

Complaint – Odd Molly International AB – India

Status: Investigation

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

Odd Molly International AB (hereafter: Odd Molly), Sweden

2. Accused party

A factory located in India supplying to Odd Molly.

3. Date of receiving complaint

The complaint was received by FWF through its local complaints handler in India on 10 December 2014. The initial call needed clarification which is why the complaint is shared with the FWF affiliate Odd Molly only now.

4. Filing party

A worker that is currently employed by the factory, details of the identity are known to FWF.

5. The complaint

1. The complainant claimed that (s)he receives the legal minimum wage but that overtime hours are not paid extra. The complainant claims regular working hours from 9.30am to 8pm.
2. In addition (s)he added that wages for leaves of workers are deducted from the workers' wages regularly and that there are no paid leaves.



3. The complainant stated that according to the factory management social security payments and taxes are paid. Workers do not receive any pay slip indicating proof for the amounts deducted which is why the complainant doubts the payments are made according to law.

6. Admissibility

FWF decided that the case is admissible on 12 December 2014.

The factory is an active supplier of Odd Molly, an affiliate of FWF.

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

Practices:

- Payment of living wage
- Legally binding employment relationship
- No excessive working hours

7. Investigation

FWF informs Odd Molly about the case. Odd Molly is expected to contact the supplier and ask for a reply within one week.

8. Findings and conclusions

FWF has received response from Odd Molly and factory management mid of February 2015. Answers and documents have been provided in an email. Information provided by brand/factory management was cross-checked with the plaintiff again. These are the findings and conclusions:

1. Factory management confirms that overtime is not paid according to law. Odd Molly and factory management confirm regular working hours from 9.30am to 7pm. Re-checking with the plaintiff status is that working hours are from 9.30am but always until 7.30pm to 8pm. Overtime is not being paid extra due to fix salaries. According to the plaintiff only when workers work on Sundays (which is the weekly day off) they are paid double overtime.
2. According to management the paid leave taken by the workers is compensated to them along with the bonus given during Diwali. Worker again confirmed that wages are deducted when workers take leave. Compensation of leave with the bonus given during Diwali is against Indian law.
3. According to factory management, workers receive pay slips indicating proof for the amounts deducted for social security payments and taxes. Documents to proof were shown to FWF and are confirmed to be according to law. Wage slips are now being given to all workers. The complainant stated that (s)he is now aware of the deductions being made from his/her salary.



9. Remediation

The following is required from Odd Molly and the factory management to follow up.

1. Overtime has to be paid according to Indian law which is double the regular wage. This counts for all overtime hours throughout the week (not only for extra work on Sundays). 1 day off every 7 days has to be provided to all workers. Working hours must be adapted to ensure overtime is not on regular basis.
2. According to Indian law there is a bonus which needs to be given to workers during Diwali. However this bonus is not to compensate when workers are going on paid leave. Factory management needs to ensure that paid leave is given aside the Diwali bonus.
3. No further remediation needed with regard to pay slips provided to workers.

10. Verification

The plaintiff confirms that point 3 of his/her complaint is settled. The first two topics about overtime payment and paid leaves remain open and will need extra efforts of Odd Molly together with the factory management. Fair Wear Foundation requires Odd Molly to get back to the factory management with regard to the outstanding points.

Verification of implementation of all points will be during a FWF audit at the production site in July 2015.

11. Evaluation by the complainant

The case is only partly investigated.