

Complaint – Kwintet AB – China

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. Affiliate involved

Kwintet AB (Sweden).

2. Accused party

The complaint was filed against a factory in China which is a supplier of FWF affiliate Kwintet.

3. Date of receipt complaint

The complaint was formally received by FWF through its local complaints handler in China on 7 November 2013.

4. Filing party

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

5. The case

The complainant case was about 5 issues:

1. The plaintiff informed FWF an audit was conducted at the factory. From the plaintiff's production records, the audit concluded the factory worked on a Sunday, which contradicted with the factory's attendance records. The audit report therefore stated the attendance records were falsified. As a result, the

factory lost an important part of their business. Consequently, the plaintiff was punished by the factory and subjected to a monetary fine of 90 RMB.

2. Secondly, the plaintiff complained workers were coached to give favourable answers to any audit team's questions, as to pass the audits. For example, the plaintiff said, they were requested to tell the audit team that they do not have overtime hours, they work 48 hours a week, they are paid by hourly rate, they have 1 day off in a week etc. But in reality, the plaintiff state they work from Mondays through Fridays at least 3 overtime hours a day, and sometimes on Sundays as well; they are paid solely by piece rate.
3. Thirdly, most workers are not provided with social insurance benefits; the plaintiff said he started to work at the factory in 2008, while he was only provided with social insurance benefit as of 2012. He hopes his previous years of insurance benefits (2008 to 2011) can be paid retroactively back by the factory.
4. The trade union is just a product of social audits; it never helps workers with complaints.
5. The plaintiff complained he has been working at a printing workshop where he is in constant contact with chemicals (detergent, solvent, thinner, printing oil etc.), for 5 years. He was only provided with a physical examination this year (2013). He is not sure whether he has already developed some occupational diseases or not.

As the plaintiff cannot stand the unfair rules and regulations, he submitted resignation application on 22 Oct 2013 and expected to leave the factory after one month on 21 Nov 2013.

6. Admissibility

On 28 November 2013 FWF decided that the complaint was admissible as it relates to the Code of Labour Practices and the involved factory has an active business relationship with an affiliate member of FWF.

On 28 November 2013 FWF informed Kwintet that the complaint had been filed through its complaints procedure.

7. Investigation

The first step was to check whether the audit the plaintiff referred to was initiated by Kwintet, which was not the case. Kwintet did an annual audit on 28 February and 1 March 2013 and shared the report with FWF. After reviewing the report, they concluded the findings from the complaint did not appear in their report.

In consultation with Kwintet, FWF decided to schedule an audit to investigate the status by a Fair Wear Foundation audit team.

8. Findings and conclusions

During the audit to verify the complaint, FWF could make the following conclusions:

1. The audit team discussed this issue with factory management. The factory lost a lot of business as a result of the failed audit and therefore gave a fine to the worker who they believed was the reason for failing the audit. The monetary fine to the worker was 90 RMB. The factory refuses to return the amount to the plaintiff.
2. During the audit to verify the complaint, the audit team did not conclude workers were trained to give favourable answers. The team found management open and transparent and the team was given access to the correct records. According to factory management, they experience many audits by third-party audit companies with a pass/fail system.

The audit found excessive overtime: the weekly working hours for workers from the goggle injection, printing and cutting workshop are over 60 hours (i.e. 63 to 66 hours up to 80 hours). The working hours for the remaining workforce are around 60 hours.

A small portion of the goggle injection workers work more than 3 regular overtime hours a day (i.e. 3.5 to 4 hours) for 10 or more days in a month.

Most workers are entitled to 1 day off in a week except the workers from the goggle injection workshops, where workers work consecutively for more than 7 days up to 13 days.

3. According to management, the plaintiff was given compensation for social insurance in retrospect from 2008 to 2012. Management showed evidence of 28247 RMB signed by the local labour bureau.
4. The factory has an official trade union, affiliated to the ACFTU. The chairman is appointed by management. The function of the trade union currently is focused on organizing activities and exchanging festivity gifts. The factory has joined the 'WE-project' that is promoting communication and dialogue between workers and management.
5. The audit team verified the Occupational Health examination has taken place in April 2013. The examination report does not state a negative result.

9. Corrective action

FWF recommended Kwintet to convince the supplier to reimburse the fine of 90RMB to the plaintiff.

Kwintet is requested to analyse and reduce excessive overtime at the supplier.

10. Verification

FWFs complaints handler spoke to the plaintiff on 23 January 2014. The plaintiff confirmed the social insurance has been paid in retrospect with a total amount of 28247 RMB, which corresponds with the amount our audit team received during the audit.

The plaintiff additionally mentioned the 90 RMB monetary fine still feels unfair, but given the amount of time that has passed and the factory keeps refusing to pay, he does not feel confident this will be resolved and is willing to accept this.

FWF will verify Kwintet's efforts to reduce excessive overtime during next performance check.



11. Evaluation

The plaintiff thanked FWF for facilitating the insurance payment and for its commitment to realise a solution. The plaintiff confirmed to contact FWF in case a conflict would occur in the future.