

Complaint – Jack Wolfskin – Thailand

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. Affiliate involved

Jack Wolfskin

2. Accused party

A factory located in Thailand supplying Jack Wolfskin.

3. Date of receiving complaint

25 August 2014

4. Filing party

The Clean Clothes Campaign international submitted the complaint on behalf of the following NGOs: MAP Foundation, Yaung Chi workers association (YCWAO), and Foundation for Education and Development (FED). For the sake of clarity, the complainants appointed a representative of MAP Foundation to be the communication channel vis-à-vis FWF.

5. The complaint

The complainants claimed that 13 worker representatives were dismissed by the factory management due to their efforts and activities to represent the migrant workers at the factory. This complaint is linked to an earlier complaint regarding the same factory. The previous complaint report is available here: <u>http://www.fairwear.org/506/resources/</u>



The 13 dismissed workers were part of the group leading demonstrations at the end of March, protesting amongst others against payment below minimum wage. This earlier complaint, submitted on 1st of April 2014, is currently under remediation.

6. Admissibility

FWF decided that the case is admissible on 25 August 2014.

The factory is an active supplier of Jack Wolfskin, an affiliate of FWF.

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

- Freedom of association and the right to collective bargaining
- A legally binding employment relationship

7. Investigation

On 25 August, FWF informed Jack Wolfskin about the case. Jack Wolfskin immediately discussed the alleged dismissal with the factory management. The factory management responded that some workers tried to attack the wife of the factory owner, as well as the factory manager. The management provided FWF a document signed by the police and the military that some worker representatives in question were leading the unrest.

FWF started an investigation on 4 September 2014. The worker interviewer completed interviews with factory workers. Jack Wolfskin hired a third party consultancy – Sumations, who visited the factory on 9-10 September to gain more information. Both reports were submitted to FWF.

8. Findings and conclusions

The investigation of FWF had the following findings:

The factory fired 3 worker representatives in July, and on 8 and 9 August respectively. One worker was fired because of smoking in the toilet, which was prohibited according to the factory regulation. Another two were fired because they were absent during the demonstration and negotiation in the protest in April.

On 10 August one of the worker representatives had an argument with the wife of the owner. Other workers immediately stood up for the representative. Unrest broke out in the factory. After a few hours, the police arrived and workers calmed down. The factory management decided to fire 10 worker representatives, accusing them of organising an attack.

FWF and Jack Wolfskin concluded that the initial three workers' dismissals in July and August were neither fair nor according to the law. A full investigation into the ensuing unrest, however, was not possible, as at least 60 workers resigned after the event.

FWF and Jack Wolfskin decided that the factory should negotiate with the 10 representatives to come to an agreement for reinstatement or settlement.



FWF cannot exclude the possibility that the dismissal was related to the representatives' efforts and activities to organise workers to claim their rights.

9. Remediation

The factory refused to hire back the worker representatives. At the same time, MAP foundation informed FWF that the worker representatives felt frustrated and did not want to be reinstated.

The best solution according to MAP foundation was to negotiate proper compensation for the dismissed the workers. Jack Wolfskin agreed with the proposal. However it had become very difficult for Jack Wolfskin to communicate with the factory management since August. The factory did not want to talk with the CSR department, neither the production department.

FWF suggested Jack Wolfskin continue to build communication with the factory management through different means, and discuss the compensation for workers.

At the end of October 2014, the factory announced that it had to close down on 10 December 2014 because it did not have enough orders from its customers.

10. Verification

According to offsite workers interviews, and MAP foundation, the dismissed worker representatives had received certain compensation from the factory management in October. The exact amount could not yet be verified because the FWF local audit team had no access to the factory. Nonetheless, MAP foundation indicated that compensation was found acceptable given the current situation.

11. Evaluation by the complainant

MAP foundation confirmed that compensation was paid to the workers, which was found acceptable.