



Complaint – Living Crafts, Bierbaum-Proenen & Hess Natur – Romania

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

Hess Natur, Bierbaum-Proenen & Living Crafts.

2. Accused party

A factory located in Romania supplying Living Crafts, Bierbaum-Proenen and Hess Natur via a German mother company.

3. Date of receiving complaint

7 November 2016

4. Filing party

A worker that resigned in February 2017 from the factory.

5. The complaint

The complainant stated that production targets lead to pressure and stress in the factory.

According to the complainant, workers were requested to work on Saturdays. Workers were asked one week beforehand if they could work on Saturdays. The complainant stated that overtime records, annual leaves and payment of their bonuses were not always clearly presented on their pay slips which make it difficult to understand on what their wages are based on.



In addition, the HR department is externalized which makes it difficult for workers to directly contact and consult a HR person for support related to work stress.

6. Admissibility

FWF decided that the case is admissible on 24 November 2016.

The factory is a supplier of Living Crafts, Bierbaum-Proenen and Hess Natur.

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

- Safe and healthy working conditions

7. Investigation

Hess Natur had planned an audit with a FWF audit team for 23 and 24 November. The FWF complaints handler decided to speak to the complainant and investigate the complaint case during the audit.

FWF decided not to inform the management of the factory and the FWF member brands about the complaint before and during the audit in order to keep confidentiality about the case. During the exit meeting of the audit the general issues raised by the complainant were discussed with factory management and remediation steps were discussed.

8. Findings and conclusions

The audit conducted by a FWF team concluded that workers perform overtime hours on Saturdays within legal limits. The audit confirms that workers were asked one week before if they could perform overtime hours on Saturdays. The overtime hours and productivity bonuses of workers are posted in the factory. Wage records do represent overtime hours, annual leaves and bonuses. Salary calculations and administration of attendance lists, pay slips and so on is done internally.

FWF's complaints handler spoke to the complainant on 24 November. The complainant mentioned that he/she got sick and needed medical treatment in July 2016. The treatment required the complainant to see the doctor in the morning and evening, not during the day so the complainant could continue normal working hours and received regular wage (instead of receiving 75% of regular wage according to law, when official medical leave was registered). Both the employer and the complainant agreed that the complainant would work regular hours and working hours were recorded as usual in July. There was not filed a medical leave certificate, so the medical leave was not registered on the wage record for July when the complainant was sick. Furthermore, the complainant performed overtime in July, including working two full Saturdays; the pay slips and the overtime records issued for July 2016 confirm this statement.

According to the complainant, he/she took four days of medical leave in October 2016; the medical certification was presented to management. FWF verified the existence of this medical certification during the audit. Although there was no medical certification added in the financial calculations for October, the meal tickets and productivity bonus



were deducted for the whole month and not for the four days of absence. According to the complainant he/she was not informed about this deduction.

According to the worker interviews during the audit, more workers face work stress and exhaustion due to production pressure. There is a significant decrease in number of personnel since 2014, which reduced the production capacity and put more pressure on the remaining workers.

Workers can ask HR related questions to the administrator but this person is also part of factory management. There are also two worker representatives in the factory that could be consulted. Interviewed workers described during the audit that they discuss e.g. overtime, meal and gift tickets with the representatives. However, there is no internal procedure to reserve time for the worker representatives to fulfill their role and they have limited decision power.

9. Remediation

FWF recommends all FWF Members sourcing in the factory, to investigate how the production planning set by the German mother company has an impact on the production pressure in the factory.

With regard to stress at work, the current situation should be further assessed, root causes analysed and improvements agreed upon. This may include a procedure for involving the workers in setting realistic production targets.

Hess Natur visited the factory premises and was informed that one worker and one line manager are involved in setting the standard time for new production processes. New production processes are marked as being under 'testing', and only after the process was actually sewn several times the production process was fixed. If, for any reason, the workload seems unrealistic to workers, they can approach line managers and the timeframe will be reassessed.

The process of setting production targets needs to be verified by a verification audit/visit.

It is highly recommended to have an integrated HR staff person within the factory. This person should not be part of factory management.

The auditors recommend more proactive communication with workers about workloads and wage records: It is important that workers know whom they can go to for an explanation about the wage records. Worker interviews revealed that workers know that they can go to the administrator /worker representatives whenever they have questions related to their workloads and wage records. But workers are not clearly explained how the individual workloads are set. FWF recommends that the factory strengthens its internal communication channels. The worker representatives should get time/decision-making power for workers' questions.

The complaints handler has connected the complainant to local organisations that supported the former worker to resolve the individual complaint.

Hess Natur has visited the factory premises in May 2017 to discuss the points raised in this complaint with factory management and set corrective actions where needed.



10. Verification

The complainant decided to resign. The termination of the individual employment contract of the complainant with the factory was confirmed by the involved parties.

FWF will verify the follow-up of the remediation during the next Brand Performance Checks of the FWF Members.

The opportunity to plan a verification audit within the factory by the end of 2017 or beginning of 2018 will be discussed with FWF members and factory management. Such an audit would verify the status of the points raised in this complaints report.

11. Evaluation by the complainant

The individual complaint is closed.