



FAIR LABOR
ASSOCIATION[®]

INDEPENDENT EXTERNAL ASSESSMENT REPORT



COMPANIES: WinCraft Inc.

COUNTRY: El Salvador

ASSESSMENT DATE: 12/18/18

ASSESSOR: Elevate

PRODUCTS: Other

NUMBER OF WORKERS: 623

Summary of Code Violations

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.

While it is important to note when violations of the FLA Workplace Code of Conduct occur, the purpose of these assessments is not simply to test compliance against a particular benchmark, but rather to develop an understanding of where and how improvements can be made to achieve sustainable compliance. Code of Conduct violations can be found throughout the course of an assessment of the employment and management functions, and are addressed in companies' action plans.

Findings and Action Plans

FINDING NO.1

SUSTAINABLE IMPROVEMENT REQUIRED

FINDING TYPE: Training (Macro)

Finding Explanation

1. As there are no policies or procedures on Personnel Development and Termination & Retrenchment, there is no specific training or ongoing training in the related matters. [ER.1, ER.15, ER.17]
2. Although there is a workers association established in the factory and workers are provided information about the associate during their introduction training, the factory does not provide training related to Freedom of Association and Industrial Relations. [ER.1, ER.15, ER.17]

Local Law or Code Requirement

FLA Workplace Code (Employment Relationship Benchmark ER.1, ER.15, ER.17)

COMPANY ACTION PLANS

Action Plan no 1.

Description

The factory should provide workers' training on Freedom of Association and Industrial Relations.

Planned completion date

03/15/19

Company Action Plan Update

The factory Human Resources Administration is including in the orientation and training of the new staff the information related to Freedom of Association.

FINDING NO.2

SUSTAINABLE IMPROVEMENT REQUIRED

FINDING TYPE: Recruitment, Hiring & Personnel Development

Finding Explanation

1. The factory has not developed written policies on Personnel Development. [ER.1.1, ER.28.1 ER.29.1, ER.30.1]
2. The factory has not developed written procedures on Personnel Development. [ER.28.1, ER.29.1, ER.30.1]
3. As there is no policy nor procedure on Personnel Development there is also no review process involved. [ER.1.3, ER.29.1, ER.30.1, ER.30.2]
4. The job descriptions are procedures to perform the workers specific tasks, and they lack the actual requirements and descriptions for every job position, which poses a risk of discrimination. [ND.2.1]

Local Law or Code Requirement

FLA Workplace Code (Employment Relationship Benchmark ER.1.1, ER.1.3, ER.28.1, ER.29.1, ER.30.1, ER.30.2; Non-Discrimination Benchmark ND.2.1]

COMPANY ACTION PLANS

Action Plan no 1.

Description

Written policies on Personnel Development should be developed, along with procedures and a review process. Job descriptions should be developed and written to include the actual requirements and descriptions of each position. The current finding is that job descriptions are procedural lists of specific task performance.

Planned completion date

03/15/19

Company Action Plan Update

As of the date of this document, the policy for Personnel Development has been issued and approved, and a copy is attached. As of the date of this document, the Human Resources Administration is in the process of preparing and subsequently approving and disclosing the procedures for the development of personnel and modifications to the procedures for reduction of personnel. Once completed, the respective training will be scheduled.

Action Plan no 2.

Description

The factory should develop written policies and procedures on Personal Development, and implement a review process for these policies. Job descriptions should be revised to include job requirements and descriptions specific to position, to compliment the current procedural task descriptions.

Planned completion date

03/15/19

Company Action Plan Update

A policy for Personnel Development has been issued and approved. As of the date of this document, the Human Resources Administration is in the process of preparing and subsequently approving and disclosing the procedures for the development of personnel and modifications to the procedures for reduction of personnel. Once completed, the respective training will be scheduled.

FINDING NO.3

IMMEDIATE ACTION REQUIRED

FINDING TYPE: Recruitment, Hiring & Personnel Development

Finding Explanation

The factory's employment application form asks for an applicant's age and marital status. Although there is no evidence that such information is requested for discriminatory purposes, this practice poses a risk of discrimination. [ER.3.1, ER.3.2]

Local Law or Code Requirement

FLA Workplace Code (Employment Relationship Benchmark ER.3.1, ER.3.2]

Recommendations for Immediate Action

Remove application questions regarding marital status. In cases where proof of age documentation is not readily available or unreliable,

employers shall take all necessary precautions which can reasonably be expected of them to ensure that all workers are at least the minimum working age, including requesting and maintaining medical or religious records of workers, or through other means considered reliable in the local context.

COMPANY ACTION PLANS

Action Plan no 1.

Description

Eliminate application questions regarding age and marital status. Take all necessary precautions to ensure that all workers are at least the minimum working age, and in cases where no proof of age documentation is readily available or unreliable, include requesting and maintaining medical or religious records, or other means considered reliable in the local context.

Planned completion date

01/15/19

Company Action Plan Update

The employment application form has been amended, removing age and marital status fields. A copy of the form is attached.

Action Plan no 2.

Description

To reduce the risk of discrimination, the factory's employment application form should be revised to eliminate requests for age and marital status.

Planned completion date

01/15/19

Company Action Plan Update

The employment application form has been updated, with age and marital status fields removed.

FINDING NO.4

SUSTAINABLE IMPROVEMENT REQUIRED

FINDING TYPE: Termination & Retrenchment

Finding Explanation

1. The factory does not have a policy on Termination & Retrenchment. [ER.1.1, ER.1.3, ER.19.1]
2. The factory does not have a procedure on Termination & Retrenchment. [ER.19.1, ER.32.3]
3. As there is no policy nor procedure on Termination & Retrenchment there is also no review process involved. [ER.1.3]

Local Law or Code Requirement

FLA Workplace Code (Employment Relationship Benchmark (ER.1.1, ER.1.3, ER.19.1, ER.32.1))

COMPANY ACTION PLANS

Action Plan no 1.

Description

The factory should create and adopt policy, procedures and review process on Termination & Retrenchment in accord with the FLA Workplace Code.

Planned completion date

03/15/19

Company Action Plan Update

The policy for termination and reduction of personnel has been updated and approved, and a copy is attached. On the other hand, the Human Resources Administration is in the process of preparing and subsequently approving and disclosing the modifications to the procedures for termination and reduction of personnel.

FINDING NO.5

IMMEDIATE ACTION REQUIRED

FINDING TYPE: Workplace Conduct & Discipline

Finding Explanation

Pat downs and bag searches are conducted on a daily basis when workers leave and enter the factory. Workers are not required to remove their clothes and the practice is gender appropriate. The factory stated that they perform body searches to prevent the introduction of anything that could pose a risk to the products and to prevent theft. This practice is common in the region but there is no explicit consent from the workers. [H/A.1, H/A.10]

Local Law or Code Requirement

FLA Workplace Code (Harassment or Abuse Benchmarks H/A.1 and H/A.10)

Recommendations for Immediate Action

Consider alternatives to prevent theft and introduction of prohibited items such as implementing a CCTV systems that respect the workers' privacy and reinforcement of the products tracking system. Body searches and physical pat downs shall only be undertaken when there is a legitimate reason to do so and upon consent of workers, unless a state official with the power to do so (e.g. police officer) has ordered the search.

COMPANY ACTION PLANS

Action Plan no 1.

Description

Implement alternative method to prevent theft and introduction of prohibited items to the facility. This alternative methodology should preserve workers' privacy and reinforcement of the products tracking system. Reserve body searches and physical pat-downs only in circumstances where there is a clear and legitimate reason to do so, and only with worker's consent, unless ordered by a police officer or state official with the power to do so.

Planned completion date

01/14/19

Company Action Plan Update

The conduct of body searches to prevent theft and/or the introduction of items to the facility that could pose a risk to the products has been supplanted by an alternative method. Scans with electronic metal-detector wands has been instituted; and body searches/pat-downs discontinued. The facility is committed to preserving personal integrity and consent of the workers.

FINDING NO.6

IMMEDIATE ACTION REQUIRED

FINDING TYPE: Health & Safety

Finding Explanation

Three weaving workers were not wearing safety boots when pulling large metal cones. Based on facility job risk analysis, this position needs safety boots. Interviewed workers reported that the factory does not provide safety shoes. However, during the assessment, it was verified that the factory provides safety shoes to all workers according to their job risk. Likewise, the factory trains all workers in the proper use of PPE. [HSE.7, HSE.8]

Local Law or Code Requirement

El Salvador General Law on Risk Prevention in the Workplace Article 80 and 90; FLA Workplace Code (Health, Safety and Environment Benchmarks HSE.7 and HSE.8)

Recommendations for Immediate Action

1. Ensure workers wears their PPE when performing their job task. Communicate and train workers on the use of PPE.

COMPANY ACTION PLANS

Action Plan no 1.

Description

Worker training to be provided regarding the importance and appropriate use of PPE. The factory provides safety shoes to all workers according to job risk and trains all workers in proper use of PPE.

Planned completion date

01/14/19

Company Action Plan Update

Factory management trained weaving area workers on proper use of PPE, with an understanding of the importance of worker awareness and a commitment to current training of all workers. A copy of the weaving worker attendance record from the PPE training is attached.

Action Plan no 2.

Description

Personnel must be trained for and implement appropriate use of PPE.

Planned completion date

01/14/19

Company Action Plan Update

Factory workers were trained on appropriate use of PPE.

FINDING NO.7

IMMEDIATE ACTION REQUIRED

FINDING TYPE: Health & Safety

Finding Explanation

1. The chemical warehouse of the weaving area lacks an anti-explosive light. However, during the assessment, the facility installed the anti-explosive lighting. [HSE.13]
2. There are no Material Safety Data Sheets (MSDS) posted for the chemical used in the mechanic workshop in the weaving area. However, during the assessment, the facility placed the MSDS in the mechanic workshop in the local language. [HSE.10.1]

Local Law or Code Requirement

El Salvador General Law on Risk Prevention in the Workplace Article 205 1) and FLA Workplace Code (Health, Safety and Environment Benchmarks HSE.10.1, HSE.13)

Recommendations for Immediate Action

1. Install anti-explosive lighting in areas where chemicals are stored. Ensure that this lighting is inspected regularly.
2. Place in a visible area the MSDS of chemical used in mechanics workshop. MSDS must be in local language.

COMPANY ACTION PLANS

Action Plan no 1.

Description

1. Install anti-explosive lighting in areas where chemicals are stored. Ensure that this lighting is inspected regularly.
2. Place in a visible area the MSDS of chemicals used in mechanics workshop. MSDS must be in the local language.

Planned completion date

01/14/19

Company Action Plan Update

1. Anti-explosive lighting in the chemical warehouse was installed during the assessment in December 2018. The facility manager will ensure that lighting is regularly inspected and maintain records of inspection.
2. Material Safety Data Sheets (MSDS) were posted for chemicals used in the mechanic workshop weaving area during the assessment in December 2018. MSDS are written in the local language (Spanish).

Action Plan no 2.

Description

The facility must ensure that workers wear their PPE when performing job tasks requiring workers to wear equipment, as well as communicating and training workers on the use of PPE.

Planned completion date

01/14/19

Company Action Plan Update

Training was given to the staff of the weaving area to raise awareness of the importance of using PPE personal protection equipment. The worker attendance record is attached of training covering proper use of PPE, in accordance with El Salvador General Law on Risk Prevention in the Workplace Article 80 & 90, and FLA Workplace Code HSE.7 and HSE.8. Facility management understand the importance of training and monitoring workers' use of PPE.