

Complaint – Takko Fashion – Bangladesh

Status: In remediation

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

Takko Fashion

2. Accused party

A factory located in Bangladesh supplying Takko Fashion

3. Date of receiving complaint

17 May 2014

4. Filing party

12 workers that were employed by the factory

5. The complaint

12 workers from finishing section claimed that the factory did not pay minimum wages. It has reduced operators' monthly wages in April. According to complainants April's wages that they have received in May was 700 BDT less than the earlier month. Operators who used to get 6200 BDT per month are now getting 5500 BDT. All helpers were paid 4200 BDT per month, although minimum wage was 5300 BDT. Production target went up 50%. According to the complainants, they needed to work overtime, which was unpaid. The factory did not provide payslips.



In addition, the workers said that they would be under a lot of pressure from the management or even got fired if they refuse to do the unpaid overtime. There was verbal abuse reported to women and physical abuse towards men. According to the workers, a manager had beaten up male workers in his office room. Workers could see it through his glass wall.

6. Admissibility

FWF decided that the case is admissible on 19 May 2014.

The factory is an active supplier of Takko Fashion, an affiliate of FWF.

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

Practices:

- Payment of a living wage
- Occupational health and safety, with regard to harassment

7. Investigation

The factory was audited by FWF in September 2013. Findings related to the above labour standards were:

- Payment of a living wage:

The auditors found inconsistency in the wage records, overtime records and production records. A number of workers said that the helpers received 100-200 BDT lower than minimum wages, but it was not possible to verify due to incorrect documents.

There was inconsistency found between production records and attendance records. The auditor estimated that overtime was about 24 hours per week. Overtime premium could not be verified due to the incorrect documents.
- Occupational health and safety, with regard to harassment:

The auditors found that workers had little knowledge about harassment and abuse. There was an anti-harassment committee, which was not functional. The committee members were appointed by management. Workers did not mention any case of physical or verbal abuse during the audit.

FWF informs Takko Fashion on 19 May about the case. Takko contacted the factory immediately. The factory management responded that all allegations were false and would welcome a verification audit. They said that they had made improvements after the audit in 2013. FWF decided to conduct an audit to check the current status.

8. Findings and conclusions

The local audit team conducted an audit in September 2014. The audit was able to verify part of the complaint on wage payments.

The audit found that:

- Minimum wages were paid to sewing helpers. Minimum wages were not paid to cleaners. They received 4,300 Taka instead of 5,300 Taka as minimum wage per month.

- There was double book-keeping in wage records and OT records. It was not clear whether or not the factory paid OT premium according to local laws. The auditors were not able to draw full conclusion but estimated that the factory did at least 24 hours overtime per week.

FWF conducted workers interviews to investigate on the issue of harassment. It was found that verbal abuse with sexually explicit profanity was common in the factory. Occasionally workers reported physical harassment such as pulling hair, pushing and light slapping.

9. Remediation

The audit report had been shared with Takko Fashion. Takko Fashion would follow up and make sure the factory paid minimum wages to all workers. The factory should also maintain a proper record on overtime and wage payment for inspection.

The factory was in a training programme organised by FWF on preventing and reducing harassment at work. The programme aimed at setting up internal grievance handling systems to improve working conditions.

The top management has regular communication with FWF country representatives since August 2014. At least 20 requests for support were solved by the factory's internal process up to November 2014. Issues include unfair termination, verbal abuse, maternity benefit, and etc.

10. Verification

Regarding harassment, FWF had regular meetings with the representatives of the anti-harassment committee and top management of the factory. It could verify that the factory had made the first step to reduce harassment at work. Both the factory and the anti-harassment committee members needed more time to gradually make more improvements.

FWF planned to contact the cleaners employed by the factory in the beginning of 2015 to verify if minimum wages have been paid.

11. Evaluation by the complainant

The case was still in the remediation process.