



Complaint – Espresso – Tunisia

Status: New complaint

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

Espresso

2. Accused party

A factory located in Tunisia supplying Espresso.

3. Date of receiving complaint

December 9, 2015.

4. Filing party

A worker that is currently employed by the factory and is a member of the trade union.

5. The complaint

The complainant claimed management has (recently) increased the expected rate of efficiency from 80% to 85% without consultation with workers, the trade union or the consultative committee. Because of the increased rate of efficiency, the complainant indicated that workers are now obliged to work overtime. Workers also claim to have asked for a meeting with management about this issue, but that meeting was refused.

6. Admissibility

FWF decided that the case is admissible on December 14, 2015.



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The factory is an active supplier of Espresso, an affiliate of FWF.

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

Practices:

- Freedom of Association
- Reasonable Hours of Work

7. Investigation

FWF informed Espresso about the case. Espresso contacted the supplier and received a reply. The complaints handler contacted the worker involved to verify some aspects of the claim and later also received an update of the situation. In addition to this, another member of the FWF team in Tunisia reviewed national labour law legislation on the issue of efficiency increases and worker consultation.

8. Findings and conclusions

FWF investigated what the legal requirements were for implementing an efficiency increase.

There are two **legal** references:

- Article 134-3 of the Code of Labor deals with the possibility of having part of the wage based on productivity. This is possible in the company only through an agreement between employees' representatives and employer. This agreement contains adopted standards for efficiency improvement and the measures aimed at production increase and quality improvement.
- Article 9 (new) from the Collective Agreement Framework states that production standards and productivity bonuses are determined by a technical joint committee. This committee is composed of two technicians representing employees who are nominated by the CCC and two technicians designated by the employer. In case the company does not have a CCC, they will be designated by the company trade union. It is also stated that in the case of a disagreement on productivity standard setting, a new joint committee should be set up to find a solution. This committee is composed of three experts respectively nominated by (UTICA), (UGTT) and the Ministry of Social Affairs and Solidarity. The expert from the Ministry will have a conciliatory role.

In **practice** for the consultation of a trade unionist and labor inspector in charge of social dialogue and conciliation:

- When a company decides to adopt production standards and therefore to pay a productivity bonus, it involves, from the beginning, three parts: employee representatives, company representatives and a labor inspector. The presence of a labor inspector is for the purpose of conciliation because most of the time there is a disagreement between employer and employees. Technicians use timing to fix production standards. The trade union is involved only when these parts fail to find a compromise. At this moment there is a referral to a technical joint committee (Article 9 mentioned above). Its decision is definitive.



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According to information received from factory management, the efficiency target announced to workers would increase to 85%. This was, according to management, part of an agreement management made with workers in June of 2012, that their salaries would increase in exchange for higher efficiency targets. FWF was unable to find evidence that this target had been set in the proper legal manner as described above. When Espresso asked the factory for further explanation, management denied that these efficiency targets had been implemented. The topic was raised in a consultative committee meeting held on December 7, 2015, and as a result of this meeting the complaint hotline was called by a member of the trade union.

After Espresso contacted the factory for more information, there were two meetings together with the local government of Bizerte. The meetings were attended by worker representatives and the factory HR representative. The end result of these meetings was that the (planned) efficiency target increase was not implemented.

9. Remediation

Both management and workers confirm that the efficiency rate increase proposal has not been implemented. Workers indicate that they were aware of the positive role Espresso played in resolving the complaint, and were appreciative of this.

Should management in the future want to implement a productivity increase and link this to wages, it should follow the legal method as described above.

10. Verification

At the end of 2016, there will be an evaluation of the factory situation. Based on this evaluation, a decision will be made at that time to conduct a verification audit or not.

11. Evaluation by the complainant

As mentioned above, the complainant and workers indicated that they were aware of the positive role Espresso played in resolving the complaint, and were appreciative.