

Complaint – Suit Supply – China

Status: Resolved

FWF is responsible for setting up a complaints procedure in production countries where FWF is active. The complaints procedure allows third parties to make complaints about the working conditions or the way the Code of Labour Practices is implemented in factories which supply FWF members.

The responsibility of FWF includes investigating the complaint, verifying whether the agreed corrective action plan is implemented and public reporting. This complaint report gives an overview of a complaint filed to FWF, the investigation and agreed corrective action plan as well as how the outcome is verified. For more information on the complaints procedure see the FWF website. FWF also publishes an overview of complaints received in its annual reports.

1. Affiliate involved

Suit Supply.

2. Accused party

A factory located in China supplying Suit Supply.

3. Date of receiving complaint

The complaint was received on 15 January 2016.

4. Filing party

A worker that was employed by the factory until 15 January 2015.

5. The complaint

The complainant, working in the cutting section until 15 January 2016, claimed that the General Manager of the factory requested her to distribute the different garment collars. Though she was hired for a different type of work, she still wanted to follow the factory's requirement to take this new position. However, the complainant was unhappy with the tone of the manager and with that the factory did not want to pay a bit more for this more complicated type of work.

The complainant claimed that as a result, the general manager decided to terminate the complainant. The general manager asked the complainant to prepare a resignation

letter, saying that if she did not write this letter, her due wages would not be paid to her. Therefore the complainant wrote the resignation letter. She had to hand in the resignation letter without having received a copy.

She emphasized that she does not want to terminate her job. However, if the factory requests her to quit, she requests to receive severance. The complainant started to work at the factory in May 2013; and she renewed her contract in May 2015.

6. Admissibility

FWF decided that the case is admissible on 18 January 2016.

The factory is an active supplier of Suit Supply, a member of FWF.

The case is relevant to the following labour standards of FWF's Code of Labour Practices:

- Labour standard 8: A legally binding employment relationship

7. Investigation

FWF informed Suit Supply about the case.

The management of the factory told Suit Supply that the complainant herself wanted to resign because of the transfer to a different department. They informed the member company that the complainant requested this transfer herself. In her new job in the cutting workshop, where she divided pattern parts, she would have made a mistake that she refused to correct. The management argues that it was impossible to communicate with the complainant about this, and she wanted to resign immediately. All working hours have been paid out.

In response, the complainant informed FWF that she was willing to take on the tasks assigned by management and that she enjoyed a good working relationship with the cutting workshop supervisor. But she found the attitude of the general manager to be bad. He instructed her to divide the garment collars without offering a better piece price, while matching the correct sizes and colors is more complicated. When she let him know she was unhappy about this, the general manager fired her immediately.

He told her to sign on a resignation letter; otherwise she would not receive her due wage. This case was then reported to the factory owner. He was very surprised to hear that the complainant resigned and at first was not willing to approve her resignation. When he understood that the general manager fired the complainant; he approved of the resignation letter. The complainant confirmed she received her due wage of 6,000 RMB.

In response to the claim of the management that she refused to correct a mistake, she said it was a mistake in summer 2015, but it was not her mistake. To better understand this point it is important to point out the phases of the production process: A. cutting, B.

coding, C. dividing sizes and colors (the process the complainant was assigned to), D. issuing cutting panels, E. sewing.

According to the complainant the sewing section found out that one order lacked 20 pieces of panels. This mistake could not have been caused by the complainant; if there are mistakes of lacking panels, the coding workers would be the first to identify this. According to the company's policy (that according to management was stopped in December 2015), workers who make the mistakes would get a monetary fine. However, at the time, the complainant was never asked or questioned by the management about this mistake, or fined.

To try to get insight into this complaint the local office of Suit Supply visited the factory and interviewed management and co-workers. Both groups denied the plausibility of the complaint. During the exit meeting of a FWF audit on 25 April – in front of the local buying office of Suit Supply and deputy general manager, top managers - the general manager said they agree to pay severance to the complainant. After the meeting the FWF audit supervisor was called and informed that the general manager changed their mind in order to avoid giving a wrong signal to other workers.

8. Findings and conclusions

FWF finds it highly likely that the complainant is telling the truth. The relevant law, article 47 would support her claim for severance.

Article 47: "An employee shall be given an economic compensation based on the number of years he has worked for the employer and at the rate of one month's wage for each full year he worked. Any period of not less than six months but less than one year shall be counted as one year. The economic compensations payable to an employee for any period of less than six months shall be one-half of his monthly wages."

Since the complainant has been working at the factory for 2 years and 8 months, she would be entitled to a severance of 4 months salary (N+1). This is because the additional 8 months (>6 months) , counts for an extra 1 year of seniority.

The complainant made 4110, 3628, 4114 and 4513 RMB for the period from July to December 2015. Thus for these 4 months, her average wage is 4091.25 RMB per month. The severance should be based on this average wage, which is 16,365 RMB in total.

9. Remediation

Normally FWF would propose a remediation meeting – mediated by our complaints handler - to solve such a complaint. However in this case it will be more costly and difficult to realize:

- 1) the costs of remediation –according to our complaint guidelines to be covered by the member – will be equivalent to or even higher than the severance pay that this case is about.
- 2) because the worker is job hunting she might not come back to the city where the factory is located, after Chinese New Year.

Therefore FWF proposed that Suit Supply negotiates with the factory to pay for the severance payment. As an encouragement to the factory Suit Supply could consider to cover part of these costs.



Instead, Suit Supply and FWF met to discuss the complaint on 23 March 2016. Suit Supply informed FWF that they find that the complaint is not proven. Therefore they felt reluctant to ask the factory to pay the severance. Instead the company offered to pay the severance directly to the complainant.

10. Verification

n.a.

11. Evaluation by the complainant

The complainant confirmed that she properly received 16365 RMB. She is quite happy with this result, and said she appreciated FWF's effort to ensure that she received the severance in the end.