



FAIR LABOR
ASSOCIATION[®]

INDEPENDENT EXTERNAL ASSESSMENT REPORT



COMPANIES: The Antigua Group, inc

COUNTRY: United States

ASSESSMENT DATE: 07/16/19

ASSESSOR: Miriam Rodriguez

PRODUCTS: Other

NUMBER OF WORKERS:

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.

FLA Code Element	Number of Violations
Hours of Work	4
Employment Relationship	31
Health, Safety, and Environment	12
Freedom of Association	2

Findings and Action Plans

FINDING NO.1

SUSTAINABLE IMPROVEMENT REQUIRED

FINDING TYPE: Policies & Procedures (Macro)

Finding Explanation

1. The facility's Equal Employment Opportunity policy statement lacks the following categories: sexual orientation, nationality, political opinion, social group, ethnic origin, and union affiliation or sympathy. [ER.3]
2. The employee handbook does not list or communicate a Child Policy to workers. The Company's current practices and interviews with workers did not highlight any instances of potential child labor. A review of personnel files indicated each employee submits an employment application or resume, and the Company reviews and submit employment eligibility documents, which includes proof of age. [ER.1]
3. The employee handbook does not list or communicate a Forced Labor Policy. Nonetheless, the Company's current practices and interviews with workers did not highlight any instances of potential forced labor. [ER.1]
4. The employee handbook does not include a Freedom of Association and Collective Bargaining Policy. Nonetheless, the Company's current practices and interviews with workers do not highlight any negative actions regarding the right to freely associate. In addition, the Company has posted a Workplace Code of Conduct (adopted from the FLA Code of Conduct) but workers did not remember or recall any training on the Company's commitment to the FLA Code. [ER.16, ER.25]

Local Law or Code Requirement

FLA Workplace Code (Employment Relationship Benchmarks ER.1, ER.3, ER.16, and ER.25)

FLA's Recommendations for Sustainable Improvements

Revise and communicate policies to all levels of workers, both during orientation and annual refresher training.

COMPANY ACTION PLANS

Action Plan no 1.

Description

Revise and communicate policies to all levels of workers, both during orientation and annual refresher training.

Planned completion date

10/01/19

Company Action Plan Update

Policy and Procedures handbook is currently at the attorneys office under review. Once we receive it back, revised policy will be uploaded.

FINDING NO.2

SUSTAINABLE IMPROVEMENT REQUIRED

FINDING TYPE: Workplace Conduct & Discipline

Finding Explanation

1. The employee handbook (revised September 3, 2008) does not detail a progressive disciplinary policy. Additionally, it does not detail rules, procedures and practices that embody a system of progressive discipline. These procedures do not include third party witness (selected by the worker) during the imposition of the disciplinary action, nor an appeal process. [ER.27]

Local Law or Code Requirement

FLA Workplace Code (Employment Relationship Benchmarks ER.27)

FLA's Recommendations for Sustainable Improvements

Revise the existing progressive discipline policy to include the above details and then communicate this policy to all workers during both orientation and annual refresher training.

COMPANY ACTION PLANS

Action Plan no 1.

Description

Revise the existing progressive discipline policy to include the above details and then communicate this policy to all workers during both orientation and annual refresher training.

Planned completion date

10/01/19

Company Action Plan Update

Rewrite the existing policy and procedures in the Employee handbook to include a progressive disciplinary policy and rules, procedures and practices that embody a system of progressive discipline. P & P also need to include a statement about a third party witness (selected by the worker) during the imposition of the disciplinary action, and an appeal process.

FINDING NO.3

SUSTAINABLE IMPROVEMENT REQUIRED

FINDING TYPE: Communication & Worker Involvement (Macro)

Finding Explanation

1. The facility does not have any type of worker committee, such as a Health and Safety (H&S) committee, to integrate the voice of the worker in matters related to the company or facility. The facility has a H&S committee, but it is comprised only of managers and/or

supervisors. Additionally, the facility does not document these meetings. [ER.25]

2. The facility's employee handbook (revised September 3, 2008) does not detail any procedure for the anonymous reporting of a grievance. This omission of procedure for inclusion of worker's input to management nor anonymous grievance process does not align with FLA Code. In practice, workers can go to their supervisor or human resources with grievances but there is no confidential/anonymous reporting system in place. [ER.25]

Local Law or Code Requirement

FLA Workplace Code (Employment Relationship Benchmarks ER.25)

FLA's Recommendations for Sustainable Improvements

1. Develop a group or committee, such as H&S committee, to integrate worker's voice.
2. Revise and communicate an effective mechanism for reporting any grievance, including anonymous grievances.

COMPANY ACTION PLANS

Action Plan no 1.

Description

Develop a group or committee, such as H&S committee, to integrate worker's voice. Revise and communicate an effective mechanism for reporting any grievance, including anonymous grievances.

Planned completion date

10/01/19

Company Action Plan Update

Health and Safety Committee is formed to include all levels of workers. Once first meeting takes place, a roster with signatures and title will be uploaded to show compliance. Several outlets for grievances are being discussed. Have reached out to several colleagues in order to do research as to how they manage grievances. See attached emails.

FINDING NO.4

SUSTAINABLE IMPROVEMENT REQUIRED

FINDING TYPE: Recruitment, Hiring & Personnel Development

Finding Explanation

1. The facility does not have a contract with the temporary labor agency, which would give the facility the power to pay wages directly to temporary workers assigned at the facility. However, the facility does not conduct periodic monitoring of the labor agency's practices or procedures on compensation. [ER.6]

2. Workers converted from the temporary agency to direct employment status do not receive seniority or benefits eligibility adjusted to the first day of work as a temporary worker. In a sample review of personnel files of fifteen (15) workers identified that the facility has converted one worker to direct employment status without adjusting seniority or benefit eligibility. The worker started at the facility as temporary worker in Oct 2018, and in May 2019, the facility converted the worker to direct employment. [ER.12]

Local Law or Code Requirement

FLA Workplace Code (Employment Relationship Benchmarks ER.6 and ER.12)

FLA's Recommendations for Sustainable Improvements

1. If the practice of co-employment is not feasible, then the facility should develop a periodic monitoring exercise of the temporary labor agency to validate compensation practices align with legal requirements or client expectations.
2. Review and implement seniority and benefits eligibility for workers converted to direct employment status.

COMPANY ACTION PLANS

Action Plan no 1.

Description

If the practice of co-employment is not feasible, then the facility should develop a periodic monitoring exercise of the temporary labor agency to validate compensation practices and align with legal requirements or client expectations. Review and implement seniority and benefits eligibility for workers converted to direct employment status.

Planned completion date

10/01/19

Company Action Plan Update

Currently working with the temporary labor agency to develop a periodic monitoring exercise. Also, reviewing seniority benefits for temp to hire employees.

FINDING NO.5

SUSTAINABLE IMPROVEMENT REQUIRED

FINDING TYPE: Termination & Retrenchment

Finding Explanation

1. The facility does not comply with the state of Arizona's "At Will" guidelines. If an associate wants to leave employment, s/he must submit written resignation to the immediate supervisor at least two weeks prior. Failure to do so "may result in denial of future employment with facility", as stated in the employee handbook (page 27, September 3, 2008). [ER.1, ER.32]

Local Law or Code Requirement

Arizona Employment Protection Act (A.R.S. § 23-1501 State of Arizona "at will" guidelines); FLA Workplace Code (Employment Relationship Benchmarks ER.1, ER.32)

FLA's Recommendations for Sustainable Improvements

Revise and communicate the Employment Separation Policy or procedures to all level of workers, both during orientation and during annual refresher trainings.

COMPANY ACTION PLANS

Action Plan no 1.

Description

Revise and communicate the Employment Separation Policy or procedures to all level of workers, both during orientation and during annual refresher trainings.

Planned completion date

10/01/19

Company Action Plan Update

This particular policy and the entire Handbook for The Antigua Group is currently being re-written. Once received back from the attorney's office, a copy of the updated policy will be uploaded.

Action Plan no 2.

Description

Revise and communicate the Employment Separation Policy or procedures to all level of workers, both during orientation and during annual refresher trainings.

Planned completion date

10/01/19

FINDING NO.6

SUSTAINABLE IMPROVEMENT REQUIRED

FINDING TYPE: Hours of Work

Finding Explanation

1. The facility's current employee handbook, dated September 3, 2008, does not have a policy or procedures on working hours. The policy on working hours should include the following:

- The total weekly work hours (regular work hours plus overtime) will not exceed 60 hours per week;
- That overtime hours are voluntary on the part of the worker;
- The company will provide, at minimum, one day off in 7 days of work.

However, a review of payroll documents and interviews with workers did not identify any instances of excessive or forced overtime. [ER.23]

Local Law or Code Requirement

FLA Workplace Code (Employment Relationship Benchmark ER.23)

FLA's Recommendations for Sustainable Improvements

Develop and communicate policy and procedures on working hours to all levels of workers, both during orientation and during annual refresher training.

COMPANY ACTION PLANS

Action Plan no 1.

Description

Develop and communicate policy and procedures on working hours to all levels of workers, both during orientation and during annual refresher training.

Planned completion date

10/01/19

Company Action Plan Update

Working Hours Policy: The work hours of an associate depends on the needs of the department in which they work. Most office staff will work 8am to 5pm based on a 40 hour work week. Full time production associates will also work 40 hours per week and will be assigned to a shift and work those set hours. Production workers will have a 30 minute unpaid meal period and two ten minute paid rest periods assigned by supervisory personnel. Office associates will either be given a 30 minute or one hour lunch depending on the individual schedules or as assigned by supervisory personnel. Overtime hours will always be voluntary and total weekly work hours (regular work hours plus overtime) will not exceed 60 hours per week. The company will provide, at minimum, one day off in 7 days of work.

FINDING NO.7

SUSTAINABLE IMPROVEMENT REQUIRED

FINDING TYPE: Health & Safety

Finding Explanation

1. The facility has not developed a bloodborne pathogens policy or procedures. [HSE.1]

2. Even though the facility has a "first aid kit policy and procedures", the facility has neither identified nor trained any team of workers on first aid or firefighting techniques. [HSE.6]

3. The facility has not conducted annual evacuation drills for fire or emergency drills for all active shifts of work. The last fire drill was conducted on July 2, 2019 for Shifts #1 and #2, but not for Shift #3. Furthermore, the facility does not maintain complete drill documentation to record areas of improvements or corrective actions to implement. [HSE.5.3]

4. The facility did not provide evidence of policy or procedures for ergonomics that include the arrangements of workstations or the training of employees. [HSE.17]

5. The facility did not provide evidence of policy or procedures for personal protective equipment (PPE) or the training of employees on the usage of PPE.

The facility provides workers with PPE free of charge but there is no evidence that the factory reviews each task and determines if the task requires PPE, and which is the correct PPE. [HSE.8]

6. The facility did not provide evidence of procedures for noise survey on an annual or periodic basis; the last noise survey was conducted in December 2014. [HSE.13]

Local Law or Code Requirement

OSHA requirements: 29 CFR 1910.38 Employee Emergency Plans and Fire Prevention Plans, 29 CFR 1910.95 Noise Survey, 29 CFR 1910.900 Ergonomics, and 29 CFR 1910.1030 Bloodborne Pathogens; FLA Workplace Code (Health, Safety, and Environment Benchmarks HSE.1, HSE.5.3, HSE.6, HSE.8, HSE.13 and HSE.17)

FLA's Recommendations for Sustainable Improvements

1. Develop policy and procedures and communicate to all workers, both during orientation and annual refresher training.

2. Update the first aid policy and procedures and communicate the updates to all level of workers. Identify and train a team of first responders.

3. Plan and conduct appropriate drills for fire or other emergency and document and review results.

4. Develop policy and procedures and communicate to all level of workers, both during orientation and annual refresher training.

5. Develop policy and procedures and communicate to all level of workers, both during orientation and annual refresher trainings. Identify correct PPE for each task or work function.

6. Conduct baseline noise monitoring surveys on a periodic basis, especially when there is a significant change in equipment, whether in type or quantity.

COMPANY ACTION PLANS

Action Plan no 1.

Description

1. The factory will provide written documentation of bloodborne pathogen policy and procedures.

Planned completion date

10/01/19

Company Action Plan Update

Discussion with HR to include bloodborne pathogen policy and procedure. Rewritten policy to be complete by 2/21/20