

LABOR COMPLIANCE IN JORDAN'S APPAREL SECTOR

SECOND REPORT ON INSPECTION ISSUES

11 OCTOBER 2007



**MINISTRY OF LABOR
AMMAN, HASHEMITE KINGDOM OF JORDAN**

Background

On 30 March 2007, the Ministry of Labour (MoL) published a Plan of Action outlining steps taken and planned to improve overall labour administration and social dialogue and compliance specifically in the apparel sector (www.mol.gov.jo). In addition to regular updates on the implementation status of the different elements in the Plan of Action, the Ministry also decided to publish more detailed reports on its inspection activities. The objective of these reports is to provide more details on inspection reform activities when deemed appropriate in connection with the publication of an Action Plan Update, as well as to provide information with regard to findings made by the MoL for specific enterprises about which allegations of worker rights violations have been made in public. This is the second such report.

Ministry of Labor findings

The following section provides information and an overview of MoL findings with regard to reports published by the National Labor Committee (NLC) on 2 October March, 2007. These findings are based partly on investigations by the Core Inspection Force (CIF) of the Ministry of Labour and part on information already available within the Ministry prior to the publishing of the NLC report. It is important to underscore here that the CIF teams investigating these issues include people who speak the languages of guest workers.

The Government of Jordan recognizes the important role the NLC has played in drawing attention to the working conditions situation in Jordan's garment sector and welcomes its continued commitment in this respect. Unfortunately its report of 2 October, 2007 shows numerous factual errors. Realizing the difficulties that exist with regard to relying on subjective sources of information, the Ministry calls upon the NLC to engage with various stakeholders in obtaining and verifying information prior to publication and ensuring that published information is up to date. The Government of Jordan has made this appeal to the NLC before and finds it highly disappointing that the NLC does not appear to have taken any action in this respect.

Cotton Craft:

Cotton Craft has been in operation at different locations in Jordan since June 2006. This factory has been under scrutiny concerning its working conditions from the MoL since the end of 2006. As a result, conditions improved and the MoL assisted six workers in filing a case against three supervisors who allegedly had slapped these workers. The workers filed a case on 23 April, 2007 and on 24 May, 2007 the Court found the supervisors guilty and sentenced them to the payment of a fine. This is the first time in Jordan that any supervisors were found guilty in a Court of Law in relation to complaints of physical abuse. During a follow-up inspection visit undertaken in April, inspectors found that limited progress had been made in further improvement of conditions, though the physical abuse had ceased completely according to workers.

The company was sold in early June and the MoL oversaw the conclusion of an agreement on 6 June, between new management and workers, which included provisions for the payment of back wages. On 11 June, the police arrested the previous owner of the enterprise on charges of unpaid fines for labour violations. After payment of the fines he was released.

While the workers do not have residence permits as reported by the NLC, as part of a sector-wide scheme to address the issue of undocumented workers, the MoL provided Cotton Craft workers with temporary identity cards on 1 August. These cards enable workers to move about freely inside and outside the industrial zone because the police have been instructed not to arrest any guest worker for not having a residence permit when carrying such a card. As part of the scheme the MoL is working to ensure all workers entitled to it under the criteria developed will eventually be provided with the necessary documents without having to pay any fines attached to overstaying visas.

As part of the agreement between workers and new management it was agreed that workers would be paid their back wages in installments. The total amount verbally agreed upon, when signing the agreement, was, for the vast majority of workers, 1 month and 20 days wages, amounting to 185JD per worker and not 460JD as the NLC reported. It must be stated here that social security payments are made to the Social Security Corporation (SSC) and not to workers and are therefore not considered back wages to be paid to workers. Management is negotiating with the SSC concerning the payment of outstanding social security contributions. With regard to the payment of the back wages, management made the first three payments to Bengali workers of 50JDs each every 10 days as agreed upon, leaving 35JD back wages unpaid. At that point, Bengali workers made an additional claim for unpaid wages for one month when they first arrived in Jordan when the minimum wage was 95JD, which the workers had not brought up when the initial agreement was made with new management. When workers went on strike, the workers claimed this additional unpaid back wages of 95JD and management indicated a willingness to pay this amount to workers though they contested the validity of the claim.

Contrary to what the NLC reports, workers received payment for over time work undertaken in July, 2007. Payment sheets signed by workers confirm this and workers confirmed that they signed the sheets voluntarily. The time and payment sheets for July also indicate an estimated average of 65 over time hours per worker during normal work days, which totals for less than 3 hours of over time work per day in July and workers indicated they undertake over time voluntarily. Contrary to what the NLC reports, the sheets also indicated that some workers worked one Friday in July, some half a day on one Friday and others did not work on Friday at all. While workers were paid their regular wages for August, workers were not paid for over time work for August. Management claims payment was about to be made when the workers went on strike and indicated throughout the strike his willingness to pay claimed wages.

According to management the dormitory lease has expired and management has rented a new dormitory, which, according to the local labour office, has better facilities. Management has provided a copy of the contract to the MoL in this respect. However, workers refused to transfer there over unspecified concerns for their safety and remained

in the old dormitory where the owner of the property cut off water and electricity upon expiration of the lease. With regard to the provision of food, the local labour office indicated that workers threw away the food provided when they went on strike after which management stopped providing food. Upon request of the MoL, management has indicated it provides food in the factory but would also be willing to provide it in the new dormitory. Workers refuse to accept food at either location.

Workers claim that management physically abuses workers, which management denies. The MoL informed workers that, given that this is a matter that falls under criminal law, workers would have to file a complaint with the police with which the MoL could assist them. No worker has filed such a complaint.

The NLC reported that one of the workers, Mr. Azizul, is seriously ill and required immediate medical attention. A medical report of 20 September, 2007 indicates that Mr. Azizul reported suffering from headaches off and on for the past two years, and the physician who examined Mr. Azizul concluded that because of this his mental condition is not stable and advised him to return to Bangladesh. The MoL has contacted Mr. Azizul and offered access to medical treatment but he has refused and indicated he wishes to return to Bangladesh. The MoL has requested the National Centre for Human Rights to facilitate Mr. Azizul's return to Bangladesh.

Workers went on strike on 13 September 2007. Workers did not duly inform management in writing 14 days in advance, thus making the strike illegal under Jordanian law. The MoL made several attempts to broker an agreement between the parties but, in spite of making specific demands concerning payment of over time and back wages to which management agreed, Bengali workers refused to negotiate and demanded transfer to another factory. Contrary, Sri Lankan workers went back to work on 23 September. On 8 October the Head of the Labour Inspectorate and a representative from the Embassy of Bangladesh again attempted to negotiate with the Bengali workers at the local labour office. The workers again refused to negotiate and demanded a transfer in spite of management agreement to make the necessary payments. Approximately 120 Bengali workers waited outside the office and their gathering attracted workers from other factories making the crowd swell to about 200. When the Embassy representative indicated around 15:00 hours that negotiations would need to continue the next day because he had other engagements and attempted to leave, workers physically prevented him from leaving indicating that they would not allow him to leave until an agreement had been reached. He subsequently requested the MoL representatives to call the police. When the police arrived they made several calls upon workers to disperse, which they refused. When the police attempted to free the Embassy representative workers hit police cars and eventually, at around 18:00 hours the police felt forced to use gas to disperse the crowd so they could free the Embassy representative. The Embassy of Bangladesh is currently considering making an official complaint against workers with the local Governor, who has authority over the police, and the Ministry of Foreign Affairs.

On 9 October, 2007 workers and management, under the auspices of the MoL and a representative from the Embassy of Bangladesh, resumed negotiations whereby management again agreed to make the payments but workers again refused and insisted on being transferred.

J.R Textile Ltd./Jarad Apparel Mfg. Co.:

At J.R. Textile Ltd, in Jordan better known as Jarad, workers were not stripped of their passports, as the NLC reported, but some worker passports were held by management so as to arrange for the renewal of residency permits. Thirty-eight workers will be given their renewed residency permits with their passports within the week. The other workers have their passports in possession and valid residence permits.

Contrary to what the NLC reported, over time sheets indicate that over time hours during normal days amount on average to two hours per day. Documents also indicate that work on Friday is undertaken once every one or two months. Payments sheets indicate that wage payments, including payments for over time are correct, contrary to what the NLC reported. In this respect, 42 Bengali workers signed a statement confirming that over time is limited and voluntary and that payments are correct.

In its report, the NLC claims that workers are cheated out of their wages and provides a calculation in this respect. However, the NLC wrongly indicates that the legal premium over time rate for over time on days off (Friday and public holidays) is \$1.12. However, the correct over time rate for work on days off, based on a minimum wage of 110JD and 30 working days as mandated by Jordanian law, is \$0.96. Also, the NLC does not take into account a deduction of 34JD for food and accommodation from the monthly wage as stipulated in the contracts to which workers agreed and as allowed under Jordanian law. It is these oversights in the calculation made by the NLC that amount to the difference in monthly payments the NLC claims workers are being shortchanged for, rather than the employer not paying the correct amounts.

As indicated by the NLC, the police deported three workers following a complaint by management. The MoL was not informed of this by management, the police or workers but will try and contact these workers in Bangladesh to ensure that, at least, they will receive all their due payments.

As indicated by the NLC, the dormitory conditions are well below standard and management has been given an official warning with a clear time line to make the necessary improvements.

With regard to the provision of food, workers indicated that before Ramadan, which started on 13 September, the quantity of food provided was sufficient but the quality was lacking, though workers indicated this was a matter of taste and variety rather than food being rotten as the NLC reported. However, workers also indicated that since then the quality of the food has improved in terms of taste and variety.

For additional information, please contact representatives of the Government of Jordan:

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