

Complaint – DW-Shop– India

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

DW-Shop GmbH (DW-Shop)

2. Accused party

A factory located in India supplying DW-Shop.

3. Date of receiving complaint

10th July 2016.

4. Filing party

A worker that has been dismissed by the factory. The identity of the worker has been revealed to the factory with his consent.

5. The complaint

The complainant claimed that he had been working at the factory since 2013. According to him, he took leave for one month on 11th February 2016, but did not return to the factory until 9th June 2016. The management had replaced him due to his long unreported absence and did not want to take him back.

The worker accepted his dismissal and asked management for his full and final payment and the form necessary to collect social security (PF). The HR manager told him to come back in two days as they needed time to prepare the files. The worker returned

several times to the factory during the last weeks to collect his payment, but was repeatedly told that it was not yet ready.

As the factory was no longer receiving his calls, the complainant called FWF.

According to the complainant, the following payments are due: Wages of 11 days (1-11 February 2016), overtime payments (3 hours daily on working days and 8 hours on Sunday (7 Feb 2016), leave encashment (if any), bonus (if applicable). In addition, he needs a completed and signed form from management in order to withdraw his social security (PF).

The worker has an ID card (issued 2014), a copy of his leave application, and a salary and social security slip from August 2015. According to the worker, salary slips were only given out once. He did not have a copy of his contract or appointment letter.

6. Admissibility

FWF decided that the case is admissible on 11th July 2016.

The factory is an active supplier of DW-Shop, a member of FWF.

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

- Employment is freely chosen
- No excessive working hours
- Legally binding employment relationship

7. Investigation

FWF informed DW-Shop about the case on 11th July 2016.

The worker called the FWF complaint handler again on 12th July and informed that he went to the factory and met the management. Then he emphasized that the management had already paid all dues in the past and that he filed the complaint to FWF only to get his job back. The complaint handler had the feeling that the worker was calling from the factory and was talking in presence of management.

On 13th July, DW Shop received an email from the factory where management claims that they had paid 11 260 INR to the worker already on 8th June. This would match legal requirements (except for overtime payments). They were however unable to re-hire him.

On 15th July, FWF called the worker again to confirm whether he received the stated amount and whether he would like to withdraw the complaint. The worker stated that he was called by management on 12th July and offered 7 017 INR in exchange for signing a blank paper (where the amount of 11 260 INR and the date of 8th June was later filled in) and calling FWF again to say that he withdraws the complaint and that he received the full payment on 8th June. The worker accepted this as he was in need of the payment. Contrary to what the factory says, the worker accepts his dismissal. The only thing he still wants is the signed form from management needed to collect social security payments (PF). He did not ask for additional money.

FWF asked DW Shop to discuss the situation again with the supplier. The supplier insisted that they had paid the full amount of 11 260 INR on 8th June.

FWF called the worker several times, but was unable to reach him.



During a FWF audit at the supplier in April 2015 several non-compliances among others related to legally binding employment relationships and excessive working hours were observed.

8. Findings and conclusions

FWF is unable to draw a final conclusion, whether the worker received the full payment and relevant forms to claim social security or not.

Legally, he is at least entitled to the amount of 11 260 INR (not counting overtime payments). He claims he only received 7 017 INR, so a difference of 4 243 INR remains.

Taken into account that the worker communicated to FWF that he accepted his dismissal and the audit findings from the previous year, FWF's impression is that it is likely that the worker was asked to sign a blank paper in exchange for a lesser amount.

As the worker was not available for further follow-up, FWF has closed the complaint.

The claims regarding excessive overtime and lack of formal contracts/regular wage slips are difficult to verify without further investigation. They are however consistent with previous audit findings.

9. Remediation

The following remediation steps should be implemented:

- DW Shop must explain to the supplier that transparency and the willingness to improve are crucial parts of their business relationship. Complaints received through the FWF hotline should be resolved through the complaints procedure. Complaints are considered as positive as long as the supplier is willing to work on remediation.
- All workers that resigned or were dismissed should receive their full and final payments as well as all necessary forms in a timely manner.
- Working hours should always be non-excessive and paid at a double rate according to Indian legislation.
- All workers must receive appointment letters and contracts as well as regular wage slips.

10. Verification

FWF will verify the current status during an already planned verification audit in October 2016 as well as at the next Brand Performance Check at DW Shop.

11. Evaluation by the complainant

The complainant was unavailable for a final evaluation.