

Fair Labor Association: Independent External Factory Assessment

Assessment Date :

10 Jul 2023



Factory Information

FLA Affiliates	Bella+Canvas
Country	United States of America
Number of Workers	49

Understanding this Report

Companies that join the FLA agree to uphold the FLA Workplace Code of Conduct throughout their entire supply chain. The Code of Conduct is based on International Labour Organization (ILO) standards, and defines labor standards that aim to achieve decent and humane working conditions.

FLA Code Element

Number of Violations

Compensation (C)	2
Employment Relationship (ER)	10
Health, Safety And Environment (HSE)	4

Assessment Information

Assessor	Rodriguez Compliance Group
Assessment Date	10 Jul 2023
Assessment Purpose	

ASSESSMENT RESULTS

Compensation (C)

Benchmark ID	C.1.1
Benchmark Details	Employers shall comply with all national laws, regulations and procedures concerning the payment of compensation to workers.
Finding Details	The temporary labor agencies do not pay new hires for the time spent in new hire orientation. The temporary labor agency contends that during the application and interview process, that they provide an orientation on the labor agency's policies and procedures, however, the new hire is not paid for the orientation period. The labor agency estimates that new hire orientation is approximately one hour.
Recommendation for Immediate Action	1. Ensure the new hire orientation is distinct event from the application and interview process. 2. Ensure all new hires are paid for the orientation period. Root cause: The company is not the employer of record.
Compliance Classifications	Immediate Action Required
Local Law	CA minimum wage requirement or FLSA minimum wage requirement
Benchmark ID	C.19.1
Benchmark Details	Employers shall make every reasonable effort to ensure workers understand their compensation, including: the calculation of wages, incentives systems, benefits, and bonuses they are entitled to at the workplace and under applicable laws.

Finding Details	1. All benefits are provided by the employer of record which is the temporary labor agency. However, the company does support workers by paying the labor agencies the cost of the 5-day annual vacation (after 1 year of service) and the holiday pay for Thanksgiving for all production workers.
Recommendation for Immediate Action	
Compliance Classifications	Notable Feature
Local Law	

Employment Relationship (ER)

Benchmark ID	ER.14.1
Benchmark Details	Employers shall use standard contract language with employment agencies or intermediaries that specifically imparts power to employers to directly pay wages to migrant/ contract/ contingent/ temporary workers and ensures equality of compensation and workplace standards as set under the FLA Workplace Code and national laws and regulations.
Finding Details	The company pays the temporary labor agency for the services of contracted labor, but the temporary labor agencies pay the weekly wages to their employees directly. The company did not provide any evidence of monitoring or auditing if the compensation payments are properly paid by the temporary labor agencies according to FLA Workplace Code and national laws and regulation.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	
Benchmark ID	ER.11.7

Benchmark Details	Employers must ensure the following minimum terms and conditions are met in the employment of contract/contingent/migrant/temporary workers: contract/contingent/temporary workers are given priority when the enterprise is seeking 'new' permanent employees.
Finding Details	Review ER.10.1
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	
Benchmark ID	ER.18.1
Benchmark Details	Employers shall have written disciplinary rules, procedures and practices that embody a system of progressive discipline (e.g. a system of maintaining discipline through the application of escalating disciplinary action moving from verbal warnings to written warnings to suspension and finally to termination).
Finding Details	Review ER.18.6
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	
Benchmark ID	ER.7.1
Benchmark Details	Employers shall have written policies and procedures with regard to performance reviews that outline the review steps and process, demonstrate linkages to job grading, prohibit discrimination, are provided in writing and seek feedback and agreement/disagreement from employees in writing, and that follow all local legal requirements.

Finding Details	Performance reviews are not implemented with production or agency workers.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	
Benchmark ID	ER.19.1
Benchmark Details	Employers shall maintain on file all documentation needed to demonstrate compliance with the FLA Workplace Code and required laws.
Finding Details	Company management confirmed that the CA Garment Mfg. Certificate has expired, and Senior HR Manager advised the company is in the process with local authorities to renew the certificate.
Recommendation for Immediate Action	Renew the CA Garment Mfg Certificate and post per legal requirements.
Compliance Classifications	Immediate Action Required
Local Law	California Code of Regulations, Title 8, Section 13630.
Benchmark ID	ER.10.1
Benchmark Details	Employers shall not hire contract/contingent/temporary workers as a means to support continuing business needs on a long-term basis.

Finding Details	All forty-nine (49) workers in the production area are hired directly by the temporary labor agencies. The company has contracted with the two labor agencies for at least 3 years. Company management stated that it is the strategic plan of production to rely on the contracted services of production workers. Additionally, through worker interviews, workers said that since being assigned to the factory they have not witnessed any contracted production worker being put on permanent payroll with the company.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	
Benchmark ID	ER.10.2
Benchmark Details	Employers shall not renew contracts for multiple successive short-terms in lieu of providing regular employment.
Finding Details	Review ER.10.1.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	
Benchmark ID	ER.1.3
Benchmark Details	Employers should implement an annual, review process with input from workers of all policies, procedures and their implementation to ensure they meet legal requirements and the FLA Workplace Code.

Finding Details	Worker and on-site temporary agency representative involvement is limited to participation in the Health and Safety meetings. While company management provides communications and has meetings with the general workforce, there is no evidence of an annual review process by which workers participate in or provide feedback into the factory policies, procedures and implementation.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	
Benchmark ID	ER.18.6
Benchmark Details	The workplace shall commit to non-retaliation for all steps of the disciplinary process, including for a worker requesting a witness and filing an appeal of disciplinary action.
Finding Details	1. The temporary agency disciplinary procedures do not include the use of a third party witness or an appeal process. 2. The company has communicated through the Supplier Compliance Manual the code expectations on progressive discipline (see page 23), however the company has not monitored if the code expectation is met.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	
Benchmark ID	ER.16.3
Benchmark Details	Where temporary or permanent layoffs are unavoidable, a plan should be developed and implemented that mitigates the adverse effects of such changes on workers and their communities.

Finding Details	In January and February 2023, the company advised the staffing agencies which provide staff for the facility of a reduction in production requirements, which resulted in the labor agencies re-assigning workers away from the facility. The company conducted monitoring of the agency's work to re-assign these workers to other sites, and the company and agency remained in compliance with laws regarding severance. The assessment found, however, that a plan to mitigate the adverse effects of this reduction on the agency's workers was not communicated.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	

Health, Safety And Environment (HSE)

Benchmark ID	HSE.1
Benchmark Details	Employers shall comply with all national laws, regulations and procedures concerning health, safety, and the environment.
Finding Details	The following Health, Safety and Environment issues were identified during the physical review of the facility: 1. Fire Extinguishers lack the monthly visual review, as per OSHA requirement 29 CFR 1910.157(e)(1) 2. Portable eyewash stations (2 units) with expired saline solution, as per OSHA requirement 29 CFR 1910.151(c) 3. Electrical panels lack the required 3 feet of safety perimeters, as per OSHA requirement 29 CFR 1910.303(g). 4. Portable ladders are not properly stored or restrained, as per CAL OSHA and OSHA requirements.
Recommendation for Immediate Action	1. Comply with the OSHA requirements mentioned above . 2. Train individuals in responsibility to review critical items. 3. Establish a periodic review (daily, weekly, or monthly) which is documented and reviewed by the H&S committee. 4. Train workforce to report any issues.

Compliance Classifications	Immediate Action Required
Local Law	Fire Extinguishers - OSHA requirement 29 CFR 1910.157(e)(1) Portable eyewash stations - OSHA requirement 29 CFR 1910.151(c) safety perimeters for Electrical panels -OSHA requirement 29 CFR 1910.303(g). Portable ladders - CAL OSHA and OSHA requirements.
Benchmark ID	HSE.17.2
Benchmark Details	Employers shall train workers in proper lifting techniques, and items such as lifting belts shall be provided.
Finding Details	The company lacks a formal or documented ergonomics program. At present, the company has posted a notice on stretching exercises, but interviewed workers reported that these stretching exercises are not conducted collectively.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	OSHA General Duty Clause, Section 5(a)(1)
Benchmark ID	HSE.16
Benchmark Details	Workers shall not suffer any negative consequences for refusing to work with machinery, equipment or tools that are not properly guarded or reasonably considered unsafe.
Finding Details	The company accepts and addresses the weekly observation of potential safety issues from the onsite labor agency representatives.
Recommendation for Immediate Action	
Compliance Classifications	Notable Feature

Local Law	
Benchmark ID	HSE.17.1
Benchmark Details	Workstations, including seating and standing arrangements and reach required to obtain tools, shall be designed and set-up in such a manner as to minimize bodily strains.
Finding Details	Review HSE.17.2.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	OSHA General Duty Clause, Section 5(a)(1)

