMPLE

The compliance findings section is based on assessment data from 81 garment factories. The sample has three factory types – **45 direct exporters**, **18 subcontractors** and **18 satellite units**. Since the previous



annual report, the share of direct exporters has decreased and the shares of subcontractors and satellite units have both increased. Six factories in the sample completed Cycle 1 of the Better Work model and the average was Cycle 6 (see Figure 2). The majority of new factories that joined the program in 2019 were satellite units.

**Figure 2: Distribution of Factories per Cycle in Annual Report 2019**

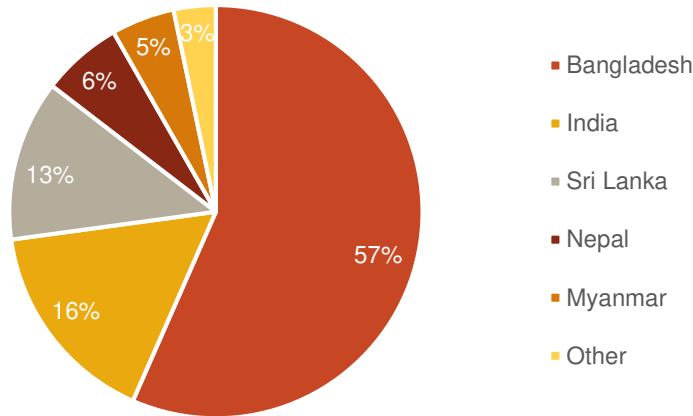


## DEMOGRAPHICS OF THE WORKERS EMPLOYED

According to Better Work Jordan's data, the 81 factories covered in this report employed a total of **73,208 workers**, an increase in workers covered by the program of 12 per cent. About 73 per cent of the employed workers are women and about 79 per cent are non-Jordanian. The largest group of migrant workers comes from Bangladesh, with close to 60 per cent of the migrant workforce or over 32,000 workers (see Figure 3). Many workers also come from India and Sri Lanka, with a smaller share from Nepal and Myanmar. The sector also has workers from China, Pakistan and Madagascar. There are also around 180 Syrian workers employed in Better Work Jordan participating factories.

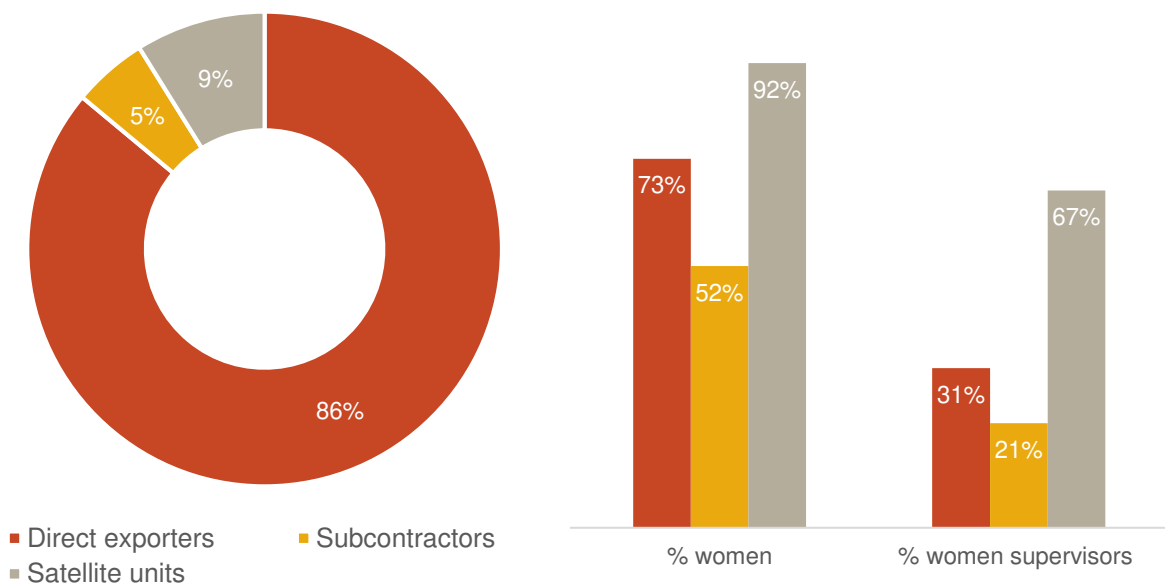


**Figure 3. Share of migrant workers in BWJ factories by country of origin (2019).**



Direct exporters employed the majority of the workforce, about 86 per cent (Figure 4). Around 54,000 women were employed in various capacities in the 81 factories. By factory type, 73 per cent of the workforce in direct exporters was women, 52 per cent in subcontractors and 92 per cent in satellite units. It is also worthy to note that only about 33 per cent of the total 3,772 supervisors employed were women. When disaggregated by the type of factory, this share was about 31 per cent for direct exporters, 21 per cent for subcontractors and 67 per cent for satellite units. The share of female supervisors in exporting and subcontracting factories has declined since last year.

**Figure 4. Percentage of total workers and women workers employed by factory type.**

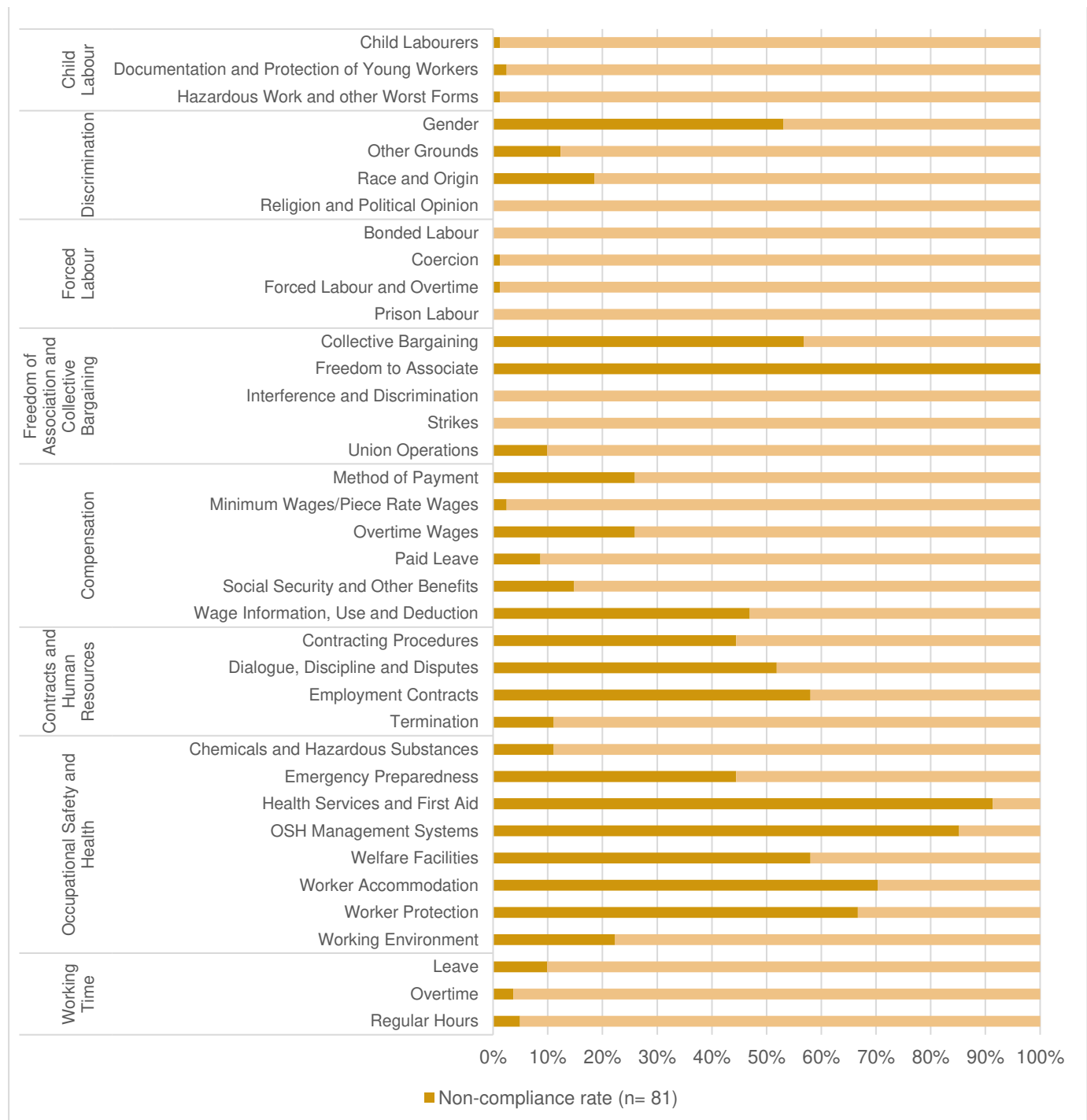




## COMPLIANCE SITUATION

Figure 5 summarises the non-compliance rate for the 81 assessed factories. Non-compliance rates are reported for each compliance point under the eight Core Labour Standards and Working Conditions clusters followed with detailed observations.

Figure 5. Non-compliance rate by Compliance Point





## DETAILED FINDINGS

### CHILD LABOUR

According to the Jordanian Labour Law, 16 is the legal minimum age for employment and workers under the age of 18 are considered juvenile in Jordan. Although this law is applicable to both Jordanians and non-Jordanians, the recruitment and migration of unaccompanied minors are considered human trafficking under Jordan's Anti-Trafficking unit. Employment of children under age sixteen is one of the zero-tolerance issues according to Better Work Jordan's collaboration agreement with the MoL. When detected, Better Work Jordan is obliged to report such cases to MoL, who then follows up with the appropriate institutions and organizations.

Non-compliance observed in 2019 under the Child Labour cluster falls under all three of the compliance points: *Child Labourers, Documentation and Protection of Young Workers and Hazardous Work and other Worst Forms*. Three factories were non-compliant on issues related to child labour (see Table 1). One of those factories had a confirmed case of employing a worker younger than 16. In another factory, two Bangladeshi workers under the age of 18 were identified during assessment and the factory did not have proper documentation for them. In the third factory, two Jordanian workers confirmed that they were 17 but the factory did not have proper documentation and the two workers were not following the legal requirements for working conditions and hours. This factory was cited as non-compliant on both *Documentation and Protection of Young Workers and Hazardous Work and Other Worst Forms*. The three factories were in Better Work Cycle 10, 11 and 9 respectively.

**Table 1. In Focus: Child Labour**

Compliance Question	NC Rate by Question		
	2017 (n=74)	2018 (n=79)	2019 (n=81)
Does the employer comply with documentation requirements for workers under age 18, and have a reliable system in place to verify the age of workers prior to hiring?	0%	0%	2%
Have you found any workers under the age of 16?	0%	3%	1%
Do workers who are under age 18 perform work that is hazardous, including working overtime, at night, or more hours than allowed by law?	3%	0%	1%
Does the employer subject any workers under age 18 to the unconditional worst forms of child labour?	3%	0%	0%

In one factory, Enterprise Advisors identified two newly recruited Bangladeshi female workers who confirmed that they were 16 years old and that the birth dates on their passports were based on falsified documents. Management stated that they were not aware of the falsification and that they had a standard recruitment process that included both interviews and document checks. The management of the factory quickly followed up with the Bangladesh Overseas Employment and Services Limited (BOESL) and transferred both of the workers back to Bangladesh.<sup>xiv</sup> Better Work Jordan informed the Ministry of Labour



about the violation as a zero-tolerance issue, but the factory had already sent the workers back to Bangladesh before the Ministry could visit the factory.

In another factory, Enterprise Advisors again identified two workers who were under the age of 18 and the workers confirmed that their documents were falsified. The Ministry of Labour followed up and conducted bone tests, which identified three workers under the age of 18 working in the factory with falsified documents. The Ministry of Labour agreed with the factory to transfer the workers to their home country and give them all of their financial settlements. Because the workers were not under the age of 16, the factory was cited as non-compliant on *Documentation and Protection of Young Workers*.

Child labour, especially in the case of migrant workers, continues to be difficult to detect and prove. The practice of forging passports and birth certificates makes this particularly challenging. Often times, passport forgery takes place individually or through middlemen and before the aspiring migrant arrives to any employer representative or an accredited recruitment agency. Better Work Jordan's 2019 annual report includes a full discussion of this issue and the possible solutions.<sup>xv</sup>

## DISCRIMINATION

Freedom from discrimination is a fundamental human right. ILO **Discrimination (Employment and Occupation) Convention No. 111, 1958** defines discrimination as any distinction, exclusion or preference made on the basis of prohibited grounds (i.e., race, colour, sex, religion, political opinion, national extraction or social origin), which has the effect of nullifying or impairing equal opportunity or treatment in employment and occupation.<sup>xvi</sup> The Convention also allows for countries to identify additional grounds of discrimination requiring protection.

Common non-compliances under Discrimination are related to the compliance points *Gender* (53 per cent), *Race and Origin* (19 per cent), and *Other Grounds* (12 per cent). Non-compliance in the *Gender* group increased substantially because of a change that began in January 2019 to the assessment guidelines for pregnancy tests. The overall non-compliance rates for discrimination based on *Race and Origin* are the same as last year, while non-compliance for discrimination based on *Other Grounds* dropped by 10 percentage points since last year. As in previous years, no factories were non-compliant with the *Religion and Political Opinion* compliance point.

### Gender

Gender-based discrimination comes in many forms and can be formal (part of a factory's rules) or informal (actions from individuals). Detecting informal gender-based discrimination is very difficult, so Better Work Jordan mostly observes instances of non-compliance on issues of formal discrimination, whether in the hiring phase, in the workplace, or in the dormitories. Measures aimed at protecting women based on stereotypical assumptions are considered discriminatory, like having a curfew only for women workers. While this was an issue in past assessments, factories have since amended their policies.

**Non-compliance rates increased dramatically for pregnancy tests (from 0% non-compliance to 51%) because the criteria for assessment changed (see Table 2).** This change was discussed at length with multiple stakeholders for several years and brings the Better Work assessment closer in line with



international labour standards. This change was discussed both in the April 2018 PAC meeting and during the 2016 Buyer's Forum. In 2017 and 2018, Better Work frequently found that workers had undergone recruitment-related pregnancy tests and assessors alerted factories to this point. This gave factories a window to fix the problem, and starting on January 1<sup>st</sup> of 2019 the new, stricter guidelines went into effect.

**In two factories, employers used discriminatory hiring practices and told Jordanian candidates that they could not work in the factory if they had kids younger than four years old.** This practice was confirmed by workers and factory management, and extended to workers who had already been hired. In one of the factories, management stated that they followed this practice because they did not have the budget to build the required day-care facilities to accommodate workers with young children.

Better Work Jordan did not cite any factories as non-compliant on other gender-related issues. These include using gender as a factor in decisions regarding working conditions, termination of employees who are pregnant, and sexual harassment of workers. For a full discussion of sexual harassment in factories, see the Box.

**Table 2. In Focus: Gender**

Compliance Question	NC Rate by Question		
	2017 (n=74)	2018 (n=79)	2019 (n=81)
Does the employer require pregnancy tests or the use of contraceptives as a condition of employment?	0%	0%	51%
Do job announcements refer to the applicant's gender and/or is an applicant's gender a factor in decisions regarding hiring, opportunities for promotion or access to training, termination and/or retirement of workers?	0%	3%	2%
Is gender a factor in decisions regarding conditions of work?	0%	1%	0%
Are workers subject to sexual harassment?	0%	0%	0%

There are also many other components of Better Work Jordan's assessments that relate to gender, but that do not explicitly fall under the Gender category. For instance, the adequate provision of day-care centres falls under the compliance point of Welfare Facilities but there is a gender component to this as well. Providing day care centres gives working parents (particularly mothers) the ability to balance work with family obligations and is one measure to encourage women's participation in the labour force (see page 42 for further information).





## SEXUAL HARASSMENT IN THE WORKPLACE

Sexual harassment is a problem across the world, affects both women and men in a multitude of settings, and has negative personal, emotional, physical and economical effects for the victim. In June of 2019, the ILO established new global standards aimed at ending violence and harassment in the world of work through Convention 190. While Jordan has yet to ratify this convention, the Better Work program, in conjunction with national stakeholders, seeks to move this work forward both by engaging with the current state of sexual harassment in the Jordanian garment sector and by looking at factory, industry and governmental interventions that could improve this issue for workers.

**Sexual harassment in Better Work Jordan factories:** Identifying and measuring sexual harassment in factories is difficult because these issues are very sensitive to discuss and identify. In particular, workers may face information barriers, stigma, or fear retaliation. **In the past few years, Better Work Jordan has not cited any factories as non-compliant for subjecting workers to sexual harassment.** In the past year, BWJ was made aware of a few cases of sexual harassment but the finding could not be sufficiently triangulated in order to mark the factory as non-compliant. In these cases, BWJ worked closely with factory management to ensure that the appropriate follow up steps were taken.

While determining cases of sexual harassment is difficult during assessment visits, Better Work uses other tools to gauge the concerns that workers have with sexual harassment. Based on data from anonymous surveys conducted among a representative sample of workers in December, **17 per cent of workers say that sexual harassment is a concern for themselves or their co-workers.** Workers discussed their concern with someone inside of the factory in 52 per cent of these cases, they discussed it with someone outside of the factory in four per cent of these cases, and considered quitting in five per cent of these cases. One quarter of managers surveyed thought that sexual harassment was a concern for workers in their factories, and thirteen per cent of managers thought that this concern was serious.

**Jordanian context and the way forward:** Addressing the problem of sexual harassment in factories requires action and vigilance from multiple stakeholders. Factories need concrete policies addressing sexual harassment and need to have effective grievance mechanism systems. In line with the new ILO Convention 190 on Violence and Harassment, civil society organizations in coordination with GFJTU, JCI and MoL, endorsed a policy blueprint for private companies to address the issues. In addition, Better Work Jordan and stakeholders continue to train workers and supervisors with the Sexual Harassment Prevention training.

Beyond the factory, the governmental, legal and cultural context is also important. The current reporting system places a large burden on the victim to prove their case. If the case moves forward, the government will sometimes restrict the ability of the victim to work and move about freely in the interest of protecting them. Addressing these legal and cultural barriers will create an environment that supports rather than intimidates workers.

*For more information on Convention 190, see: <https://www.ilo.org/global/topics/violence-harassment/lang-en/index.htm>. For information on the policy tools developed to adhere to this convention, see: <http://mol.gov.jo/Pages/viewpage.aspx?pageID=220>. For more information on Better Work's approach to addressing sexual harassment in the workplace, see: <https://betterwork.org/wp-content/uploads/2020/01/SHP-Thematic-Brief.pdf>.*



## Race and Origin

Better Work Jordan assesses discrimination based on race and origin from three angles: in recruitment, during employment (including for example, pay, conditions at work, harassment), and at termination. No factories were non-compliant on referring to a worker's race or origin in recruitment materials or in workplace decisions regarding hiring, termination or retirement. Better Work Jordan did not find any instances of harassment of workers based on race or origin. However, the assessment found several instances where differences in pay or conditions of work disproportionately impacted certain groups of workers on the basis of grounds prohibited under Convention 111.

**Twelve factories paid migrant and Jordanian workers differently, and three factories had different working hours for migrant and Jordanian workers during the month of Ramadan.** Of the twelve factories that paid migrant and Jordanian workers differently, ten of them gave attendance bonuses to Jordanians but not to migrant workers, one of them did not calculate overtime payment correctly for migrant workers, and one of them did not have reliable records regarding the in-kind payment of migrant workers. These differences in pay disproportionately impact certain groups of workers on the basis of grounds prohibited under Convention 111, and are therefore discriminatory. In the case of attendance bonuses, factories stated that they used attendance bonuses as an incentive to reduce absenteeism among Jordanians. Better Work Jordan recommends that factories that wish to use attendance bonuses do so equally for all workers. Removing the attendance bonus for Jordanians breaks the contract that the factory has with the workers and is cited as non-compliance under compensation.

During the month of Ramadan, three factories adjusted the normal working hours for Jordanians down to six hours a day from eight hours a day, but did not do so for migrant workers, regardless of the Jordanian or migrant worker's religion. Management in these factories reported that they obtained approval from the MoL for this policy. Better Work Jordan contacted the Ministry of Labour for legal guidance and confirmed that this practice is not acceptable. While employers are to be commended for accommodating workers' religious practices, doing this for only Jordanian workers disproportionately affects certain groups of workers on the basis of prohibited grounds.

## Other Grounds

Factories are required to hire a specific share of persons with disabilities based on the number of Jordanians they employ: one person if the factory employs 25-50 Jordanians and four per cent of the workforce if the factory employs more than 50 Jordanians. **In 2019, 10 factories did not comply with the legal requirements for hiring persons with disabilities, down from 17 factories in 2018.** Of these, only one factory had not hired any people with disabilities, a drop from five factories last year. The rest had hired people with disabilities, but not enough to meet the targets set in law, often falling short by one person.

J-GATE has spearheaded an effort to facilitate hiring workers with disabilities. J-GATE has worked closely with the Japan International Cooperation Agency (JICA) to expand knowledge within Jordan and help match job seekers with disabilities with employers. This programme also helps employers adapt processes and systems so that workers with disabilities can succeed in the factory setting. In addition, Better Work



Jordan will be working closely with the broader ILO office in the coming year to streamline services for workers with disabilities and apply best practices widely throughout the Jordanian economy.

## FORCED LABOUR

Certain forms of forced labour are considered zero-tolerance issues in Better Work Jordan factories. BWJ looks at forced labour from four angles: coercion, forced labour and overtime, bonded labour, and prison labour. Over the last ten years, the Jordanian garment industry has greatly reduced the number and severity of cases of forced labour. In 2016, the US Department of Labor removed garment products produced in Jordan from the Trafficking Victims Protection Reauthorization Act (TVPRA) list.<sup>xvii</sup>

Forced labour is an issue that BWJ continues to monitor closely, especially because the sectoral context, with migrant workers holding work permits for two to three years with only one factory, makes these workers particularly vulnerable to forced or coerced labour. In 2019, BWJ observed two cases of forced labour: one under coercion, and one under forced labour and overtime (see Table 3).

### Coercion

Migrant workers' access to their personal documents, including passports and residency permits, is crucial for their safety in Jordan and their ability to move freely. One factory used threats and intimidation to take migrant workers' passports. This factory was cited as non-compliant both on restricting access to personal documents and for using threats to intimidate workers. In discussions with Better Work Jordan, managers acknowledged taking workers' documents to prevent them from running away from the factory. Better Work Jordan reported this issue to the MoL in accordance with the Zero-Tolerance protocol. A week later, the MoL visited the factory and management returned passports back to the workers immediately.

**Table 3. In Focus: Coercion**

Compliance Question	NC Rate by Question		
	2017 (n=74)	2018 (n=79)	2019 (n=81)
Does the employer deny workers access to their personal documents (such as birth certificates, passports, work permits and ID cards) when they need them?	3%	3%	1%
Does the employer use violence or the threat of violence to intimidate workers?	0%	0%	1%
Does the employer restrict workers' freedom to come and go from the dormitories and/or the industrial park or zone in which the factory is located?	1%	1%	0%



### Forced Labour and Overtime

In one satellite unit, management forced workers to work overtime until they reached their production targets and deducted workers' salaries if they refused to stay. During worker interviews, 70 per cent of workers stated that management requested that they stay for extra hours if they did not reach their production targets during regular hours. If the workers refused or were unable to stay, they were marked as absent for the whole day and the day was deducted from their monthly salary. In order to hit the production targets, workers stated that they worked approximately 2-3 hours of overtime three days a week and that this overtime was unpaid. The attendance sheet provided by the management showed only the regular working hours. Over half of personnel files included warning letters to workers that they were intentionally reducing production; interviewed workers confirmed that they received these letters but that they were unable to reach production targets. The visit to this factory was a joint assessment with a Ministry of Labour secondee who followed up internally with the local labour office.

During the following advisory visit to the factory, the factory shared a list of workers that were compensated retroactively. In addition, the labour-management committee representatives stated that most of the workers received the payment differences. Workers confirmed now if they do not reach their production targets they can either stay later and be paid overtime or continue production to meet their target on the next day.

## FREEDOM OF ASSOCIATION & COLLECTIVE BARGAINING

### Freedom to Associate

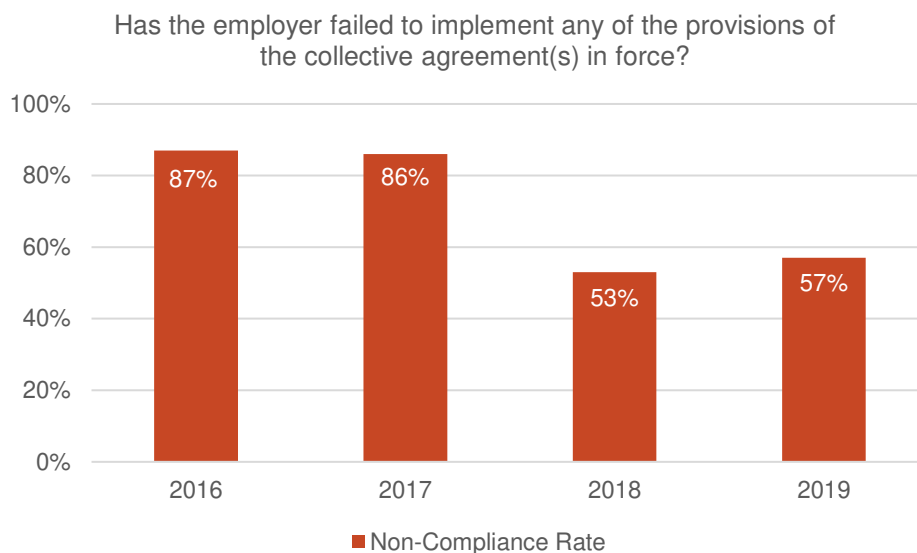
As Jordan is yet to ratify ILO Convention No. 87 on the Freedom of Association and Protection of the Right to Organize, all factories assessed continue to be non-compliant on workers' ability to freely join and form unions. Jordanian Labour Law stipulates a single trade union structure, which restricts workers from forming their own unions and requires them to join the sector's existing union. Article 98 of the Labour Law states that trade unions may be formed but sets conditions that restrict the right to establish a union. The legislation stipulates a single trade union structure per sector and requires the MoL's approval and at least 50 Jordanian founding members to establish new unions. Although the Temporary Law No. 26, 2010, which is included in the Labour Law, allows migrant workers to join the already established trade unions, migrant workers are still not allowed to be founding members.

### Collective Bargaining

Forty-six of the assessed factories were unable to implement one or more provisions of the CBA and four factories failed to inform their workers about the agreement. The share of factories fully implementing the CBA has increased substantially from 2016 and 2017 (see Figure 6). However, the share of factories that fully implemented the CBA did fall slightly from 2018. The new CBA was signed on December 2<sup>nd</sup>. In the coming year, factories will be assessed based on compliance with this new CBA.



**Figure 6. Share of factories non-compliant with implementing the CBA (2016-2019).**



### Union Operations

Six employers improperly deducted union membership fees, one factory restricted the union's access to the workplace, and one employer did not provide the union with access to bulletin boards in the workplace. According to the March 2017 sector-wide CBA, employers should deduct monthly union dues of 0.5 JOD from workers who sign the union membership form and deposit these dues in the union bank account. In all of the non-compliant cases, the dues were deducted from workers' salaries in the amount provided for in the CBA. However, in five of the cases, workers (particularly Jordanian workers) had not signed consent forms and were unaware of what the money was being spent on. In one case, 165 Jordanian workers explicitly stated that they did not want to join the union but the management deducted the monthly dues automatically.

Factories are also marked as non-compliant under the point of union operations if they do not provide the union with access to the workplace. The factory is expected to cooperate and communicate with union representatives. Two factories were non-compliant on aspects of this, with one factory noncompliant on access to the workplace and another factory noncompliant on providing the union access to bulletin boards.



### UNION ADVISORY BOARD COMMITTEES

Recently, the union has pivoted towards using the Advisory Board Committees as a way to communicate with all workers, particularly migrant workers, in a given industrial zone and to provide workers with a set channel through which to reach the union. The Advisory Board Committees are formed at the industrial zone level with representatives elected from factories throughout the industrial zone. The global union, IndustriALL, has been the driving force behind the formation of the advisory board committees in Jordan. In addition, an article in the new CBA specifies that workers' committees should be formed at the enterprise level.

**Recent success in Dulayl:** This model is well under way in the Dulayl industrial zone. Union representatives (factory-level jobs) were first trained on the duties of board representatives and then elected in a March 2019 election by all workers in the industrial zone. Members to the board were elected in proportion to the nationality in the Dulayl industrial zone workforce. As Bangladeshi workers make up the majority of workers in the industrial zone, there are more Bangladeshi representatives to the advisory board committee than representatives of other nationalities.

**Spreading the model throughout the industry:** Currently, IndustriALL is working in the other two major industrial zones, Irbid and Sahab, to train all union representatives in preparation for elections later this year. At the request of Better Work Jordan and with the support of the programme, IndustriALL is also reaching out to workers in satellite units, especially in the North of Jordan. One third of all Jordanians in the garment sector work in satellite units and it is important for the Union to reach this segment of the workforce.

**Looking forward:** Union members will vote in September 2020 to determine the leadership for the next five years. By engaging workers early and often through union representatives and Advisory Board Committees, the Union can hope to see higher turnout in the upcoming elections.

## COMPENSATION

BWJ monitors many aspects of compensation beyond basic wage payments. Workers are entitled to several different aspects of compensation per the CBA and their individual contracts, including overtime wages, annual leave and sick leave, and in-kind payment for food and accommodation in the case of migrant workers. It is also important that workers are paid accurately and on time. Because the compensation schemes are often complicated, Better Work Jordan looks at all aspects of compensation closely to make sure that all workers are compensated fairly and accurately for their work.

### Method of Payment

As per Article 46 of the Jordanian Labour Law and the sectoral CBA, employers are required to have a well-defined payment cycle with a set payday for their workers. Workers must be paid all wages, bonuses and overtime accordingly within seven days of this set date. In 2019, Better Work Jordan found 20 factories non-compliant for paying their workers on time. Four factories paid the full salary of workers late and cited cash-flow issues for not paying workers on time. All four of these factories are sub-contracting factories—in at least one case, management stated that they were waiting on payments from contractors in order to pay workers' salaries. In the sixteen other cases, regular wages were paid on time, but bonus wages were not paid within seven days. In most of these cases, management stated that they paid the efficiency bonuses late because of difficulty calculating the payment amounts within the seven-day time limit.



In two factories, in-kind wage payments did not comply with workers' employment contracts compared to zero factories last year. In one case, the contracts for Jordanian workers included a clause stating that the factory would provide transportation, but this was not provided for all workers. In the other case, factory management did not provide migrant workers with accommodation or food and paid them 50 JOD instead. However, based on the CBA, the in-kind payment should be 95 JOD.

### THE POTENTIAL ROLE OF TECHNOLOGY IN EFFECTIVE WAGE PAYMENTS

Electronic wage payments can have an important role in ensuring that workers are paid correctly and on time. It is expected to increase the transparency of payments, including overtime. In 2018, Jordan started implementing electronic wage transfers for teachers in the private education sector, which was highly lauded by the ILO. Currently, workers across the garment industry are paid in cash. Non-compliance remains an issue for several payment problems that could be resolved with digital payments, including late payment of workers and miscalculation of overtime wages.

Over one third of the garment sector workforce currently receives digital payments. Several large factories have adopted this practice. In order to make it easier for workers to withdraw money, they have brought a bank into the factory itself and set up several ATM machines. These factories also set workers up with a Jordanian bank account so they could access the money while in country.

**Considerations:** Before implementing digital payments there is a need to understand the preferences and needs of workers. Some workers may have a preference for cash over digital payments. Migrant workers send the vast majority of their earnings home, and they may find this harder to do if they are paid in cash. For some Jordanian workers, cash wages may be preferable, particularly for overtime or bonus payments. Better Work has heard anecdotally that some Jordanian women prefer to have their bonuses paid separately from their monthly salary in cash, because they have to give their monthly salary to their family but can keep the bonus money if their family does not know about it.

**Going forward:** The ILO, Better Work and the Better than Cash Alliance will work together throughout the coming year to convene key stakeholders in Jordan's garment sector and agree on a roadmap that will outline the steps to take in order to achieve responsible wage digitization in the country.

*For more information on the ILO and BtCA collaboration, see: <https://www.betterthancash.org/news/blogs-stories/the-international-labour-organization-commits-to-expanding-the-use-of-responsible-digital-payments-to-advance-decent-work>*

### Overtime Wages

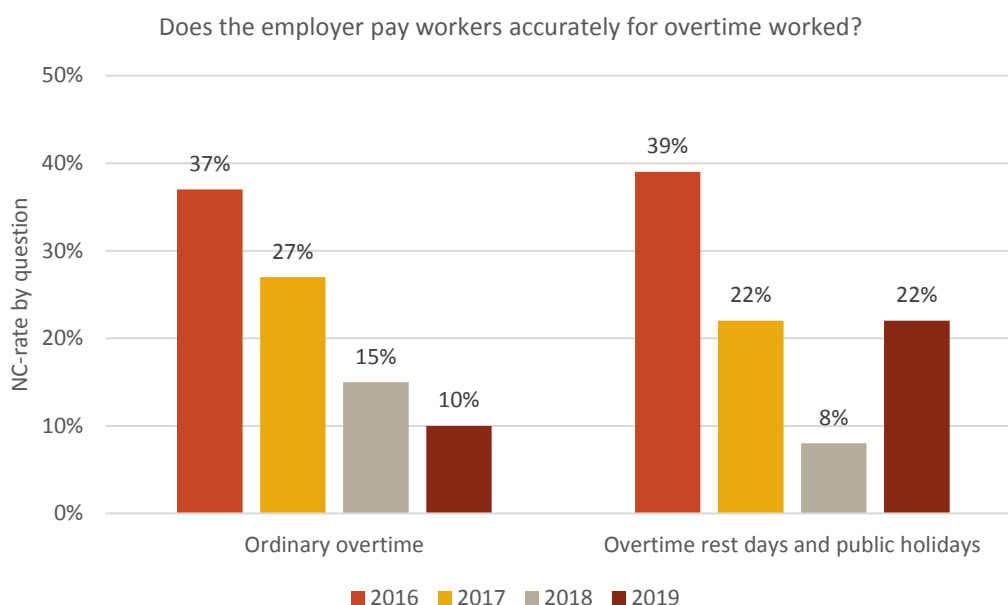
The Jordanian Labour Law requires that employers pay 125 per cent of their normal wages for all ordinary overtime hours worked and 150 per cent for all overtime hours during weekly rest days and public holidays. Normal wages include all entitlements (including seniority bonuses) and in-kind payments when calculating ordinary overtime. This is applicable to piece-rate workers as well.

**Eight employers failed to accurately calculate ordinary overtime and eighteen employers failed to do so for overtime hours during rest days and public holidays.** The majority of non-compliant factories were inaccurately calculating overtime wages, as they did not factor in financial benefits beyond paid wages. The share of factories implementing inaccurate overtime wages has decreased compared to



previous years. However, the share of factories inaccurately calculating overtime hours during rest days and public holidays increased dramatically compared to last year (see Figure 7).

**Figure 7. Non-compliance rate with overtime pay (2016-2019).**



### Social Security and Other Benefits

According to the Jordanian Social Security Law, employers are required to pay 14.25 per cent of the workers' base wages to the SSC and to collect 7.5 per cent of workers' base wages. This includes in-kind payments in the case of migrant workers. The law also requires employers to forward this contribution to the SSC within the first 15 days of the following month and to increase the employer contribution by one per cent for workers in hazardous occupations.

In 2019, 12 factories were non-compliant with calculating, collecting and forwarding both the workers' contribution to social security and the employer's contribution to social security. This share of non-compliant factories dropped for the first time this year after several years of consistently higher non-compliance (see Table 4). Non-compliance is mostly due to miscalculation of social security contributions, where employers do not base calculations on the accurate amount of fixed allowances. One possible explanation for the drop in non-compliance rates is that the payment structure for Social Security did not change in the last year, which allowed factories to more easily make the correct payments.

**Table 4. In Focus: Social Security and Other Benefits**

Compliance Question	NC Rate by Question		
	2017 (n=74)	2018 (n=79)	2019 (n=81)
Does the employer correctly calculate and send the employer contribution to the Social Security Corporation?	22%	22%	15%





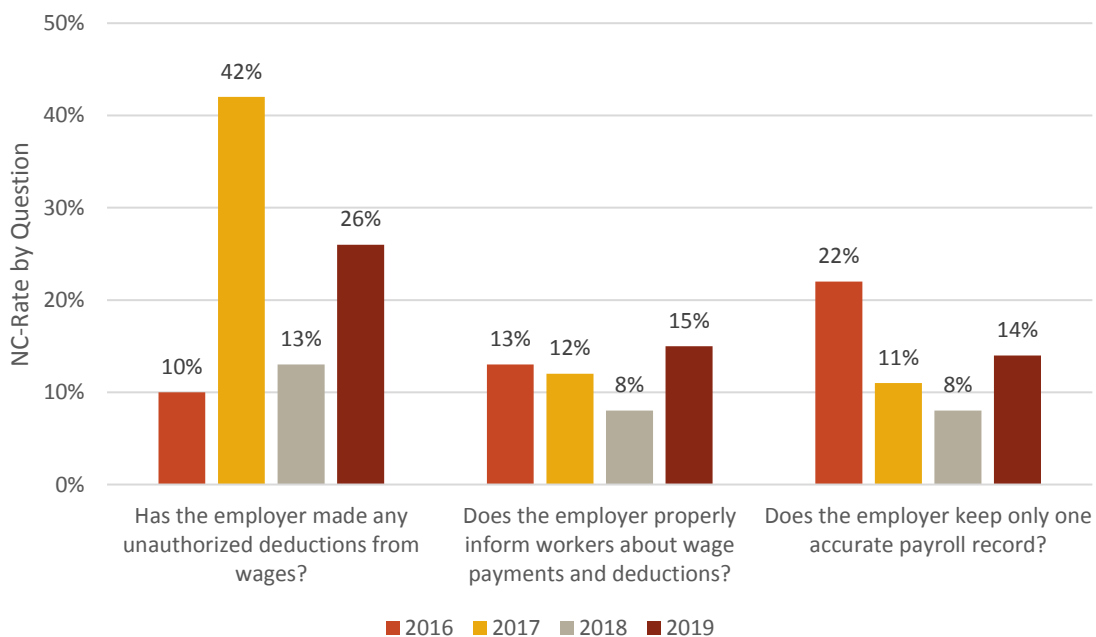
Does the employer correctly calculate, collect, and forward workers' contributions to the Social Security Corporation?	22%	23%	15%
Does the employer pay workers the required seniority bonus?	11%	4%	4%

**Wage Information, Use and Deduction**

In 2019, Better Work Jordan found that 21 factories made unauthorized wage deductions. The number of non-compliant factories increased substantially since 2018, although it is lower than in 2017 (see Figure 8). In 2019, a group of factories were improperly deducting wages from workers who did not work on Fridays (a rest day) when those workers took unauthorized leave on a Thursday and/or Saturday. This issue has since been corrected in the payroll system.

Eleven factories were non-compliant on keeping one accurate payroll record. The reasons for non-compliance were varied and did not follow a clear pattern. Some factories had technical issues when calculating overtime bonuses and did not have an accurate payroll as a result. In many of these cases, factories did not compensate workers correctly for their extra work. Better Work found that two factories had two sets of payrolls. This also means that factories did not pay workers accurately for their time. These factories often had high working hours, sometimes with workers working overnight. Sometimes, factories explicitly kept two payroll records as a way to hide the number of hours worked. They may keep multiple sets of payrolls to show to different groups (buyers, auditors, government officials) to show that they are meeting the specific requirements of the group. Keeping one accurate payroll is a good step towards increased transparency within factories. Better Work has seen encouraging developments in this area since 2016.

**Figure 8. Non-compliance rate under Wage Information, Use and Deduction (2016-2019).**





## CONTRACTS AND HUMAN RESOURCES

Several key aspects of working conditions fall under the *Contracts and Human Resources* compliance point, including the employment contracts themselves, the way that contracts are enforced and termination policies. Employers must not only have contracts that comply with the basic laws, but they must also make an honest effort to ensure that workers understand their contracts. At a bare minimum, this means translating contracts into the appropriate languages for workers. In addition, contracting procedures include how workers are recruited to jobs, which was more strictly enforced in 2019 to ensure that workers did not pay any recruitment fees. Finally, issues of worker-manager dialogue are fully discussed in the Thematic Focus on page 48.

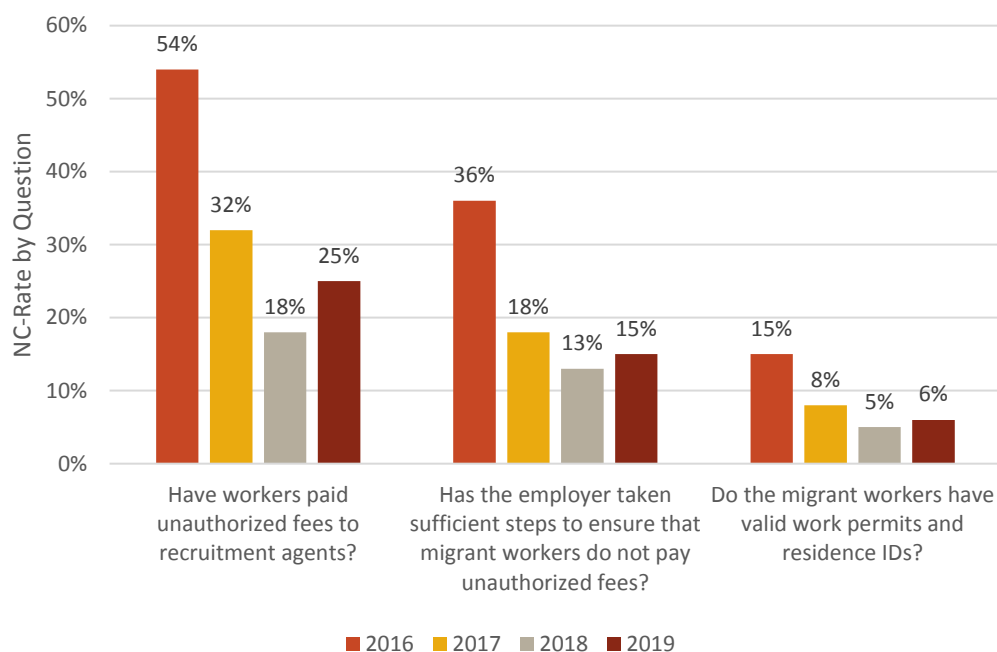
### Contracting Procedures

Starting on January 1<sup>st</sup>, 2019, Better Work Jordan assessed factories as non-compliant on recruitment fees if workers in their factory paid any recruitment fees. This was a substantial change from previous years, where factories were only assessed as non-compliant if workers paid more than USD \$300 in fees. Jordan's tripartite Project Advisory Committee decided upon this change in assessment approach after several years of deliberation, in order to come into line with the ILO's General Principles and Operational Guidelines for Fair Recruitment, released in 2016. This new assessment approach holds factories to a high standard for ensuring that workers do not pay any recruitment fees. This responsibility is shared with origin and destination country governments, as well as the agencies that employers work with to hire migrant workers.

**During 2019, Better Work Jordan found that workers paid unauthorized fees in 20 factories, and that 12 of these factories did not take sufficient steps to ensure that migrant workers do not pay unauthorized fees.** Non-compliance rates on these points increased slightly since 2018, but this increase is relatively small given the differences in how non-compliance is assessed this year compared to last year (see **Figure 9**). Workers from India and Nepal are particularly likely to pay recruitment fees, sometimes reaching as high as USD \$1,000. Researchers from Tufts University and the ILO conducted a study on Fair Recruitment of Nepalese workers in Jordan and found that workers that were fairly recruited were more likely to understand their contract and rights at work and were more likely to have a voice in the workplace as a result.<sup>xviii</sup>



**Figure 9. Trends in non-compliance rate under Contracting Procedures 2016-2019.**



### Employment Contracts

Twenty-two factories had bylaws that were non-compliant with the Jordanian legal requirements (see Table 5). In most of the cases, all or part of the factory's bylaws were not translated or were only translated to some of the languages spoken in the factory. In some cases, the quality of the translation was so poor that the factory was cited as non-compliant. Issues with the factory bylaws extended beyond translation issues for some factories—some bylaws had not been approved by the Ministry of Labour or contained significant legal problems.

In 2019, 23 factories had employment contracts that did not comply with the law and 15 factories did not provide their workers with contract copies. Among factories not complying with employment contracts, the vast majority had illicit changes in contracts for their skilled workers in cutting and printing. These factories had previously signed contracts with workers, which included a fixed salary covering overtime pay. When changing the contract in 2018, the management reduced the fixed monthly salary, which is non-compliant with the Jordanian law. Other cases included not using the unified contract for migrant workers for some nationalities, having multiple probationary periods for some Jordanian workers, and including illegal stipulations in the contract, such as restrictions on the ability of Jordanian workers to take annual leave.

**Table 5. In Focus: Employment Contracts**

Compliance Question	NC Rate by Question		
	2017 (n=74)	2018 (n=79)	2019 (n=81)
Do the employment contracts comply with Jordanian legal requirements?	47%	24%	28%



Do the factory bylaws comply with Jordanian legal requirements and were they communicated to workers?	42%	25%	27%
Does the employer provide workers with a copy of their contract?	38%	22%	19%
Do the employment contracts specify the terms and conditions of employment?	5%	6%	2%
Does the employer maintain a personnel file for each worker?	0%	6%	6%
Do all persons who perform work for the factory, both on the premises and offsite, have a contract?	3%	3%	7%
Do workers understand the terms and conditions of employment?	1%	3%	2%

### Termination

According to the Jordanian Labour Law, when a worker resigns, employers need to provide a discharge letter showing the final sum the worker receives as severance pay. This pay should cover the worker's last month salary, unused annual leave and any other dues. **In 2019, 8 factories did not accurately compensate workers for unused paid annual leave when they resigned, and three factories did not comply with the required severance pay.** The non-compliance rate for accurately paying unused annual leave has fallen over the last three years (see Table 6). Oftentimes non-compliance on this point stems from poor records or lack of knowledge with the law. Better Work Jordan works with management on both of these aspects during advisory visits.

**In three factories, management improperly deducted money from migrant workers who left the factory early.** When migrant workers resigned before the completion of the contract period, management deducted money from their severance payment to cover the cost of work permits and residence, which is not in line with the Unified Contract.

**Table 6. In Focus: Termination**

Compliance Question	NC Rate by Question		
	2017 (n=74)	2018 (n=79)	2019 (n=81)
Does the employer compensate workers for unused paid annual leave when they resign or are terminated?	22%	16%	10%
Does the employer comply with legal requirements regarding severance pay, and do workers receive contractually required entitlements upon expiration of their contracts?	8%	5%	4%
Does the employer only terminate workers for valid reasons?	0%	3%	0%



Does the employer provide workers proper notice of termination?	1%	1%	0%
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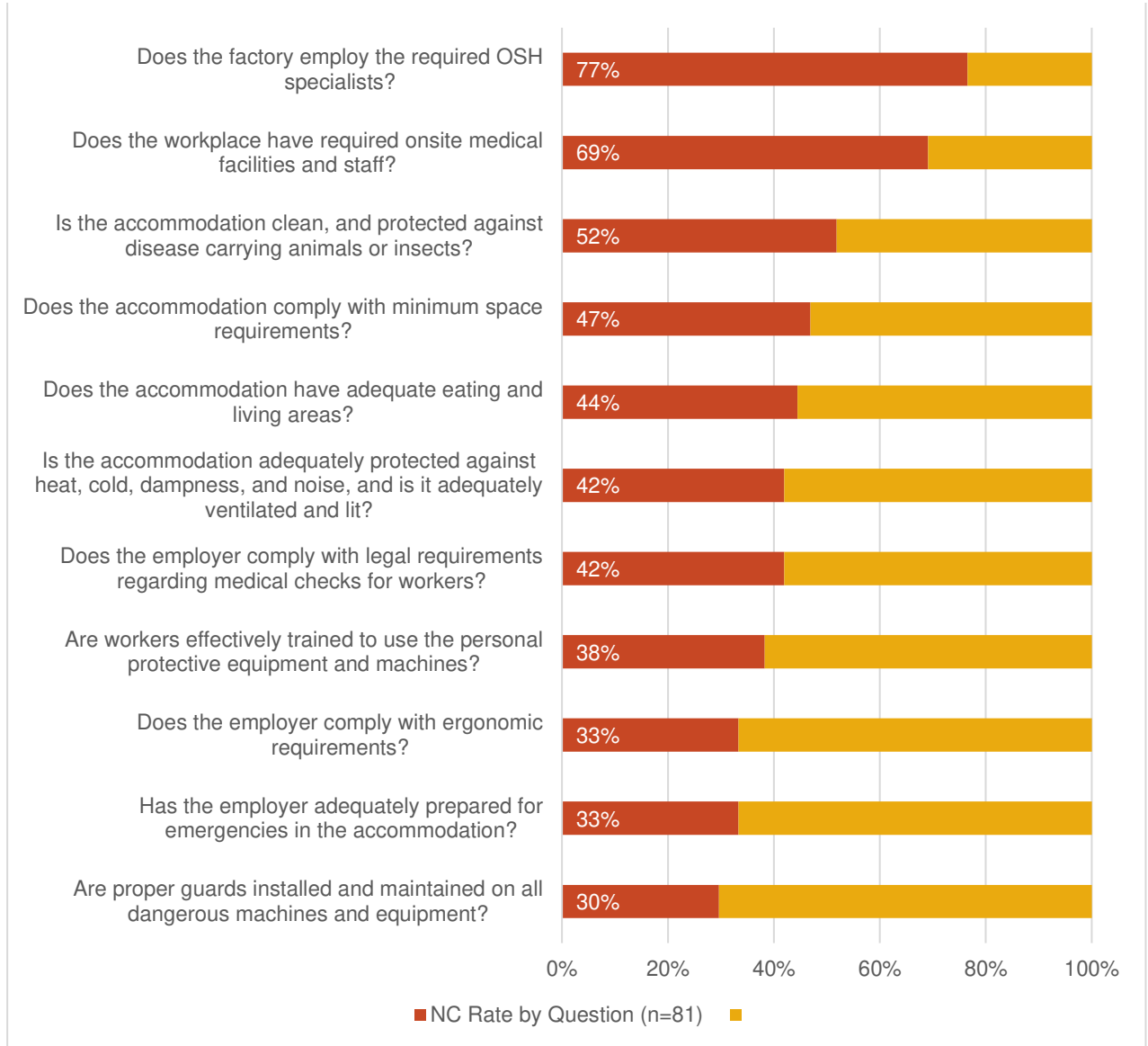
## OCCUPATIONAL SAFETY AND HEALTH

Occupational Safety and Health (OSH) is the largest cluster in Better Work Jordan's compliance assessment tool, with 54 questions under eight compliance points. The compliance points include: Chemicals and Hazardous Substances, Emergency Preparedness, Health and First Aid, OSH Management Systems, Welfare Facilities, Worker Protection, Worker Accommodation, and Working Environment.

Similar to previous years, OSH has some of highest non-compliance rates observed among factories. Out of all 54 questions, three non-compliance rates are above 50 per cent. Figure 10 presents the questions with the highest rates of non-compliance in 2019.



**Figure 10. Questions under OSH with the highest non-compliance rates**



**Chemical and Hazardous Substances**

Non-compliance in the area of chemicals and hazardous substances is similar to previous years, with a slight improvement in average non-compliance from 16% on average to 11% on average. **Four factories were non-compliant on taking the proper steps to limiting workers’ exposure to chemicals, and four factories were non-compliant on keeping an inventory of chemical substances, down from nine factories last year.** Better Work Jordan conducted learning seminars on this topic and focused on it during advisory visits in the last year.



## Emergency Preparedness

Eighteen factories did not have clearly marked exit routes, 19 did not have accessible and unobstructed exits, and 15 did not conduct adequate periodic emergency drills. Aisles, escape routes and emergency exits should be unobstructed at all times. Evacuation plans, including paths and location of emergency exits should be clearly marked and posted in all factory departments. The absence of such measures is a common OSH hazard found in the factories, often due to careless storage of production materials and a lack of planning. While employers made some improvement on these issues in 2018, the non-compliance rates held steady or increased in 2019 (see Table 7).

**Table 7. In Focus: Emergency Preparedness**

Compliance Question	NC Rate by Question		
	2017 (n=74)	2018 (n=79)	2019 (n=81)
Are the aisles and emergency exits accessible, unobstructed and unlocked during working hours, including overtime?	41%	23%	23%
Are emergency exits and escape routes clearly marked and posted in the workplace?	38%	25%	22%
Does the employer conduct periodic emergency drills?	15%	14%	19%
Does the workplace have a fire detection and alarm system?	14%	9%	15%
Are there enough emergency exits?	7%	9%	12%
Does the workplace have adequate and accessible fire-fighting equipment?	9%	6%	7%
Has the employer trained an appropriate number of workers to use the fire-fighting equipment?	4%	5%	6%

## Health Services and First Aid

The majority of garment factories continue to be unable to meet the requirements for onsite medical facilities and staff. The Jordanian Law requires employers to provide one doctor and one nurse if they employ 50-100 workers. This requirement increases progressively with the number of workers. For factories with 101-500 workers, employers are required to hire one physician, two nurses and one medical unit. If the employer hires over 1,000 workers, then employers are required to have at least three physicians, four nurses and one medical unit.

In 2019, 56 factories did not meet the requirements for onsite medical staff, a significant improvement from 69 factories last year. The number and type of medical staff required by law is difficult to achieve because there is a shortage of doctors and nurses, particularly those who want to work in industrial areas. The medical staff is limited to Jordanians because these are closed professions. This exacerbates the shortage of doctors and creates communication barriers between migrant workers and



Jordanian doctors. Despite these difficulties, more factories were able to meet the requirements this year compared to last year (see Table 8).

However, despite the increases in staffing, fewer factories complied with the requirements regarding medical checks for workers with 34 factories out of compliance compared to 23 factories last year. This was because a significant number of factories failed to keep accurate and consistent records of medical checks. Some factories in the program did not conduct any medical checks of workers, whereas most of the factories that Better Work Jordan cited as non-compliant had performed basic medical checks but had not done the required additional checks for workers in hazardous occupations. In many cases, the documentation of medical checks was insufficient.

**Table 8. In Focus: Health Services and First Aid**

Compliance Question	NC Rate by Question		
	2017 (n=74)	2018 (n=79)	2019 (n=81)
Does the workplace have required onsite medical facilities and staff?	74%	87%	69%
Does the employer comply with legal requirements regarding medical checks for workers?	14%	29%	42%
Has the employer ensured that there are a sufficient number of readily accessible first aid boxes/supplies in the workplace?	32%	13%	21%
Has the employer provided first-aid training for workers?	7%	8%	6%

### OSH Management Systems

Many factories continue to struggle with meeting the legal requirements for OSH management systems. For example, 77 per cent of factories did not employ the required OSH specialists, compared to 66 per cent last year (see Table 9). As per the law, employers should hire at least one OSH specialist and two technicians if the workforce is between 201 and 500. If the number is around 501-1,000 workers, employers are required to hire at least two OSH specialists and three OSH technicians. This requirement increases by one specialist and two technicians for each additional 1,000 workers. Most factories have MoL-approved specialists and technicians, but they frequently do not have the required number. In addition, the workforce as a whole increased by 12% in 2019, which put some factories into new requirements for specialists.

Twenty-one per cent of factories did not have a functioning joint worker/manager OSH committee, compared to 16 per cent last year. In most of these cases, the committee existed but it was either not functioning well or had not been approved by the Ministry of Labour. The Jordanian Labour Law requires that factories form joint OSH committees with representatives from different departments who are either selected by the trade union or elected by workers directly. In two cases, the factory had not formed a joint worker/manager OSH committee at all.




**Table 9. In Focus: OSH Management Systems**

Compliance Question	NC Rate by Question		
	2017 (n=74)	2018 (n=79)	2019 (n=81)
Does the factory employ the required OSH specialists?	70%	66%	77%
Has the employer formed a joint worker/management OSH committee?	16%	16%	21%
Does the employer have written plans for OSH programs?	11%	14%	16%
Has the employer performed an assessment of general occupational safety and health issues in the factory?	14%	15%	14%
Does the employer record work-related accidents and diseases?	8%	6%	7%
Does the factory have a valid business license? (business licenses require building safety approvals)	5%	3%	4%

### OSH MANAGEMENT SYSTEMS

Successful OSH management systems allow factories to monitor and improve occupational safety and health within their own factories. Better Work looks at several aspects of OSH management systems, including the recording system that factories use to track accidents in the factory, sufficient specialists to make sure that the rules are followed, and coordination with workers.

**Roles in OSH management:** One aspect of OSH management systems that is not explicitly covered in the assessment report but is nonetheless important is a clear division of roles and responsibilities among members of the OSH team. Better Work Jordan has found that oftentimes roles are not clearly defined and different aspects of OSH will slip through the cracks.

In the December survey, managers were asked about their opinions of how effectively their factory shared OSH responsibilities. **The results were quite favourable**, with 63 per cent of managers strongly agreeing with the statement “We have a clear distribution of roles and responsibilities among our management staff to address OSH issues” and 32 per cent agreeing. While there is no bench mark for this data, this is a positive finding that may show Better Work Jordan’s recent push to clarify assignments within committees. In particular, OSH officers generally have other jobs within the factory but the increased focus on OHS has shifted more of their work to the OSH sphere.

**Looking forward:** Better Work will be focusing on OSH management systems in the coming year, both by working with factory management and by observing, identifying and sharing best-practices from OSH committee meetings. In particular, the Social Security Corporation (SSC) will be focusing on the OSH committee and the OSH management systems during advisory visits for the coming year.



## Welfare Facilities

Seventeen employers were found non-compliant with providing decent quality food and 12 for not providing adequate eating areas. Better Work Jordan reports factories as non-compliant when the majority of workers interviewed during the assessment share concerns about food quality and/or quantity and in cases where the food is provided as in-kind payment (effectively excluding satellite factories from this measure). In the majority of cases, workers expressed concerns with the lack of variety in the food and that it is poorly cooked.

Article 72 of the Jordanian Labour Law requires that factories employing at least 20 women workers, who altogether have at least 10 children under the age of four, provide day care facilities at the workplace. With the labour-law amendment in May 2019, employers with employees who altogether have at least 15 children under the age of five are required to provide day care facilities. This applies not only for working mothers but also fathers. Factories will be assessed against this law in 2020 assessments.

Fifteen factories failed to provide adequate day care facilities in 2019, compared to twelve factories last year (see Table 10). Twelve of the factories did not have a facility at all, and of these factories, six of the factories gave women workers with children under the age of four 25 JD per month. Three factories had a day care facility, but it was not sufficiently large to accommodate the needs of the work force. The majority of factories that are out of compliance are in satellite units, where the highest concentration of Jordanian women are employed. Overall, seven factories participating in Better Work Jordan have established day care facilities and there are an additional two facilities operating jointly in two industrial zones that serve multiple factories.

**Table 10. In Focus: Welfare facilities**

Compliance Question	NC Rate by Question		
	2017 (n=74)	2018 (n=79)	2019 (n=81)
When provided as in-kind payment, does the employer give workers enough food of decent quality?	5%	25%	21%
Does the employer provide an adequate day care facility for the children of women workers?	30%	15%	19%
Does the workplace have an adequate eating area?	11%	15%	15%
Does the workplace have adequate changing rooms/lockers to meet the needs of workers?	16%	15%	11%
Does the workplace have adequate accessible toilets?	9%	8%	6%
Does the employer provide workers enough free safe drinking water?	1%	1%	2%

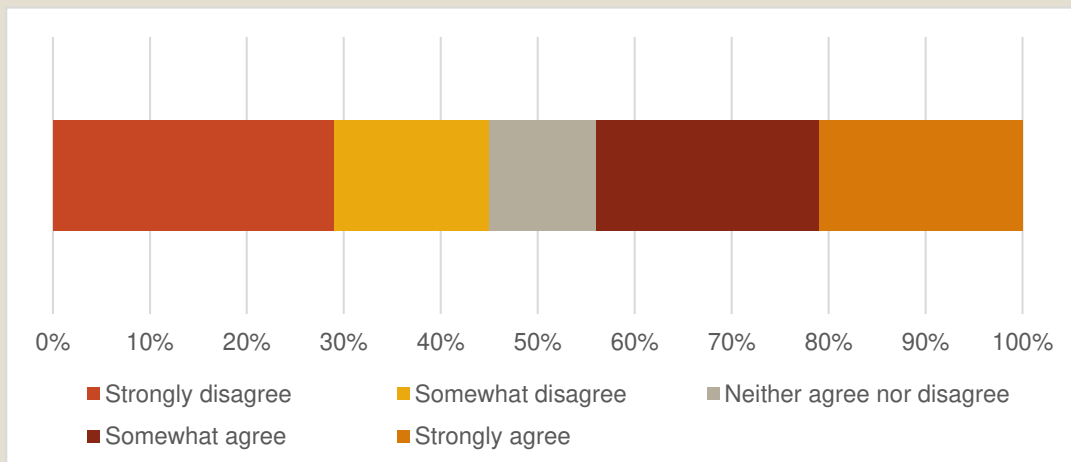


### WORKER AND MANAGEMENT OPINIONS ON WELFARE FACILITIES

Factories provide basic amenities to workers when they are in the workplace and, in the case of migrant workers, in the living accommodations provided by each factory. For migrant workers in particular, these basic amenities are very important because this indirect payment from factories makes up the difference between the minimum wages of Jordanian workers and migrant workers. While the minimum wage in Jordan is 220 JD per month, migrant workers are paid 125 JD in cash and 95 JD in kind. Employers cover the food costs for migrant workers with the in-kind payment, and they must therefore take the responsibility for providing food of sufficient quantity and quality. Ideally, workers would not need to spend their own money on food when they are living in the factory dorms. In addition, sufficient and safe water needs to be provided to all workers. In 2019, two factories were out of compliance with not providing enough clean and safe drinking water.

**Results from survey data:** From anonymous survey data gathered in December, nearly half of workers are not satisfied with the quality of food, although there is significant variation (see **Figure 11**). Most workers do not get hungry during the workday, and Jordanians are actually more likely than migrant workers to report hunger during the day. Managers were also asked about their perception of worker concerns. Nearly half of managers did not think that food quality was a concern, and of those that thought food quality was a concern most thought that it was a low or moderate one.

**Figure 11. In the last three months, I was satisfied with the quality of the food provided by the factory.**



**Takeaways and implications:** In many of the factories that are non-compliant, managers state that they have formed food committees to address this need with workers—this is an encouraging sign. This issue also intersects with the living conditions in dorms because many workers cook their own food, either to supplement the food provided by the factory or to replace it. Much of the cooking is done in small cooking areas provided by the factory, oftentimes over portable gas stoves where workers squat on the ground and cook for themselves. This poses some safety hazards, and the proximity of the cooking spaces to the living spaces contributes to cleanliness problems in the dorms, including from bugs.



## Worker Accommodation

Conditions in worker accommodations continue to be a large source of non-compliance in factories. **Forty-three factories failed to pass the cleanliness standards** (see Table 11). In many dorms, this problem stemmed from food left in dorms, which overlaps significantly with adequate living and eating areas, a non-compliant point in 36 factories. In addition, factories continue to provide dormitories to migrant workers that do not comply with minimum space requirements. These problems were exacerbated in the last year as the sector experienced significant growth in the workforce without a commensurate expansion in the number of dorms. For more information on the issue of living conditions for migrant workers, see the Thematic Focus in the 2019 Annual Report.<sup>xix</sup>

**Table 11. In Focus: Worker Accommodations**

Compliance Question	NC Rate by Question		
	2017 (n=74)	2018 (n=79)	2019 (n=81)
Is the accommodation clean, and protected against disease carrying animals or insects?	54%	48%	52%
Does the accommodation comply with minimum space requirements?	46%	41%	47%
Does the accommodation have adequate eating and living areas?	32%	37%	44%
Is the accommodation adequately protected against heat, cold, dampness, and noise, and is it adequately ventilated and lit?	46%	43%	42%
Has the employer adequately prepared for emergencies in the accommodation?	55%	32%	33%
Does the accommodation have adequate cooking facilities?	34%	19%	26%
Is the accommodation protected against fire?	20%	19%	19%
Does the accommodation have adequate toilets, showers, sewage and garbage disposal systems?	15%	18%	10%



### WORKER ACCOMMODATIONS

Employers in Jordan's garment industry are contractually required to provide housing for migrant workers as a part of their employment. In an industry where migrant workers occupy about 75 per cent of the workforce, compliant and healthy living standards in such housing is a priority.

Jordan's Ministries of Health and Labour signed an agreement in 2016 that delegated inspection of factory dorms from the MoH to the MoL. Better Work Jordan worked closely with the Ministry of Labour to advise on dorm inspection. During joint-inspections conducted throughout the second half of 2019, Ministry of Labour inspectors took the lead on inspecting working conditions in dormitories.

**Results from survey data:** The majority of workers say that they are satisfied with the living conditions in the dormitories, with 47 per cent saying that they are very satisfied and 40 per cent reporting that they are satisfied. Five per cent of workers said that they were very dissatisfied. The majority of managers concur—42 per cent of managers think that living conditions are not a concern for their workforce, while 22 per cent think that it is a low concern.

**Collaborative projects and looking forward:** In the coming year, Better Work Jordan has several projects planned to address non-compliances in worker accommodations:

- ◆ Better Work Jordan developed dorm inspection guidelines in consultations with the MoL and the MoH. The guide aims to establish common terms of reference to enable those who conduct dormitory inspections/assessments to do so in line with consistent health and safety standards. These also included a customized dormitory management system for 21 exporting factories this year.
- ◆ BWJ intends to contract a specialist company to assess the structural integrity of a sample of dorms throughout the industrial zones. This partnership will allow BWJ to fill a gap in the existing capacities of the team and ministry inspectors and ensure that all dormitories are structurally sound. Going forward, this building code will provide guidelines for ensuring that future dorms are up to code.

### Worker Protection

The provision of personal protective equipment (PPE) such as masks, metal gloves, glasses and earmuffs is essential in ensuring workers' safety and employers are required to adequately train workers to use such equipment. Both workers and employers are responsible for ensuring the effective usage of PPE. **Better Work Jordan found 31 factories non-compliant with effective training of workers in 2019, down from 41 factories in 2018.** This represents a significant improvement in the last year and is possibly due to BWJ OSH trainings to OSH committee members who increased their ownership and capacity to carry out their duty to advocate for PPE usage (see Table 12).

**Non-compliance on ergonomic requirements increased in 2019 to 33% of factories, a similar level to the one seen in 2017 but a significant increase from the non-compliant rate of 20% in 2018.** **Factories maintained the relatively low rates of non-compliance on issues of electrical hazards.** Factories improved substantially on electrical hazards in 2018 partially due to a combination of efforts from buyers and from Better Work Jordan industry seminars.

**Table 12. In Focus: Worker Protection**

Compliance Question	NC Rate by Question		
	2017 (n=74)	2018 (n=79)	2019 (n=81)
Are workers effectively trained to use the personal protective equipment and machines?	45%	52%	38%
Does the employer comply with ergonomic requirements?	34%	20%	33%
Are proper guards installed and maintained on all dangerous machines and equipment?	32%	28%	30%
Does the employer provide workers with all necessary personal protective clothing and equipment?	27%	28%	25%
Are electrical wires, cables, switches, plugs and equipment (e.g. transformer, generator, electrical panel, circuit breakers) properly installed, grounded (for equipment), and maintained?	23%	4%	7%
Are appropriate safety warnings posted in the workplace?	1%	1%	5%

## WORKING TIME

The availability of reliable and accurate time records greatly determines the ability to assess all compliance questions under both Working Time and Compensation. Factories have become increasingly forthcoming and transparent about working hours records over the past years. Better Work Jordan also verifies information in these documents with insights gathered from interviews with workers, allowing the programme to build a comprehensive and accurate picture.

### Leave

The Jordanian Labour Law requires employers to provide 14 days of sick leave per year to their workers, irrespective of a worker's start date. Workers are required to provide a report issued by a nurse or doctor approved by the factory. This number of days can be extended in the case of hospitalization or if prescribed by a medical commission.

Four factories did not provide workers with adequate days of sick leave, and three factories did not provide the required days of annual leave. In addition three factories were cited as non-compliant because they did not provide breastfeeding breaks. These non-compliance numbers are very similar to past years. Three of the factories that were non-compliant on leave issues were in the first cycle of the program.

### Hours

Better Work Jordan monitors both overtime and regular hours of work. In terms of regular hours, four factories were non-compliant for keeping accurate time records of the hours that were actually

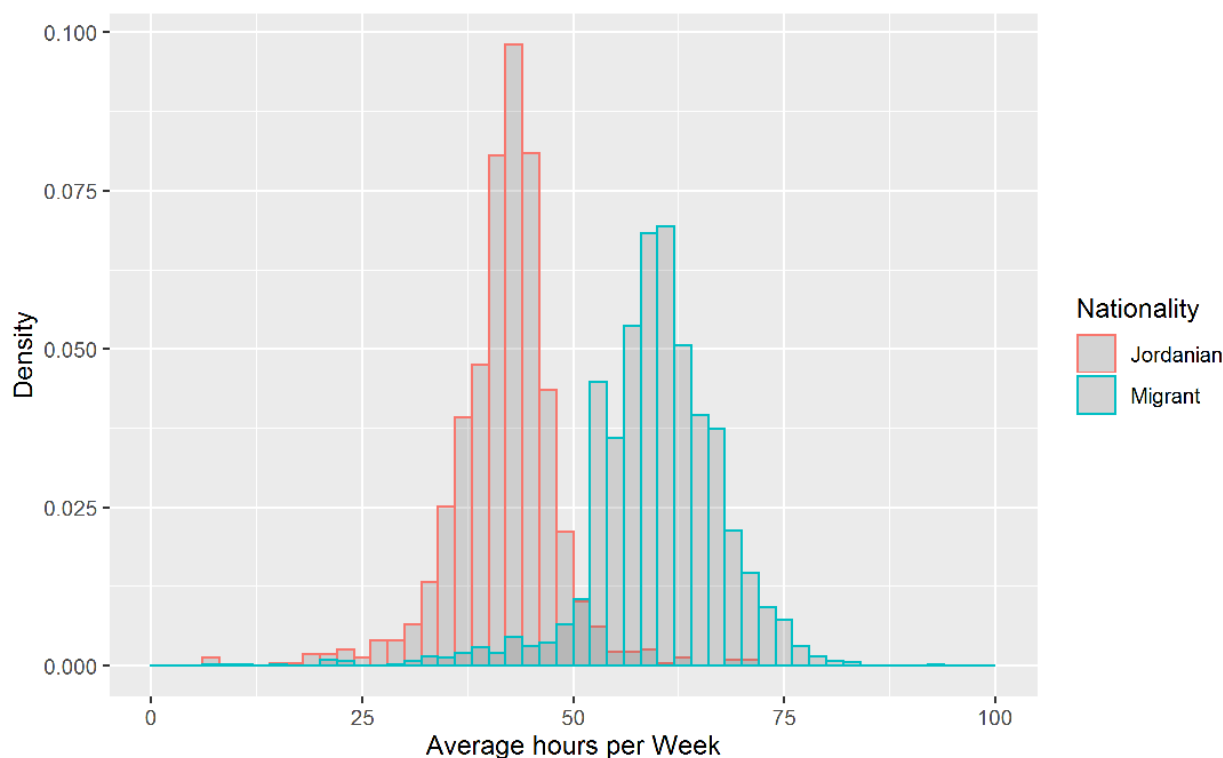


**worked. Three factories were non-compliant for forcing overtime work.** One of these factories was cited for Forced Labour because they forced overtime work by withholding proper wages for normal hours. In the other factory, workers said that they did not consent to overtime and had to work overtime whenever the factory was doing so. The factory did not provide transportation home until the overtime hours were completed.

Better Work Jordan also reviews attendance records, working hours and compensation as a part of its assessment. The following presents working hours records from 79 factories from nearly 3,200 workers. The overall average was 53.6 hours per week, with the highest observation reaching 93 hours. This average is slightly higher than last year, and the maximum average hours worked per week increased from 88 hours last year. For more information on the methodology for calculating hours and for comparisons to the data from last year, see Annex D.

The hours worked are starkly different based on nationality (see Figure 12). Migrant workers work far more hours than Jordanian workers, with an average of 60 hours a week for migrant workers and 42 hours per week for Jordanian workers. The average hours worked per week increased in 2019 for migrant workers by an hour and half per week, and stayed roughly constant for Jordanian workers. There are also gender differences in hours worked, with men working on average six hours more than women.

**Figure 12. Average hours worked per week.**





## THEMATIC FOCUS: GRIEVANCE MECHANISMS

A cornerstone of the ILO's approach to resolving workplace problems is dialogue, and setting up systems for transparent and open dialogue is particularly important in cases where there are large power imbalances between workers and management. This is the case across the global garment sector, and is exacerbated in Jordan because migrant workers face additional communication and cultural barriers. If workers are unable to resolve their disputes with management, they may leverage their collective power and go on strike. Both Better Work and the union track strikes in the garment sector—according to Better Work data 15 strikes occurred in 2019, whereas the union recorded 12 strikes.

An effective and functioning labour-management committee is essential for social dialogue and ultimately industrial relations at the sectoral level. They are important means of ensuring workers' grievances are addressed and their voices are heard. The previous garment sector's CBA required factories to form union-management committees with equal numbers of workers and employer representatives that meet at least once every month. However, these committees are just one form of grievance mechanism. Better Work Jordan intends to bolster these committees in the coming year, while also ensuring that multiple channels are available to workers for effectively voicing their grievances and having their concerns addressed.

### Non-Compliance under Dialogue, Discipline and Disputes

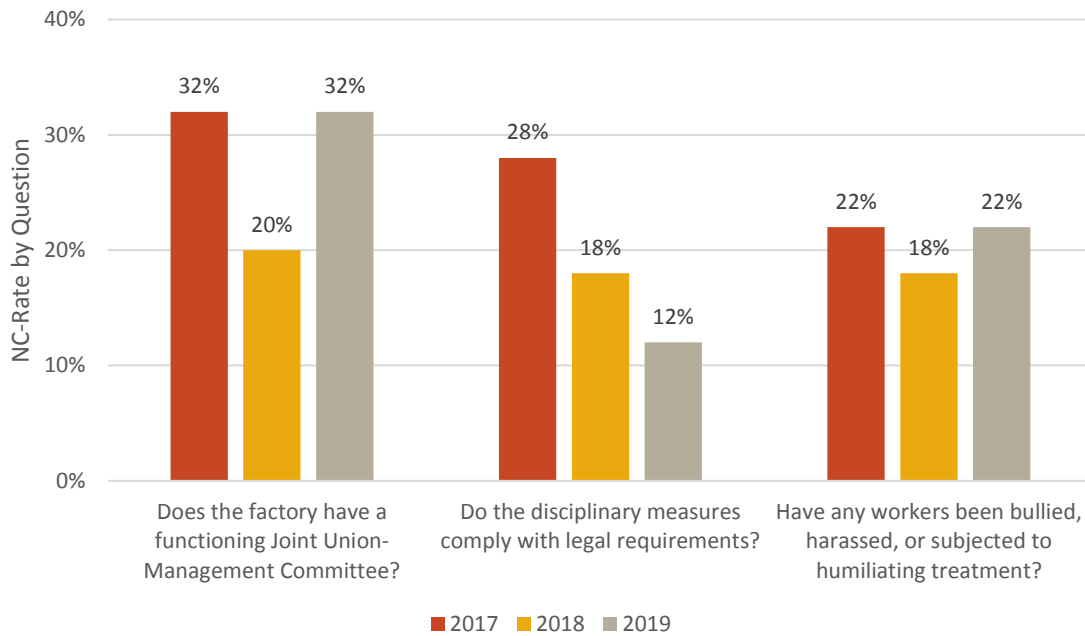
Among the 81 factories assessed, 26 factories did not have a functioning Joint Union-Management committee (see Figure 13). In order for a committee to be functioning effectively, workers need to be aware of the committee's existence and function, the committee needs to meet regularly, and the meetings must be sufficiently attended. Ten of the factories assessed did not have any committee, an increase from eight factories last year. In eleven factories, workers were not aware about the committee, and in four factories, the committee met very infrequently. The worker surveys conducted in June and December echo these findings as well—for more information, see the Worker Voice Survey Results published on November 2019.

While fewer factories are non-compliant on obeying the legal requirements for disciplinary measures, more factories have issues of workers being bullied, harassed or subjected to humiliating treatment. Verbal abuse remains a concern in factories, and while the increase since 2018 is small, it is nonetheless worrisome. In interviews during assessments, workers revealed that they were subject to shouting or degrading scolding when they failed to meet production targets or had a production defect. This practice occurs throughout the garment industry in many countries and stems from a misguided idea that yelling at workers will make them go faster or make fewer mistakes. In fact, the opposite is true: Better Work impact assessment research shows that verbal abuse lowers worker productivity and the quality of work, in addition to having negative health impacts.<sup>xx</sup>





**Figure 13. Trends under Dialogue, Discipline and Disputes (2017-2019).**



### Sectoral Context

One possible reason for the increase in verbal abuse non-compliance in the past year is the increase in orders filled by the Jordanian garment sector. Better Work Jordan noted this change in many factories as the industry adjusted to the increase in orders by increasing production targets and encouraging more overtime work. This can have two potential negative consequences on non-compliance rates in Dialogues, Discipline and Disputes. First, supervisors may resort to yelling in a misguided attempt to get workers to hit targets. Second, worker-manager committees may meet less frequently and the meetings may be less efficient as more factory time is devoted to hitting high production targets.



### WORKERS AND MANAGERS SPEAK: CONCERNS WITH VERBAL ABUSE

Based on survey responses from both workers and managers, verbal abuse is a significant concern for workers in the Jordanian garment sector, although there are some indications that management is interested in building the supervisory skills of managers to address this. **One third of workers report that verbal abuse is a concern for themselves or their co-workers.** More women report concerns than men, and Jordanians are far more likely to report concerns than migrant workers. Five satellite units out of the 18 satellite units were cited as non-compliant on verbal abuse.

**Seventy-eight per cent of managers interviewed said that the labour-management skills of their managers and supervisors was a challenge to their business,** with a roughly even number of people citing management skills as a minor challenge, a moderate challenge and a serious challenge. Better Work saw increased demand from factories for Supervisory Skills Training this year as factories sought to better utilize their supervisors. While this is an encouraging sign, more needs to be done to change the mind-set of both supervisors and management. When asked if they agreed or disagreed with the statement that workers will usually perform better in response to threats than encouragement, 30 per cent of managers interviewed said that they agreed or strongly agreed.

### Highlighting Positive Examples

One garment factory in the Jordanian apparel industry sets a good example in demonstrating how empowering workers to voice their concerns is central to improving labour conditions and creating a transparent dialogue between workers and management. For that purpose, the factory set up different approaches under their grievance mechanism to bridge dialogue between workers and management. These approaches include regular labour-management committee meetings, open-door policies, regular workers' surveys, establishment of an effective welfare committee and a hotline number, and by engagement with dorm wardens and HR staff.

## PUBLICLY REPORTED ISSUES

Greater transparency is expected to increase accountability and consequently, compliance. A recent study in Jordan showed that the transparency portal lowered non-compliance rates on publicly reported issues.<sup>xxi</sup> Better Work had initially tested public reporting on selected compliance questions in Cambodia and Haiti and had observed positive results.<sup>xxii</sup> Based on this evidence, Better Work expanded transparent reporting to other countries. The Better Work Transparency Portal currently hosts compliance on selected issues from six countries.<sup>xxiii</sup> A factory's compliance findings remain on the portal until a new assessment report is published.

Public reporting was introduced in Jordan starting July 2017 with support from the Jordanian government and the World Bank. Twenty-nine compliance questions across different clusters are included. The Transparency Portal presents the compliance status of factories that are Cycle 2 and above. As of February 2020, 18 factories on the Portal are compliant with all publicly reported issues.

Tables 13 and 14 present non-compliance rates with publicly reported issues in the past three years from factories in Better Work Cycle 2 and above.



**Table 13. Publicly reported issues - core labour standards**

Compliance point	Question Label	NC-Rate by Question		
		2017 (n=67)	2018 (n=69)	2019 (n=75)
<b>Access</b>	Was the assessor's access to the enterprise unreasonably restricted?	0%	0%	1%
<b>Child Labourers</b>	Have you found any workers under the age of 16?	0%	3%	1%
<b>Gender</b>	Is gender a factor in decisions regarding conditions of work?	0%	1%	0%
	Are workers subject to sexual harassment?	0%	0%	0%
	Does the employer terminate workers who are pregnant or on maternity leave or force them to resign?	0%	0%	0%
<b>Coercion</b>	Does the employer restrict workers from leaving the workplace?	0%	0%	0%
	Does the employer deny workers access to their personal documents (such as birth certificates, passports, work permits and ID cards) when they need them?	1%	1%	1%
<b>Forced Labour and Overtime</b>	Are workers forced to work overtime under threat of penalty?	0%	0%	1%
<b>Freedom to Associate</b>	Does the employer require workers to join a union?	0%	1%	0%
<b>Interference and Discrimination</b>	Has the employer tried to interfere with, manipulate, or control the union(s)?	0%	0%	0%
	Does the employer punish workers for joining a union or engaging in union activities?	0%	0%	0%
	Has the employer terminated workers or not renewed their contract due to the worker's union membership or activities?	0%	0%	0%
<b>Collective Bargaining</b>	Has the employer failed to implement any of the provisions of the collective agreement(s) in force?	78%	52%	56%
<b>Strikes</b>	Has the employer punished any workers for participating in a strike?	0%	0%	0%

**Table 14. Publicly reported issues - working conditions**

Compliance point	Question Label	NC-Rate by Question		
		2017 (n=67)	2018 (n=69)	2019 (n=75)
<b>Minimum Wages/Piece Rate Wages</b>	Does the employer pay at least minimum wage for ordinary hours of work to regular full-time workers?	3%	0%	1%
<b>Overtime Wages</b>	Does the employer pay workers 125% of their normal wage for all ordinary overtime hours worked?	24%	12%	9%



<b>Wage Information, Use and Deduction</b>	Does the employer properly inform workers about wage payments and deductions?	8%	7%	15%
<b>Paid Leave</b>	Does the employer pay workers correctly for maternity leave?	0%	0%	0%
<b>Contracting Procedures</b>	Has the employer taken sufficient steps to ensure that migrant workers do not pay any unauthorized fees?	15%	10%	13%
<b>Dialogue, Discipline and Disputes</b>	Have any workers been bullied, harassed, or subjected to humiliating treatment?	16%	19%	21%
<b>OSH Management Systems</b>	Has the employer formed a joint worker/management OSH committee?	11%	15%	19%
<b>Chemicals and Hazardous Substances</b>	Are chemicals and hazardous substances properly stored?	8%	7%	3%
<b>Welfare Facilities</b>	Does the employer provide workers enough free safe drinking water?	3%	1%	3%
<b>Worker Accommodation</b>	Is the accommodation protected against fire?	19%	20%	19%
	Has the employer adequately prepared for emergencies in the accommodation?	49%	33%	33%
<b>Emergency Preparedness</b>	Does the workplace have a fire detection and alarm system?	14%	12%	15%
	Are there enough emergency exits?	5%	9%	13%
	Are the aisles and emergency exits accessible, unobstructed and unlocked during working hours, including overtime?	38%	19%	21%
	Does the employer conduct periodic emergency drills?	12%	10%	19%

## CONCLUSIONS

Better Work Jordan's **Eleventh Annual Report** provides some noteworthy trends in Jordan's garment industry. A decade of operations in Jordan has allowed Better Work to observe and lead sectoral changes. As noted in the beginning of this report, Better Work Jordan has full access to the entire sector, which has allowed BWJ to support industry-level improvements together with national tripartite members. Yet more remains to be done.

**Promoting factory compliance:** In 2019, Better Work Jordan **observed improvements** in several compliance areas, including effective worker training on the safe use of machinery, accurate social security payments, and overtime pay. There are also a growing number of factories implementing the sectoral CBA.

Better Work Jordan continues to be concerned about verbal abuse in factories. With limited improvements, participating factories need to give greater attention to addressing these issues. Short lead times and production pressure remain concerns in the global garment industry. In addition to training employers and



supervisors on stress management and communication, buyers also need to take an active role in combatting such practices.

Although there have been some improvements, many areas under OSH need to be further addressed. Better Work Jordan will continue to advocate a **'systems-based' approach** for tackling such issues.

Meeting food preferences among workers, an inherently personal issue, is another area where factories have made investments but where surveys show some workers wish to see improvement. Some factories have used food committees to gain insights from workers directly about the type and variety of food that they want—this is a successful model that can be spread throughout the industry.

In addition, Better Work Jordan will also be working closely with factories, labour inspectors from the Ministry of Labour and the union to improve living conditions in factory dorms. This includes both increasing the capacity of the Ministry of Labour inspectors to effectively ensure compliance with labour laws in the dorms, and ensuring that basic building safety standards are met.

**Implementing a more comprehensive approach to worker wellbeing:** As Better Work Jordan seeks to expand initiatives to promote worker wellbeing, there is a need to better understand workers' needs, the existing support mechanisms and shortcomings in the national context. In 2020, the programme will work with other ILO projects and specialised UN agencies to develop and implement targeted interventions. These will be based on additional research on the state of mental health among garment workers to be undertaken in June 2020.

**National partnerships:** Better Work Jordan's collaboration with national partners is a cornerstone of the programme. This is particularly evident in the programme's current **strategic phase 2017-2022**, which seeks to increase capacity building efforts with the tripartite partners. Better Work Jordan will continue to build on its collaboration with the MoL through secondment, workshops and sharing information. It will also operationalize its collaboration agreement with the garment trade union and intensify efforts to support the union in becoming more inclusive of migrant workers.

**Sector strategy:** Better Work Jordan will support the development of a sector strategy to better understand the current environment, create an institutional framework for collaboration, and embed BWJ principles into the national plan.



## ANNEXES

### Annex A. Factories covered in this report

Ajloon Satellite Unit (Hi Tech Apparel Concepts)	Hi Tech -Textile (R-TEX)
Al Areen wear Ltd.	HY Apparel
Al Hanan for Cloth Mfg. Est.	Indo Jordan Clothing Company (Unit 1)
AL Masera Textile	Indo Jordan Clothing Company (Unit 2)
Al Mustamerah for Tex	International Elegance Garment Mfg. Co. Ltd.
Al Tafilah Apparel Co. Ltd.	Ivory Garments Factory L.L.C.
Apparel Concepts L.L.C.	Ivory Garments Factory L.L.C. (Satellite)
Aseel Universal Garments Mfg. Co.	Jerash Garments and Fashions Mfg. Co. Ltd (Unit 2)
Aseel Universal Garments Mfg. Co./Al Mwaqar	Jerash Garments and Fashions Mfg. Co. Ltd. (Unit 1 & 3)
Atateks Foreign Trade Ltd.	JOBEDU
Atlanta Garment Mfg. Co.	Mas Al Safi Apparel Mfg. L.L.C. (Satellite)
Best Quality Jordan	Mas Al Safi Apparel Mfg.
Business Faith Garment Mfg. Co. Ltd.	Musa Co. for Mfg. ready garments
Cady Garments Company	Mustafa & Kamal Ashraf Trading (Jordan) Garment Ltd.
Camel Textile International Corp.	Needle Craft (Al Mafrq - Sarhan)
Casual Wear Apparel L.L.C.	Needle Craft for clothing industry
Century Miracle Apparel mfg. Co. Ltd.	New Century clothing Industry L.L.C.(QIZ)
Classic Fashion Apparel Industry Ltd Co - Aljunaid	Peace Gate Garment
Classic Fashion Apparel Industry Ltd Co. - Printing	Pine Tree Co. for textile Mfg. P.S.C (TWJ)
Classic Fashion Apparel Industry Ltd Co. - Al Zmalya	Prestige Apparel Mfg. Ltd. Co.
Classic Fashion Apparel Industry Ltd Co. - Bussairah	Rainbow Textile L.L.C.
Classic Fashion Apparel Industry Ltd Co. ( Unit 01)	Rich Door Textile Factory
Classic Fashion Apparel Industry Ltd Co. (Unit 11 & 12)	Rich Pine International Group Ltd.
Classic Fashion Apparel Industry Ltd Co. (Unit 3)	Sana Garment Co. (Irbid City)
Classic Fashion Apparel Industry Ltd Co. (Unit 5)	Sana Garments Co.
Classic Fashion Apparel Industry Ltd Co. (Unit 8 )	Sidney Apparels LLC.,
Classic Fashion Apparel Industry Ltd Co. (Unit 9 )	Southern Garment Mfg. Co. Ltd.
Classic Fashion Apparel Industry Ltd. Co. - Karak	Standard Jeans Apparel Mfg. Co. (Satellite Unit 2)
Classic Fashion Apparel Industry Ltd. Co. (Unit 4)	Standard Textile Jordan
Classic Fashion Apparel Industry Ltd. Co. (Unit 10)	Straight Line for Apparel Co.
Classic Fashion Apparel Industry Ltd. Co. (Unit 2)	Third Dimension Apparel L.L.C.
Classic Fashion Apparel Industry Ltd. Co. (Unit 6)	Tusker Apparel Co.
Classic Fashion Apparel Industry Ltd. Co. (Unit 7)	Tusker Apparel Ltd. Co. Satellite (Jerash)
Eam Maliban Textiles Jordan (PVT) Ltd.	Tusker Apparel Ltd. Co. Satellite (Rusaifa)
Eam Maliban Textiles Jordan (PVT) Ltd. (Satellite)	United Creations L.L.C.
El Zay Ready Wear Mfg. Co.	United Creations L.L.C. (Satellite)
Fashion Curve Mfg. Apparel Co.	Vega Textile Ltd.
Fine Apparel Ltd.	Victorious Apparels Mfg. Co. Ltd.
Galaxy Apparel Industry	W&D Apparel (Jordan) Corp.
Genius For Garments Company	
Haifa Apparel	
Hi-Tech Textile L.L.C.	

### Annex B. List of participating buyers



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Abercrombie & Fitch  
Amazon Fulfillment Services, Inc.  
American Eagle Outfitters, Inc.  
ascena Retail Group Inc.  
DICK's Sporting Goods Ltd.  
Disney Worldwide Services  
GAP Inc  
Global Brands Group  
J.Crew  
Jobadu  
John Lewis  
KLEONIKI APOSTOLOPOULOU  
L.L.BEAN.Inc.  
Li & Fung Trading Ltd  
Marks and Spencer  
New Balance Athletics, Inc.  
Newtimes Development Ltd  
NIKE, Inc  
Post CH AG  
PVH Corp  
Ralph Lauren Corporation  
Sears Holdings Management Corporation  
Talbots, Inc.  
Target Corporation  
Under Armour, Inc  
Wal-Mart Stores, Inc.



## Annex C. Methodology and limitations

**Factory Assessments:** Better Work conducts factory assessments to monitor compliance with core International Labour Standards and the national labour law. Assessment reports highlight non-compliance findings, which are then used to help factories identify areas in need of improvement. Collecting and reporting these data over time help factories demonstrate their commitment to improving working conditions.

Better Work organizes reporting into eight clusters. The first four clusters comprise the core labour standards – Child Labour, Discrimination, Forced Labour, and Freedom of Association and Collective Bargaining. These standards protect the fundamental rights at work under the ILO's eight Core International Labour Conventions, and International Labour Standards are used as a baseline for compliance in these four clusters. The remaining clusters – Compensation, Contracts and Human Resources, Occupational Safety and Health, and Working Time – fall under Working Conditions. The compliance points for these areas incorporate differences in national legislation depending on the country of operation. Better Work establishes a benchmark based on international standards and good practices in areas where national laws do not cover or sufficiently address an issue regarding working conditions. The eight clusters are then divided into compliance points (CP), and each CP includes a number of questions, which may vary by country.

As the majority of workers in Jordan's garment industry are from South Asia, Better Work Jordan has continued to work with consultants from Bangladesh and Sri Lanka to strengthen the programme's engagement with workers and factories. This has allowed the programme to build direct communication and engagement with workers and enable access to information.

**Worker and Manager Surveys:** In both June and December 2019, Better Work Jordan conducted surveys of workers and managers in an on-going effort to collect information on the state of the garment industry. The programme worked with a local research team to collect responses from workers and managers. Over the course of four weeks in June, a team of enumerators collected survey results from over 1,700 workers across 77 factories, or roughly 3 per cent of the garment sector workforce. The team returned to the factories in December and surveyed a different group of nearly 1,700 workers. The survey design was stratified by gender and nationality within each factory to ensure an accurate representation of workers along these lines. Within each group, workers were chosen at random. Most workers were surveyed on Fridays in a neutral setting outside of the factory. The survey was conducted online, and the majority of workers used their own phones to complete the survey. The survey took approximately 30 minutes for workers who could read, and around 60 minutes for workers who used the audio recording. One manager from each factory also completed a separate survey as well.

**Calculating Non-Compliance:** Better Work calculates non-compliance rates for each factory and reports them in individual factory reports. The non-compliance rate is reported for each CP, and a CP is reported as non-compliant if one or more of its questions show evidence of non-compliance. In public annual reports, Better Work uses the average compliance rates across all participating factories within the reporting period. For instance, an average non-compliance rate of 100 per cent under a question indicates that all participating factories had violations in that area.





**Limitations of Better Work Assessment:** Detailed factory assessment reports are based solely on what is observed, investigated and analysed during assessment visits. Before the reports become official, factories are given five working days to provide feedback and clarifications, which in some cases impacts the language in the final report. Certain issues remain difficult to assess and verify independently. For instance, sexual harassment is difficult to identify during a factory assessment visit. It is generally considered a sensitive issue and is likely to be underreported. The low literacy level of a large percentage of workers can also affect the integrity of documentation related to workers' consent for overtime work, storing personal documents, disciplinary procedures and employment rights. To overcome such limitations to some extent, information provided by workers and management are crosschecked through representative interview samples and various documents maintained at the factory.

**Limitations of Better Work Jordan Assessments:** In the context of Jordan, limitations in the assessment process can also arise when monitoring issues specific to migrant workers. It is beyond the scope of the programme to thoroughly investigate contracting procedures in workers' country of origin. Age verification for migrant workers can be challenging as birth dates in national passports, the primary document available to verify workers' age, can be falsified with fake birth certificates.

Detecting violations of workers' entitlements upon termination of their contract has been difficult, especially in cases where no proper documentation is maintained to indicate the amount paid to workers. Furthermore, in some cases where the paperwork may show that the worker received all their entitlements, whether the worker had actually received the stated amount cannot be verified once the worker has left the country. Unlawful terminations are also difficult to justify through multiple sources and are usually dependent on cross-checking workers' statements following incidents such as work stoppages or strikes. In such cases, the management may maintain paperwork to show that the worker had wilfully resigned or may not maintain any termination-related documents at all.

Assessing compliance with FoA in Jordan has been challenging for Better Work Jordan for a number of reasons. The existing Jordanian Labour Law does not adequately protect freedom of association, and the single union structure prevents workers from forming a labour union of their choice. Factories de facto become non-compliant on questions related to freedom of association. Better Work Jordan continues to monitor other aspects of union operations, including union access to factories, facilities, anti-union discrimination, compliance with the sector-wide CBA, and strikes at the enterprise level. At the same time, the trade union for the Jordanian apparel sector does not fully represent the majority migrant workforce as only locals can participate through voting and nominations in the union board elections. The union also has limited capacity in adequately communicating with the migrant workforce due to language barriers.

**Limitations of Calculating Non-Compliance:** The binary 'yes or no' structure of the answers to compliance limits the ability of Better Work to numerically present the severity of non-compliance and is not conducive to capturing the 'levels of non-compliance'. For example, a factory may significantly improve in a particular area but may still not qualify as compliant. While an aggregate and strict indicator, the non-compliance rate is useful for Better Work to compare data across countries and have a general idea of areas of non-compliance in the industry. It is often beyond the capacity of such numbers to fully capture the specific issues observed during factory assessments. Accordingly, it important to examine the



Clusters and CPs in further details to create a more comprehensive understanding of the industry and the overall non-compliance rates (as presented).

**Limitations of Comparing Non-Compliance Rates over Time:** There are several limitations to comparing non-compliance rates over time. Importantly, the group of factories participating in the Better Work program is not constant over time. In each year, some factories drop out of the program or go out of business, and some factories are added to the program. Typically, more factories enter than drop out, and the factories that enter are not usually representative of the factories currently in the program. In particular, non-compliance rates tend to be higher in the first year of participation in the program.

In addition to a changing group of factories, there may be other changes that effect non-compliance in factories but that do not really reflect meaningful changes in working conditions. For instance, laws may change such that a factory that was in compliance under one set of laws in one year, may be out of compliance in the following year. These changes may also come from changes in the interpretation of laws. If this is the case, Better Work always discusses this change in interpretation with the tri-partite partners. Throughout this report, changes in non-compliance are put in context to address these issues and clarify why factories became compliant or non-compliant. The accompanying compliance narrative is key—we seek to highlight which changes are meaningful and which ones are just surface level.



## Annex D. Working hours analysis

The 2020 annual report uses a new method to calculate working hours. It calculates the average hours worked per week for each worker and adds in hours worked on Friday. The different methodology produces slightly different results from the methodology used in the 2019 Annual Report. In order to accurately compare the hours worked in 2019 with those worked in 2018, the below tables show the hours worked in 2019 and 2018 using the updated methodology for calculating hours worked. All of the comparisons of hours worked between 2018 and 2019 in the text use the numbers below.

**Table 15.** Breakdown of hours worked per week: 2019 data.

Category		# of observations	mean hours per week	Std. Dev.	Min	Max
Overall		29,897	53.6	11.2	8	93
Nationality	Non-Jordanian	18,941	60.0	7.8	8	93
	Jordanian	10,956	42.1	6.2	8	72
Gender	Female	21,502	52.0	11.3	8	93
	Male	8,395	57.7	10.1	21	84
Factory type	Direct Exporters	20,663	55.9	10.4	8	84
	Subcontractors	3,868	54.4	12.5	8	93
	Satellite Units	5,366	43.4	7.1	8	70

**Table 16.** Breakdown of hours worked per week: 2018 data using updated methodology.

Category		# of observations	mean hours per week	Std. Dev.	Min	Max
Overall		33,008	53.0	10.7	3	88
Nationality	Non-Jordanian	22,114	58.5	8.0	3	88
	Jordanian	10,894	42.3	6.1	6	63
Gender	Female	23,835	51.9	10.7	3	84
	Male	9,173	55.7	10.3	8	88
Factory type	Direct Exporters	24,790	54.1	9.6	3	81
	Subcontractors	3,475	57.9	14.3	16	88
	Satellite Units	4,743	43.8	8.0	8	69



## Endnotes

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- <sup>i</sup> The World Bank. 2018, October 3. Jordan's Economic Outlook: October 2018. See: <https://www.worldbank.org/en/country/jordan/publication/economic-outlook-october-2018>.
- <sup>ii</sup> Data retrieved from the World Bank on 22 Feb. 2019. See: <https://data.worldbank.org/country/jordan>.
- <sup>iii</sup> The World Bank in Jordan. Country Overview: October 2019. See: <https://www.worldbank.org/en/country/jordan/overview#1>
- <sup>iv</sup> The ILO in collaboration with the Swiss Agency for Development and Cooperation (SDC) released an in-depth report – *A Challenging Market Becomes More Challenging: Jordanian Workers, Migrant Workers and Refugees in the Jordanian Labour Market* – in 2017. The report focused on the labour market and employment issues in Jordan. The report covered issues faced by Jordanians, economic migrants and refugees, and provides a comprehensive understanding of Jordan's complex labour market. The report can be found on the [ILO website](#).
- <sup>v</sup> ILO. 2018. Decent Work Country Programme-Jordan (2018-2022).
- <sup>vi</sup> Data retrieved from Jordan's Department of Statistics on 9 March 2020. See: [http://dos.gov.jo/dos\\_home\\_e/main/archive/Unemp/2020/Emp\\_Q4\\_2019.pdf](http://dos.gov.jo/dos_home_e/main/archive/Unemp/2020/Emp_Q4_2019.pdf)
- <sup>vii</sup> Although the exports have increased, there are concerns that rising costs may weaken Jordan's competitiveness. Energy prices have increased along with custom duties for inputs and taxes. Starting January 2019, income taxes paid by garment manufacturers will increase gradually from 14 per cent to 20 per cent by 2024. For more information, see: [https://www.just-style.com/analysis/soaring-costs-could-slow-jordan-garment-export-growth\\_id135494.aspx](https://www.just-style.com/analysis/soaring-costs-could-slow-jordan-garment-export-growth_id135494.aspx)
- <sup>viii</sup> Data collected from Jordan's Ministry of Labour October 2019 Development Zones report, see: <http://www.mol.gov.jo/EchoBusV3.0/SystemAssets/PDFs/AR/Q1Z%20Reports/2019/%D8%A7%D9%84%D9%85%D9%86%D8%A7%D8%B7%D9%82%20%D8%A7%D9%84%D8%AA%D9%86%D9%85%D9%88%D9%8A%D8%A9%2010.2019.pdf>.
- <sup>ix</sup> For more information on International Labour Standards on Equality of opportunity and treatment, see: <https://www.ilo.org/global/standards/subjects-covered-by-international-labour-standards/equality-of-opportunity-and-treatment/lang--en/index.htm>.
- <sup>x</sup> Better Work. November 2019. Better Work Jordan Worker Voice Survey Results. <https://betterwork.org/portfolio/better-work-jordan-worker-voice-survey-results/>.
- <sup>xi</sup> Raymond Robertson. November 2019. Discussion Paper 32 – Working Conditions, Transparency, and Compliance in Global Value Chains: Evidence from Better Work Jordan. <https://betterwork.org/portfolio/discussion-paper-32-working-conditions-transparency-and-compliance-in-global-value-chains-evidence-from-better-work-jordan/>.
- <sup>xii</sup> Kevin Kolben. November 2019. Discussion Paper 34: The Jordanian Garment Industry and Better Work. <https://betterwork.org/portfolio/discussion-paper-34-the-jordanian-garment-industry-and-better-work-2/>.
- <sup>xiii</sup> Y. Kristine Kim, Jingyi Song, et al. November 2019. Discussion Paper 33 – Supporting Mental Well-being of Migrant Garment Workers in Jordan. <https://betterwork.org/portfolio/discussion-paper-33-supporting-mental-well-being-of-migrant-garment-workers-in-jordan/>.
- <sup>xiv</sup> BOESL is the state-owned migration agency in Bangladesh.
- <sup>xv</sup> Better Work. March 2019. Annual Report 2019: An Industry And Compliance Review Jordan. <https://betterwork.org/portfolio/19446-2/>.
- <sup>xvi</sup> For more information on International Labour Standards on Equality of opportunity and treatment, see: <https://www.ilo.org/global/standards/subjects-covered-by-international-labour-standards/equality-of-opportunity-and-treatment/lang--en/index.htm>.
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- <sup>xvii</sup> ILO. 2016, 9 October. Jordan's garment sector removed from US forced labour listing.



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[https://www.ilo.org/beirut/media-centre/news/WCMS\\_531596/lang--en/index.htm](https://www.ilo.org/beirut/media-centre/news/WCMS_531596/lang--en/index.htm)

<sup>xviii</sup> For a brief overview of the FAIR recruitment program, see “The Benefits of Fair Recruitment: Results of the Impact Study on the Nepal-Jordan Corridor”, available here: [https://www.ilo.org/wcmsp5/groups/public/---ed\\_norm/---ipec/documents/publication/wcms\\_727143.pdf](https://www.ilo.org/wcmsp5/groups/public/---ed_norm/---ipec/documents/publication/wcms_727143.pdf)

<sup>xix</sup> Better Work. March 2019. Annual Report 2019: An Industry And Compliance Review Jordan.

<https://betterwork.org/portfolio/19446-2/>.

<sup>xx</sup> <https://betterwork.org/portfolio/impact-assessment/#1474900139598-0c76ab6e-80c4>

<sup>xxi</sup> Raymond Robertson. November 2019. Discussion Paper 32 – Working Conditions, Transparency, and Compliance in Global Value Chains: Evidence from Better Work Jordan.

<https://betterwork.org/portfolio/discussion-paper-32-working-conditions-transparency-and-compliance-in-global-value-chains-evidence-from-better-work-jordan/>.

<sup>xxii</sup> Better Work’s Discussion Paper 29: *Lights On: Transparency and Compliance* analyses factory-level compliance from Cambodia to evaluate the effect of reintroduction of public reporting in Cambodia. To access the paper, visit: <https://betterwork.org/blog/portfolio/discussion-paper-29-lights-on-transparency-and-compliance-evidence-from-cambodia/>.

<sup>xxiii</sup> To access the Transparency Portal, visit: <https://portal.betterwork.org/transparency/compliance>.