

## Complaint – Living Crafts & Hess Natur – Romania

### Status: Under 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. Member company involved

Hess Natur & Living Crafts

### 2. Accused party

A factory located in Romania supplying Living Crafts and Hess Natur via a German mother company.

### 3. Date of receiving complaint

7 November 2016

### 4. Filing party

A worker that is currently employed by the factory.

### 5. The complaint

The complainant stated that production targets lead to pressure and stress in the factory.

According to the complainant, workers were requested to work on Saturdays. Workers were asked one week beforehand if they could work on Saturdays. The complainant stated that overtime records, annual leaves and payment of their bonuses were not always clearly presented on their pay slips which make it difficult to understand on what their wages are based on.

In addition, the HR department is externalized which makes it difficult for workers to directly contact and consult a HR person for support related to work stress.

## 6. Admissibility

FWF decided that the case is admissible on 24 November 2016.

The factory is a supplier of Living Crafts and Hess Natur, both of which are members of FWF.

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

- Safe and healthy working conditions

## 7. Investigation

Hess Natur had planned an audit with a FWF audit team for 23 and 24 November. The FWF complaints handler decided to speak to the complainant and investigate the complaint case during the audit.

The management of the factory was not informed about the complaint before the audit in order to have an objective atmosphere in which to investigate the complaint case. During the exit meeting of the audit the issues raised by the complainant were discussed with factory management and remediation steps were discussed.

## 8. Findings and conclusions

The audit conducted by a FWF team concluded that workers perform overtime hours on Saturdays within legal limits. The audit confirms that workers were asked one week before if they could perform overtime hours on Saturdays. Wage records do represent overtime hours, annual leaves and bonuses.

FWF's complaints handler spoke to the complainant on 24 November. The wage record of the complainant was incorrect for a specific month; normal working hours were shown in spite of the fact that the employee was in medical leave. In addition, the employee performed overtime hours on Saturdays against recommendations by medical personnel.

According to the worker interviews during the audit, more workers face work stress and exhaustion due to production pressure. There is a significant decrease in number of personnel since 2014, which reduced the production capacity and put more pressure on the remaining employees.

Workers can ask HR related questions to the administrator but this person is at the same time part of factory management.

## 9. Remediation

FWF recommends Living Crafts and Hess Natur, in cooperation with the mother company in Germany and the factory, to set up an action plan to reduce work pressure and limit the work stress.



FWF recommends Living Crafts and Hess Natur to investigate how the production planning set by the German mother company has an impact on the production pressure in the factory.

The auditors recommend more transparency and communication with workers about overtime hours and wage records.

In consultation with workers, a solution must be found for the high production targets/quota's that create pressure on workers and cause stress and exhaustion.

It is highly recommended to have an integrated HR staff person within the factory. This person should not be part of factory management.

The complaints handler will connect the complainant to local organisations that could be supportive to the employee.

## **10. Verification**

FWF will verify the follow-up of the remediation during the next performance checks of Living Crafts and Hess Natur.

Verification of the situation within the factory will be carried out by a verification audit in 2017.

## **11. Evaluation by the complainant**

The complaints handler will contact the complainant in January 2017 to check the status of the complaint's situation and to make sure that he/she is connected to local organisations.