

Complaint – Jack Wolfskin, Vaude, Haglöfs, Schoeffel – 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

Jack Wolfskin, Vaude, Haglöfs and Schoeffel.

2. Accused party

A factory located in China supplying Jack Wolfskin, Vaude, Haglöfs and Schoeffel.

3. Date of receiving complaint

The complaints were received by FWF through its local complaints handler in China on 1 April 2014.

4. Filing party

The complaint was filed by a worker currently employed by the factory whose contact details are known to FWF but will be kept confidential.

5. The complaint

On 1 April 2014, a packaging worker informed FWF she was diagnosed with lung cancer and is now receiving medical treatment in her home town. The worker claimed she has

already spent more than 20,000 RMB for the medical treatment. She complains that her employer did not buy her social security from the start of her employment on 22 Feb 2012. Without social security the worker is not able to reimburse the medical treatment fee from the local government.

The worker is now requesting the factory to cover all medical treatment fees for her as well as a compensation for her 12 months' loss of salary. Based on the average wage level of where the factory is located, the estimated amount she proposes is 60,000 RMB.

6. Admissibility

FWF decided that the case was admissible on 1 April 2014. The factory is an active supplier of Jack Wolfskin, Vaude, Haglöfs and Schoeffel, all affiliates of FWF. The case is relevant to the following labour standards of FWF's Code of Labour Practices:

- Legally binding employment relationship.

7. Investigation

FWF informed the affiliates about the case. The affiliates immediately contacted the supplier and asked for a reply. Factory management stated they were aware of the case and forwarded documents of agreement with the former worker who was diagnosed with lung cancer. The written agreement showed the management was to pay a lump sum of 35000 RMB.

The worker had already negotiated this complaint with the factory by the internal grievance system and submitted an application to the factory through the Arbitration Commission for Labour and Personnel Disputes of Heshan City, which translated to English and was sent to FWF for reference. The document of arbitration and mediation confirmed the agreements made leading to the lump sum of 35000 RMB.

To investigate the authenticity of this complaint FWF's liaison officer for China was asked to require a copy of the labour contract and evidence of the worker's medical expenses. FWF's liaison officer received the diagnostic report submitted by the worker and confirmed it is valid with a stamp of the local hospital.

The last FWF audit in April 2013 confirmed the factory did not follow local law by not covering the entire workforce with social security insurance. It is a common problem in China that employers commonly do not cover social security for all workers while on the other hand, workers are also often not willing to pay their personal share of the insurance fee.



8. Findings and conclusions

On the basis of above investigation FWF found the complaint grounded. The case was already negotiated through local arbitration. The worker wanted to ensure the lump sum was a satisfying agreements verified by FWF.

9. Remediation

The factory is to pay the lump sum to the worker following agreements by the local labour arbitration office.

10. Verification

The plaintiff confirmed the agreement sent to FWF was valid. As stated in the document, a lump sum of 35000 RMB will be paid to the plaintiff. As per the agreement the amount would be transferred by the end of May 2014. Half June 2014, the plaintiff had not yet received the transfer. The plaintiff will contact FWF once the payment is confirmed.

11. Evaluation by the complainant

The plaintiff thanked FWF and the member companies for cooperation in this case.