

Complaint – VAUDE – Vietnam

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. Member company involved

VAUDE

2. Accused party

A factory located in Vietnam supplying VAUDE.

3. Date of receiving complaint

21 September 2016

4. Filing party

A worker that is currently employed by the factory.

5. The complaint

The complainant stated her supervisor requires workers to work overtime without time recording and no adequate overtime payment. According to the worker the supervisor has asked workers to come early to start their job at 7:30AM instead of 8:00AM as per company's regulation. If workers arrived after 7:30, they will be scolded by the supervisor.

Workers were forced to work overtime from 5:00PM to 8:00PM without time recording. If workers do not work overtime as supervisor's requirements, the supervisor has threatened to make a record and to fire workers.

Moreover, according to the complainant, the supervisor required workers to continue working during lunchtime.

Pregnant workers and workers who are breastfeeding were not allowed to leave early (at 4:00PM) as per factory's policy. The supervisor has required these workers to stay until 5:00 PM instead 4:00PM and did not record working hours from 4:00 - 5:00PM. The worker said that these problems have occurred within the last 3 months.

6. Admissibility

FWF decided that the case is admissible on 23 September 2016.

The factory is an active supplier of VAUDE, a member of FWF.

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

- Reasonable hours of work
- Payment of a living wage

7. Investigation

FWF informed VAUDE about the case. VAUDE contacted the supplier and asked for a reply within one week. During a Skype call with factory management the production targets and overtime issues were discussed. The supplier indicated the factory does not allow workers to start working early and work during lunch time. According to management, they do not request workers who breastfeed to stay until 5 pm. Factory indicated to have adopted measures such as no electricity before 7.30 am and during lunch time and organizing a meeting with management team to implement policy for corrective actions. Management also said to have assigned an HR representative to focus on employee communication and ensure the workers have communication channel to voice out if any violation occurs.

The most recent audit conducted by a FWF team in April 2016 concluded several cases of excessive overtime took place between October 2015 and March 2016.

FWF requested VAUDE to collect evidence of the above statements and suggested to send a FWF auditor to conduct a documents check and conduct (offsite) worker interviews. Factory management agreed to send evidence and have a FWF auditor conduct a documents check. VAUDE sent time records of June 2016 that were reviewed by FWF's complaints handler.

VAUDE and FWF agreed additional investigation was needed. FWF's complaints handler conducted 9 offsite worker interviews on 13 November and visited the factory for a documents inspection on 16 November. On site, the complaints handler additionally interviewed 8 workers (including 3 pregnant workers and 1 breastfeeding worker), 3 line leaders and a production manager. Time-records were checked from 1 September to 16 November, payroll and incentive bonuses were reviewed of 4 production lines.

8. Findings and conclusions

Overtime hours worked in case of repairing a defect was not paid correctly. Given that the line leaders could not remember which workers stayed extra time for repairing implies the regular fingerprint time-record registration was not used.



Factory did announce to all workers they can approach HR department to request the overtime reimbursement. The complainant confirmed the overtime hours were now paid correctly.

The workers interviewed as part of the investigation stated recent improvements have been noticeable regarding hours of work. Factory stopped extending working hours after working time and power is shut off after 20 minutes after regular working time ends. During lunch power and light is shut off as well and workers take a rest during lunch instead of continuing their work/repairs. Workers indicated they feel happy these improvements took place and expect it to continue.

Time records showed pregnant and breastfeeding workers worked 7 hours a day and did no work overtime; they did not check-in before 7:30 and left before 16:25.

From the documents inspection, FWF's complaints handler concluded the incentive bonuses have been calculated, recorded and paid accurately. However, workers are unaware of how their incentive bonus is calculated.

9. Remediation

Factory management must continue to ensure line leaders do not request the workers to stay longer to repair the defected garment without payment. A solution must be found to do repair work during regular hours now that it is no longer possible to do that during lunch time or after work.

All hours should be registered using the finger print time-keeping system. VAUDE is advised to assess in cooperation with the factory how workers can be paid in retrospect for the additional hours that were worked in September and October without registration.

In cooperation with VAUDE, factory is requested to set up an action plan to reduce excessive overtime in upcoming peak seasons. In consultation with workers, a solution must be found for the high production targets that pressure workers. Workers need to be informed on how their incentive bonus is calculated.

It is suggested to conduct a Workplace Education Programme session to raise awareness of labour rights and as a first step for dialogue between workers and management on the issue of working hours.

10. Verification

The additional worker interviews and documents inspections led to the conclusions above. FWF will verify VAUDE's follow up on the remediation during next performance check.

11. Evaluation by the complainant

Additional workers that were interviewed in November stated they are satisfied with the improvements that took place. FWF's complaints handler has not been able to reach the complainant again.