



April 30, 2013

**Interim Report on Remediation
Century Miracle Factory (Jordan)**

Yee Tung Garment Company Ltd. (Yee Tung Group), headquartered in Hong Kong, is an FLA Participating Supplier. Among the factories owned by Yee Tung Group is Century Miracle Ltd. (Century Miracle), located in the Al Hassan Industrial Estate, Ramtha, Jordan. The factory produces knits and t-shirts for several international buyers.

In early 2013, the international press began to report on clashes at the factory involving migrant Burmese workers and concerns about their safety. In mid-February, a small number of Burmese workers launched a strike protesting discrimination regarding pay and working conditions and demanding Burmese-friendly food; by the end of February, the strike had expanded to nearly all of the approximately 1,300 Burmese workers at the factory. In early March, tensions escalated when four female Burmese workers were injured in an altercation with supervisors and maintenance workers in the dormitories. As a result of these developments, a number of Burmese workers demanded to return to their country of origin. However, the workers who wanted to return to Burma were stranded in Jordan as they did not have the means to finance their return.

In mid-March 2013, the FLA asked Yee Tung to address allegations of discrimination and forced labor involving migrant Burmese workers at Century Miracle and to inform the FLA about specific remedial steps planned and implemented. Yee Tung has provided documentation and informed the FLA that it has taken the following steps to rectify the situation:

1. On March 19, Century Miracle, the Jordanian Ministry of Labor, the Jordanian General Trade Union of Workers in Textile Garment and Clothing Industries (GTUWT), and representatives of workers adopted a plan whereby Burmese workers who wanted to return to their country prior to the expiry of their work contract would have their return ticket covered in part by the factory based on the months of service. The factory also agreed to accept resignation letters from workers who wanted to return to their homes, to pay workers for unpaid annual leave, and to help returning workers to obtain Social Security refunds if eligible to do so under current law (see Attachment 1). One hundred and sixteen workers chose to return to Burma; they flew out in groups, with the last group departing on March 28. An additional 40 Burmese workers whose 3-year contracts at Century Miracle had ended, also left Jordan for Burma.
2. The strike ended on March 22, with 1,144 striking Burmese workers returning to their jobs at Century Miracle. Through a process of negotiation that was

supported by the CTUWT, the ILO-IFC Better Work Program and the Jordanian Ministry of Labor, the following issues raised by Burmese workers were resolved.

- a. Effective March 1, the salary scheme for all guest workers (including Burmese workers) has been updated; the practice of providing pay slips (in the languages of all guest workers) has been reinstated; and a wage calculator has been added to the factory's website for workers to use.
- b. A committee of workers from each nationality has been created to support kitchen staff in procuring alternative ingredients to prepare food with improved taste. In addition, the factory has increased the number of kitchen staff.
- c. To remedy internal communications problems, including verbal abuse by supervisors, the factory will implement a program of supervisory training and education, and encourage the promotion of monitors/supervisors from the same country as the guest workers, increase the number of translators and move them from human resources to the factory floor, and strengthen workers' committees to make it easier to report problems to management and promote quicker action.
- d. The four injured female workers have been compensated for medical expenses and were allowed to resign from the factory if they wished. Female employees are being trained for work in dormitories housing female workers.
- e. Although Jordanian law provides that workers involved in illegal strikes (such as the one carried out by Burmese workers in March 2013) are subject to financial penalties, the factory did not report the names of any striking workers to the Ministry of Labor and therefore none of the workers involved were subject to financial penalties.
- f. The factory's policy makes it clear that labor agencies are forbidden from charging guest workers from the six nationalities – Chinese, Bengalis, Burmese, Sri Lankans, Madagascans and Nepalese as well as Jordanian workers – any form of recruitment and employment fees. As a result, the full salaries of workers (except for social security deductions required by Jordanian Labor law and Social Security law) are deposited into the workers' bank accounts, a practice that has been followed since the factory's opening.

Some of the issues mentioned above were also discussed separately by a delegation of the Ministry of Labor and Social Security of Myanmar with factory management and delegates of Burmese workers at Century Miracle on March 28 (see Attachment 2).

Next Steps

The FLA has asked Yee Tung to report on a bimonthly basis on the implementation of the remedial actions outlined above. Within six months, the FLA will conduct a

verification visit to Century Miracle to confirm that internal communications at the factory – particularly communication with Burmese workers – are continuing to improve and that all proposed remediation steps are being implemented.