

Complaint – Living Crafts, Bierbaum Proenen & Hess Natur – Romania

Status: Closed

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, Bierbaum-Proenen & Living Crafts.

2. Accused party

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

3. Date of receiving complaint

7 November 2016

4. Filing party

A worker that resigned in February 2017 from 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, Bierbaum-Proenen and Hess Natur.

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. Salary calculations and administration of attendance lists, pay slips and so on is done internally.

FWF's complaints handler spoke to the complainant on 24 November. The wage record of the complainant was not accurate for specific months when the complainant was in medical leave. However, according to the complainant, both the employer and the complainant agreed that the complainant would work during the medical leave and working hours were recorded as usual. Consequently, the medical certification was not added in the financial calculations. In addition, the worker stated that he/she performed overtime hours on Saturdays against recommendations by medical personnel. The wage record revealed that during summertime the medical leave was not mentioned on the individual wage record. Thus, the complainant's statements on this matter could not be verified.

In October 2016 the individual wage record of the complainant revealed that the complainant was not paid the productivity bonus for the whole month, and not for the 4 days of medical leave. According to the complainant he/she was not informed about this deduction. The complainant resigned and the complaint was closed before this issue was assessed further/with factory management.

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 workers.

Workers can ask HR related questions to the administrator but this person is also part of factory management. Also, there are two worker representatives, but there is no internal procedure to reserve time to fulfill their role as worker representatives.

9. Remediation

FWF recommends all FWF Members sourcing in the factory, to investigate how the production planning set by the German mother company has an impact on the production pressure in the factory.

With regard to stress at work, the current situation should be further assessed, root causes analysed and improvements agreed upon. This may include a procedure for involving the workers in setting realistic production targets. It is highly recommended to have an integrated HR staff person within the factory. This person should not be part of factory management.

The auditors recommend more communication with workers about workloads and wage records: It is important that workers know whom they can go to for an explanation about the wage records.

The complaints handler has connected the complainant to local organisations that supported the former worker to resolve the individual complaint.

10. Verification

The complainant decided to resign. The termination of the individual employment contract of the complainant with the factory was confirmed by the involved parties.

FWF will verify the follow-up of the remediation during the next Brand Performance Checks of the FWF Members.

The opportunity to plan a verification audit within the factory by the end of 2017 or beginning of 2018 will be discussed after a factory visit by Hess Natur. Such an audit would verify the conditions surrounding the complainant's resignation.

11. Evaluation by the complainant

The individual complaint is closed.