

Complaint – Jack Wolfskin, Schöffel Sportbekleidung GmbH – Vietnam

Status: Pending verification

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 involved

Jack Wolfskin DEU (hereafter Jack Wolfskin) and Schöffel Sportbekleidung (hereafter Schöffel).

2. Accused party

A factory located in Vietnam supplying Jack Wolfskin and Schöffel.

3. Date of receiving complaint

The complaint was received by FWF through its local complaints handler in Vietnam on 12 December 2016.

4. Filing party

An employee that is employed at the factory.

5. The complaint

The complainant claimed working hours at the employer were excessive. The overtime hours are said to be between 3 and 5 hours per day. According to the complainant he had an average of 90-100 overtime hours per month during the last half year. The complainant stated employees do not have time for sufficient rest or time to take care of their children.

The employee requests the factory to reduce overtime hours to approximately 2 hours per day or 12 hours per week. The complainant mentioned several employees have made this request to their supervisors, HR department and labor union but no improvement was seen so far.

6. Admissibility

FWF decided that the case is admissible on 14 December 2016.

The factory is an active supplier of Jack Wolfskin and Schöffel, members of FWF.

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

- Reasonable hours of work

7. Investigation

Jack Wolfskin and Schöffel immediately informed the supplier of the complaint and received a reply from factory management. Management confirmed they indeed experienced some overtime in several departments in November 2016. Management stated they will pay more attention to the working hours after which Jack Wolfskin and Schöffel requested additional information for setting up a remediation plan. Moreover, factory management checked with the HR and Labour Union to see whether they have received requests/complaints regarding overtime hours. Both stated no complaints were known to them. Top management planned to investigate whether HR has possibly missed workers' requests.

Following management's reply, FWF's Complaints Handler spoke to the complainant by phone. The complainant gave additional information: overtime hours were approximately 90 hours in December 2016 including two Sundays. A few employees have said to filed their complaint to factory manager in December after which overtime appeared to reduce slightly. Working hours are recorded by fingerprint system.

FWF members requested the factory to provide additional documentation, including attendance lists and factory grievance policies. On the 10th of January 2017 FWF received the following records:

1. Checklist attendance Oct.
2. Checklist attendance Nov.
3. Checklist attendance Dec.
4. Report overtime Oct.
5. Report overtime Nov.
6. Report overtime Dec.
7. Flow of claim Vietnamese
8. Flow of claim English

Meanwhile FWF members learned the factory has assigned a new manager to monitor both the quality as productivity and working hours; factory management argued they have seen an improvement since.

FWF's complaints handler reviewed the documents. In addition, the complaint handler spoke to two other employees on 22 January by phone. The interview focused on grievance system and working hours.

8. Findings and conclusions

After reviewing the documents and additional interviews with workers, the complaint was found grounded.

1. Working hours

The working hours as described by the complainant matched the time records that were sent by factory management. From reviewing time records from October 2016 to December 2016, it was noted that excessive overtime work was exceeding the legal limit of four hours per day (6.5 recorded hours/day), the limit of 30 hours per month (approximately 72% of workers in Oct and in November, and 81% of workers in Dec worked overtime of 31 hours/month to 125 hours/month) and in excess of the FWF code limit of 12 hours/week (33 overtime hours worked per week).

From October to December 2016 it was noted that approximately 4% of workers worked 1 to 3 Sundays in October, 18% of workers worked 1 to 4 Sundays in November, and 29% of workers worked 1 to 3 Sundays in December 2016, all without compensating days off.

One of the two employees who was interviewed by phone said to have worked between 60 to 95 overtime hours a month and about 12 hours to 30 hours per week. The other employee stated the overtime hours were approximately 95 hours in December 2016 with a maximum of 5 hours a day and 27 hours a week and 2 Sundays without a compensating day off in Dec 2017. According to the employees, the income from working overtime hours accounts for approximately 30% of their monthly income. In their opinion, the ideal overtime hours are between 12 hours to 16 hours a week and between 2 to 4 hours a day. The employees also stated that when the factory needs to work overtime, the management normally informs the schedule to workers one week in advance. However, in the last 2 months, the overtime schedule was only communicated in the morning of the same day. Workers record their working hours by fingerprints two times a day.

2. Communication, consolation and grievance system.

Interviewed workers were not aware of the factory's policy and procedures on grievances. The employees did not see a suggestion box in the factory; rather they will directly go to their line leaders in case they have a complaint. They are not aware of any dialogue meetings between management, trade union and employees. They themselves never sent any complaint on hour of work to their line leaders. However, in the line meeting in December 2016, some workers in their line said that they want the overtime hours to be reduced.

From the documents review, it was noted the factory has a written grievance procedures dated 01 March 2016. However, the procedure does not mention that employees are allowed to report grievances confidentially and without the risk of non-retaliation. The feedback will be within 30 days which is too long according to FWF's complaints handler.

9. Remediation

Working hours should not exceed legal limits. Factory must set up a corrective action plan to reduce overtime hours to the legal limit. Overtime hours should not exceed 4 hours a day, 12 hours a week, 30 hours a month and 300 hours a year. Factory management must revert to their earlier system of informing the working hour schedule to workers one week in advance. After the change in factory management, FWF members must verify the reduction of overtime in the most recent months. FWF members have requested overtime and attendance records of January and February 2017 for review.

Moreover, according to Article 110 of the Vietnamese Labor Code, in every week, each employee shall be entitled to a rest of at least twenty four consecutive hours. In special cases, due to the work cycle, the employee cannot take weekly rest, the employer shall ensure that employee is entitled to at least 4 days off per month on average. According to the FWF Code of Labour Practices, in any event, workers shall not on a regular basis be required to work in excess of 48 hours per week and shall be provided with at least one day off for every seven-day period.

FWF recommends the members to work with factory management on production planning and to train workers and management on grievance mechanisms. The grievance procedure should be clearly communicated to all workers, which the FWF members have requested the factory to do so. In addition, the FWF members may suggest the factory to enrol in FWF's Workplace Education Programme. Employees should be able to report grievances confidentially and without the risk of non-retaliation. Management is encouraged to shorten the feedback time to 10 days.

A training as part of FWF's Workplace Education Programme could be a first step in raising awareness and support better communication between employees and management. An additional step could be to organise a specific training for the labour union and HR on grievance mechanisms and social dialogue.

10. Verification

Remediation by the FWF members will be verified during the next performance check. FWF will schedule an audit to verify improvements at the factory in 2018.

11. Evaluation by the complainant

FWF will contact the complainant again in May 2017 to evaluate whether the situation has improved.