
TESCO SUBMISSION



Clean Clothes Campaign Wage Survey

Response ID:110; Tesco Data

1. Login/Password Action

Tesco

Password : Tesco

2. Introduction

1. Company name:

Tesco

2. Brands owned by company:

3. Main contact person:

3. The living wage standard

4. 1.1 What is your company's position on payment of the living wage to workers in your supply chain?

We agree with the principle that wages should allow workers to meet their basic needs and those of their dependents, while also providing them with some discretionary income. We are a founder member of the Ethical Trading Initiative, committed to improving conditions for workers in our global supply chains and use our global team of local ethical trade experts to engage suppliers to engage our suppliers directly, get to the truth, and resolve problems wherever we find them, including on wages. We focus on practical steps that make a real difference. So in countries where wages are lowest, our first step is to identify lower-paying suppliers and ensure they progressively raise wages to at least the average for our supply base (which in any case tends to pay more highly than factories supplying local markets or at the end of un-traceable international supply chains). As a safety net, we also strictly enforce compliance with the minimum wage, and exercise zero tolerance where suppliers underpay workers against the legal minimum – for all hours worked. We class such cases as ‘critical’, and ensure any shortfalls (including overtime rates), are repaid to workers. We now have an exceptional team of 21 frontline local ethical trade experts across Asia who are in factories everyday checking on conditions – and ensuring action is taken on this and any other issues they identify. They have built a hugely impressive track record over the last 18 months of ensuring such repayments of underpaid wages to workers that has made a real difference to thousands of workers’ lives, as well as ensuring safe and decent premises and that any grievances are addressed. We will and have terminated our business with suppliers who fail to co-operate.

This approach fits within our broader commitment, launched earlier this year, to Use Our Scale For Good across our business, including by trading responsibly. (<http://www.tescopl.com/index.asp?pageid=558>)

5. 1.2 Please give the link to the code of conduct which is used when monitoring conditions in your supplier factories. If it isn't publicly available, please upload a copy using the option below.

www.ethicaltrade.org/resources/key-eti-resources/eti-base-code and www.sedexglobal.com/ethical-audits/smeta/

Upload option.

6. 1.3 Does your company agree with the definition of a living wage as given [here](#)?

No, our definition differs from the definition given.

If no, please provide details of how your definition of a living wage is different and give justification.

There are a number of different definitions of living wages offered by different groups in different countries: we don't subscribe to any particular group's definition but agree the broad principles as described above at Q1.

4. Respect for freedom of association and collective bargaining, a precondition for a living wage

7. 2.1 How has the right to Freedom of Association and Collective Bargaining been clearly communicated to workers in your supplier factories and subcontractors?

The requirement to comply with the ETI Base Code and the provisions it contains (including Freedom of Association and Collective Bargaining), are highlighted to all new suppliers of private label products to Tesco through our 'Ethical Trading Supplier Starter Pack' and Code of Practice. Suppliers also have factory-level access to the Tesco Technical Library (TTL), which highlights our on-going requirements in relation to Ethical Trade. All suppliers have access to the Tesco Ethical Trading Guidance Website which provides practical guidance on a range of ethical trading issues including wages and guidance and case studies on Trade Unions and collective bargaining. In addition to ensuring requirements are met at sites that directly supply Tesco, suppliers are also expected to ensure that the same conditions are met in their own supply chains.

Percentage of supplier factories and subcontractors reached by these measures:

0%

Please supply an example of materials used:

[Commitment-to-Ethical-Trading-for-MFPE-FINAL-version-25-May-2011.pdf](#)

8. 2.2 Do you support or facilitate training for workers to ensure they are aware of their right to freely associate, in conjunction with local independent trade unions or workers' rights organisations? Please supply details:

Yes. Tesco was the first UK retailer to sign up to the Bangladesh 'Accord'. Developed in collaboration with the global unions IndustriALL, UniGlobal and the UN ILO, worker representation through Unions and Worker Committees are central to the aims of the Accord in ensuring safe workplaces through a process of rigorous inspection supported by robust worker-management dialogue. Training for workers to voice concerns through Trade Unions or Worker Committees is an important part of this process. We are already working with IndustriALL affiliates in Bangladesh to reach out to workers at the Accord's first major test case factory.

Percentage of supplier factories reached by these measures: : %

9. 2.3 Do you provide training for management of your supplier factories and subcontractors on the right to freedom of association?

The 'Tesco Ethical Trading Guidance Website' highlights examples of best-practice in ethical trading. This is available to all suppliers through the Tesco Technical Library, and highlights the importance of supporting and maintaining workers' rights to freedom of association and collective bargaining. In Bangladesh, with joint funding from DFID, we have established a not-for profit training academy for the whole industry to improve productivity, raise wages and reduce working hours. 'Solutions for Management International' (S4Mi <http://www.s4mi.com/>) provides training for lower and middle-level managers of garment factories, enabling them to achieve sustainable improvements in working conditions. This includes training on effective Workers Participation Committees (as free unions have not fully allowed in the country). The academy has been established as a resource for the whole Bangladesh garment industry, not just Tesco suppliers. An important

element of our involvement in the 2-year DFID-funded 'Benefits for Business and Workers' project in Bangladesh and India – which focussed on delivering sustained improvements in wages, worker retention, productivity and quality – was training on worker/management dialogue and its importance. This part of the training supports HR Managers, Production Managers and Supervisors on the importance of understanding workers' views, and developing an effective and functioning Workers Participation Committees (training module attached). To date, a total of 73 factories in India and Bangladesh have received this training.

Percentage of supplier factories and subcontractors reached by these measures:

10. 2.4 Have your supplier factories and subcontractors issued the Right to Organise Guarantee to workers in any of your production units?

	Country:	Number of suppliers:	Details:
1:			Trade Unions are active in a significant proportion of our global supply base.
2:			
3:			
4:			

Please provide a sample of materials used in specific countries:

11. 2.5 Do you require supplier factories and subcontractors to sign Union Access Agreements? If yes, please supply details.

Under our commitment to the ETI Base Code and mature industrial relations, we require our suppliers to meet the ETI clause on Freedom of Association. We act on a case-by-case basis to facilitate agreements between suppliers and Unions. As part of our commitment to the Bangladesh Accord, all suppliers are required to provide free access to Trade Unions. We also do this elsewhere in our supply chain. In the tea sector, for example, we have facilitated an agreement between our tea supplier Typhoo and the International Union of Food workers (IUF).

Food workers (IUF).

Number of supplier factories with agreements:

93

Please provide a sample of agreements signed:

[Bangladesh Accord.pdf](#)

12. 2.6 Does your company have an accessible, actionable and safe means by which workers can file and follow up on complaints about violations of freedom of association and collective bargaining rights? How do you monitor that this can be accessed freely by workers?:

Traditional approaches such as worker hot-lines have, in our experience, a mixed record of success as an effective means for workers to raise their concerns. Our primary approach is to focus on talking directly to large numbers of workers through both the regular independent ethical audits of all our suppliers (conducted by experts trained in auditing and speaking the local language) and during additional assessments by our own local ethical trade experts based in our in-country sourcing hubs. These interviews take place on a confidential basis and help us understand the challenges workers face. Our own experts will also sometimes speak to workers and communities outside the factory, to ensure they are getting the full picture. In cases where specific concerns are raised, contact details are left with workers so that contact can be maintained and developed.

Interviews with workers are conducted in the absence of management and on a confidential basis. We don't just do this in our Clothing supply chain. By way of example, we have also piloted and established best-practice approaches to dealing with worker concerns in our the South African fruit sector as part of the pilot of the UN 'Ruggie' principles on Business and Human Rights. Following the pilots, we worked with local stakeholder groups to develop and publish resources that suppliers could use to ensure workers are free and able to raise grievances and to improve worker-management dialogue. A large number of farms have now taken up the mechanism and we have also facilitated discussions with the fruit sector in other countries to learn from the South African model. An example of the resources available is attached to this submission.

13. 2.7 Have you done any work to limit the use of short term contracts in your supplier factories and subcontractors?

Please provide details of your policy and its impacts in relevant countries: : Our commercial strategy is to build lasting, strong relationships with suppliers we know and trust – which in turn encourages them to make lasting investments in their own people. Where ethical audits have identified the excessive use of short-term contracts, we have initiated discussions with suppliers to understand the reasons for this practice and to reduce it through improved management systems. Again, this approach goes beyond Clothing. In the UK, for example, we have work closely with our suppliers in our supply chain for meat, fish, poultry and eggs (MFPE) to promote permanent employment where possible and, where temporary workers are needed, to take a planned approach their employment. In relation to zero-hour contracts which have been a particular focus of attention in recent months, we actively discourage their use by suppliers to Tesco. If yes, please provide details of your policy and its impacts in relevant countries: Please find attached 'Tesco & MFPE Suppliers: Commitments to Ethical Trading'.

How has any of this work impacted on workers ability to receive seniority bonuses?: : A: The DFID-supported Benefits for Business and Workers (BBW)work in India and Bangladesh has developed systems to actively support the up-skilling of workers, and to facilitate their promotion into more senior jobs with increased wages. Within this programme, factories that implemented all of the training recommendations achieved significant improvements, particularly in relation to wages. Such factories saw an increase of 19% in pay per hour. Workers interviewed were positive about the impact on their livelihoods: "I feel like there has been lots of change in this factory over the last 6 months. There is less absenteeism and ... I can earn the attendance bonus. I am saving it for my daughter's future. I am also using it to buy new things for my house. It is helping me across all aspects of my life."

14. 2.8 Is there anything else you would like to tell us about work you have done so far, or work you are planning, to promote the right to freedom of association in your supply chain?

We plan to participate in the roll-out of further programme extending the 'BBW' approach in Bangladesh and India. In India this programme is likely to be run in partnership with the Federation of Indian Chambers of Commerce and Industry.

5. Dialogue and negotiation with labour rights organisations

15. 3.1 Please provide details of any active collaborative work undertaken with independent trade unions or labour rights organisations in your sourcing countries:

Tesco is a signatory to the Bangladesh 'Accord', and was the first UK retailer to sign up. We have been closely involved with the development of the focus and terms of the Accord in collaboration with IndustriALL and UniGlobal to help ensure safe workplaces through a process of rigorous fire and structural safety inspections supported by robust worker-management representation and dialogue.

Tesco worked with the Awaaz Foundation (a Bangladesh Human Rights NGO), to address allegations of unfair dismissal of a large number of workers at one of our former suppliers. Following complaints received from former workers via their Trade Union, Tesco worked with Awaaz to locate the individual workers who were by now dispersed. Tesco arranged to distribute hardship payments (equivalent to back pay and all redundancy

payments to which they are legally entitled), to 43 ex-workers, and has supported them to take their case to court.

16. 3.2 Have any of your collaborations resulted in unions or bargaining processes starting within your supplier factories?

As a signatory to the Bangladesh Accord, Tesco is in the process of conducting independent fire safety and structural safety assessments of suppliers' factories in Bangladesh. Following one of the assessments, a building at our supplier Liberty Fashions was deemed structurally at risk, with our engineers recommending that it be shut down with immediate effect to protect the safety of the workers. This was communicated to Liberty Fashions who refused to close the building. We immediately liaised with the global union IndustriALL and their local counterparts to ensure workers were made aware of the risks. We also withheld our orders and escalated the issue through the Accord, seeking the support of other brands and retailer who bought from Liberty Fashions and the Unions involved in the Accord. As a result of our action, Liberty finally shut down their building but subsequently pursued a public campaign against Tesco and its structural engineers, claiming that the building was safe. Despite this we have continued to offer support to Liberty and its workers, including by helping pay their July 2013 wages and Eid bonuses when factory management claimed they were unable to do so (along with some other responsible retailers sourcing from Liberty), and using independent consultants to verify payments reach workers.. The steering committee of the Accord, including global unions, has commented as follows, "The Accord fully supports [Tesco and other retailers] in their dealings with the factory and believes that they have acted responsibly throughout this case, prioritising the safety of workers and offering financial and expert support to factory management to help them address the issues. " Following claims that one of our Turkish clothing suppliers refused to recognise workers' right to join a Trade Union, we have worked with independent facilitators to ensure improved dialogue. So far, this has resulted in the establishment of a Workers Committee at the factory, and we hope further progress will be made

6. 4. Benchmarks for a minimum living wage

17. 4.1 Does your company have internal figures that it uses to benchmark living wages for each sourcing country or region?

Yes

If yes, please provide details of how these were developed and how they are used:

We have benchmarked wages in Bangladesh, and we will undertake a similar process in a number of other countries where typical sector wages are low. Our approach comprises two key elements. Our first priority is to ensure that our suppliers pay at least the average wage compared to their main competitors in the country (NB suppliers to responsible UK and other developed country retailers such as Tesco typically pay better rates than factories supplying local markets, or at the end of un-traceable international supply chains). All Tesco suppliers should pay at average or better amongst their competitor set; none should pay below. Once we have collected data on wages at all our supplier factories in a country, we will focus on those that pay their workers significantly less than the average, and engage them to increase wages paid to workers. We are committed to supporting them to improve but ultimately, if they do not do so, we will cease working with them. Our subsequent priority is to support businesses to achieve sustainable increases in workers' wages by improving productivity. This makes sense for business reasons as well as ethical ones: the best partners we work with in the clothing sector (and indeed in other sectors in our supply chain) are those that invest in their workforce, develop their skills and treat them well. These are the factories that are the most reliable to work with, the most innovative to work with, and they have the most skilled – and therefore best paid – workforces. Some of the tools and methodologies to do this work – and the real improvements it is delivering in wages – are described elsewhere in this survey.

By way of example, 14 of our factories participated in the Benefits for Business and Workers (BBW) programme, 7 in Bangladesh and 7 in India. A collaborative project, involving 8 retailers with support from the

DFID RAGS Challenge Fund, it reached 73 factories employing 102,000 workers. In Bangladesh average monthly take-home pay increased by 7.6%, equivalent to an increase in annual pay of £3.4 million across all workers employed. This, coupled with a reduction in working hours, meant that hourly pay increased by 11.9%. In India, monthly take-home pay increased by 5%, equivalent to an increase in annual pay of £614,000 for all workers employed. Taking reduced working hours into account, hourly pay went up by 8% (NB those factories completing the modules in full achieved higher increases in hourly pay, described earlier in this submission). The project has clearly been successful in increasing wages paid to workers, both in comparison to the amount they received prior to the programme and in comparison to other equivalent factories. Over the last 3 years, Tesco has also established a not-for-profit training academy, 'Solutions for Management International' (S4Mi), to enable a much larger number of factories to learn and apply similar approaches. Courses are open to all suppliers, not just suppliers to Tesco. The first full cadre of participating factories are currently undergoing the course at S4Mi, and initial results are encouraging.

18. 4.2 Please provide information about the figures you are using to benchmark a living wage in your 3 main production countries or regions.

	Country/region	Living wage benchmark
1.		
2.		
3.		

19. 4.3 Please give details of the number of your supplier factories in Asia that are currently paying the Asia Floor Wage.

	Country/region	Number of supplier factories paying Asia Floor Wage
1.		
2.		
3.		
4.		
5.		

7. Purchasing practices that make living wages possible

20. 5.1 Is your company doing work to limit the use of subcontractors in your supply chain and/or consolidate your supplier factory list? Please provide details:

Our approach is to ensure we know and trust every factory we work with and to have a direct relationship with factory owners. For example, in Bangladesh we have a local sourcing office of 54 people who are visiting factories every day and ensuring they meet our quality and ethical standards, overseeing production. In garment-producing countries, we have similar sourcing offices in north and south China, India, Sri Lanka, Cambodia and Turkey. This gives us an un-matched ability to avoid sub-contracting and to build our business with those suppliers we trust most. Over the past 18 months we have conducted an end-to-end review of our garment supply chains, ceasing trade with 20% of factories; in the majority of cases for ethical reasons. This enables us to be increasingly certain we have a supply chain with good standards and practices that we can grow with.

21. 5.2 Does your company operate a policy of buyers favouring supplier factories that consistently meet a high wage standard? How?

We are developing balanced scorecards to help us build our business with suppliers that operate consistently

to the standards that we expect, and are currently investigating how we can include a measure for wages as part of this work.

22.

Are other incentives provided for buyers or supplier factories to work towards a living wage for workers? : We provide support to suppliers committed to improving wages through the DFID-supported 'BBW' project in Bangladesh and India, and through the not-for-profit training academy we have established in Bangladesh.

23. 5.3 Does your company break down and calculate whether FOB prices per piece are sufficient to allow for compliance with the wage standard your company has set out in its code of conduct?

We simply will not tolerate underpayment of wages and have set out elsewhere in this response our approach to ensuring all our suppliers pay as well or better as their competitor set. Our strong local presence, including locally-based ethical experts and combined with the use of independent ethical auditors, enables us to verify this – and we ensure action is taken if ever we find our factory partners have fallen short. We also know from our participation in the DFID-supported BBW project in India and Bangladesh, and through the not-for-profit training academy we have established in Bangladesh, that the FOB price per piece is sufficient to cover the higher wages paid to workers.

24. 5.4 Does your company operate a policy of buyers favouring supplier factories that support the establishment and functioning of genuine trade unions, and those with collective bargaining agreements?

Not at a country level, as this would restrict the economic benefits that derive from trade in countries such as Bangladesh and China where the right to form and join Trade Unions has been traditionally restricted by law. However within countries, we only work with suppliers who meet our standards and seek to build our business with the best performers, including on ethical conditions. Over the last 18 months, we have ceased working with 20% of our Clothing factories because of their failure to meet our standards, mostly on ethical grounds.

25. 5.5 Please provide information about any other work your company has done / is planning to do on improving your purchasing practices, in relation to wages.

8. Living wage projects

26. Please provide details of any projects here. Please note you can cut and paste long pieces of text into these small boxes if necessary:

	Project 1	Project 2	Project 3	Project 4
Location:				
Number of factories and workers involved:				
Living wage benchmark used:				
Partnerships:				
Wage increase achieved:				
Details of process:				

27. Please upload any useful supporting documentation here:

9. New Page

28. 7.1 Have you publicly supported calls from civil society and unions to increase the minimum

wage to a living wage standard in your production countries? Have you made this position clear towards governments and employers associations?

In June 2012, along with 14 other brands we wrote to the Prime Minister of Bangladesh expressing our concern over unrest in the garment industry over wages, calling for an increase to the minimum wage and pressing for this wage to be reviewed on an annual basis against agreed criteria (including inflation and cost of living) x to. We repeated this call in May 2013. In the past we have also lobbied privately.

29. 7.2 As part of this work, have you issued a public statement assuring country governments that you will not relocate production as a result of minimum wage legislation that ensures a living wage?

As signatories to the Bangladesh Accord, we have committed to maintain our current level of business with Bangladesh for a period of 2 years. Our Group Commercial and Supply Chain Director has also made a public statement on our corporate website setting out in detail our commitment to Bangladesh, the importance of helping improve labour standards, livelihoods, and supporting economic development.

Please provide a link to the public statement: <https://www.tescopl.com/talkingshop/index.asp?blogid=114>

10. Transparency

30. 8.1 Does your company publish a full public list of supplier factories, and sub contractors, their locations and products?

A: In May 2013 we committed to publishing a full public list of garment factories in Bangladesh that supply Tesco, as this is where customer interest has been greatest. This is being maintained and updated on a monthly basis. We are reviewing extending this to other countries. http://www.tescopl.com/assets/files/cms/Resources/Bangladesh_factories_working_with_Tesco_August_2013.pdf

Do you have plans to publish a full list in the future?

31. 8.2 Does your company publish impact reports on projects related to wages?

no

11. Collaborative working

32. 9.1 Please provide details of your involvement with any multi-stakeholder initiative projects working to improve wages:

Making sustained and sustainable improvements in workers' wages in global supply chains is a significant challenge, and one that requires active collaboration and participation from the full range of stakeholder groups, a process that's made easier with resources on the ground. In Asia, our 30-strong team of local ethical trading experts (21 of them frontline staff, in factories every day) improves our sensitivity to and knowledge of local issues and priorities, allowing us to investigate both directly and quickly any concerns we receive from NGOs, Trade Unions or other stakeholders. As an example, earlier this year we responded to a whistleblowing incident from a local Trade Union in relation a factory in Indonesia. This triggered an investigation which included an independent unannounced audit and a follow-up by a member of our expert team, both of which found evidence to substantiate the allegations made. Despite our best efforts to work collaboratively with the factory they refused to address these issues, and we terminated our business with them as a result. We also work closely with NGOs to ensure our approach is sensitive to local needs. For example NRT, a Bangladeshi NGO, has a seat on the Management Board of Solutions 4 Management International, the training academy we established in Dhaka with support from DFID.

33. 9.2 Please provide details of any work you have initiated outside an MSI, directly with other

companies which has improved wages:

34. Supporting documents:

12. 10. A clear route map for implementing a living wage for all workers

35. 10.1 Has your company developed a strategy for delivering a living wage in your supply chain? Is this a public commitment?

We focus on practical steps that make a real difference in improving wages and wider working conditions, as described throughout this submission. We believe the best impact we make is by building our business with suppliers we know and trust – who produce the best quality clothes for our customers, who require a skilled and motivated workforce, and who pay better than average wages. We will continue with this proven approach that is delivering real benefits for the people in our supply chain.

36. 10.2 Does this strategy have a time scale? If yes, please state.

37. 10.3 What consultation have you carried out on this strategy, both within and outside your company?

This approach is owned and supported at the highest levels in our business. We consult regularly on these issues and our approach with a wide range of local and international stakeholders, too numerous to list here

38. 10.4 How will you ensure that vulnerable workers, such as homeworkers or migrant workers are also included in efforts to increase wages?

Many thousands of workers in our supply chain are migrants, whether rural to urban or country to country. Recognising that migrants are particularly vulnerable, we have developed guidelines for our suppliers on Migrant Workers. Our growing team of local labour standards experts, based in our local sourcing hubs ensure that our ethical trading programmes are sensitive to the specific challenges that migrant workers in different countries and sectors present.

We are also committed to working with others to achieve industry wide improvements on how migrant workers are treated. In Tamil Nadu in India, for example, Tesco was the first retailer to commit to supporting a multistakeholder programme coordinated by ETI to eliminate exploitative recruitment and employment practices (commonly termed Sumangali) in some spinning mills, which affect young women workers recruited from poor rural and disenfranchised communities. Together with other retailers, NGOs and Trade Unions including IndustriALL, Dalit Solidarity Network and Homeworkers Worldwide, this 3 year programme is engaging local stakeholders to eliminate the low pay, long hours of work and improve living and working conditions for these workers.

39. 10.5 Is there anything else you would like to tell us about your work on the living wage that hasn't been covered in this survey?

13. Further questions about your supply base

40. 1. What are your main production countries? Please state percentage of total production per country and the number of supplier factories.

	Country	Percentage of production	Number of suppliers
1	n/a		
2			
3			

4			
5			
6			
7			
8			
9			
10			

41. 2. What kind of trade partners are part of the sourcing structure? Please indicate an approximate % of volume share of your production:

Production at factories owned by your company: : 9999
 Orders placed directly to supplier factories: : %
 Orders placed through agencies or intermediates: : %
 Other: : %

42. If other, please specify.

43. 3. What is the length of time that you have been working with your current suppliers?

	% of suppliers
More than 5 years:	n/a
2-5 years:	n/a
Less than 2 years:	n/A

44. 4. How many sites did you use to produce your goods in 2012?

First tier suppliers: : n/a

45. 5. How many supplier factories do you trade with where you have a regular production share of more than 25%?

Number of suppliers: : n/a

Response Location

Country:	United Kingdom
Region:	B7
City:	Bristol
Postal Code:	
Long & Lat:	Lat: 51.450001, Long:-2.5833

Tesco response to LBL 2013 assessment

- We do not agree with your assessment that we have no long term strategy for ensuring workers in factories supplying Tesco are paid a living wage. We are committed to achieving sustainable improvements for workers in our global supply chains which for wages means a practical and strategic 3-pronged approach:
 - Ensuring compliance with local wage legislation as a foundation.
 - Improving supplier's capability and capacity to improve wages for workers by improving efficiency and productivity.
 - Creating a supportive, enabling environment by lobbying Governments and working with other international stakeholders to deliver sustained improvements in wages through better jobs.

Our team of 21 frontline local ethical trade experts across Asia is critical in supporting this, and their efforts have already made a real difference to thousands of workers' lives.

- Underpinning this approach and in contrast to many other retailers, we seek only to work with suppliers we know and trust and believe are responsible, building direct relationships with them and using our strong on-the-ground presence to check on wages and other conditions. Most workers in our factories in Bangladesh, for example, receive wages that are well above local averages, and our sourcing office of 54 people, including 3 full-time ethical experts, means our experts are in factories every day checking on conditions and supporting improvements.
- Since our meeting with you last September, we have joined 20 other major brands to share our insights on wages and respond to the multi-stakeholder action plan from last November's European Conference on Living Wage in Berlin. Our collective view is that agreements on Living Wage should be reached through good faith negotiations between suppliers, employers, workers and their legitimate representatives, at both industry and national level, and that it is not brands' role to decide the specific amount that should constitute a 'Living wage'.
- In relation to our production, we are happy to share our main production countries for garments, however the details of individual factories outside Bangladesh are, at present, commercially confidential.
- We do not share your critical assessment of the improvements made by factories participating in the DFID-sponsored Benefits for Business and Workers (BBW) project in Bangladesh and India and doubtless nor would the factories, workers and productivity experts that have worked hard to realise the improvements. While a significant improvement has been realised in wages across the industry through changes to the statutory minimum wage in Bangladesh (which incidentally, was an increase for which Tesco and others lobbied hard), many of the worker-by-worker increases achieved by the project itself have been sustained beyond this broader increase. And it does not diminish the importance of efficiency-led efforts which have improved the competitiveness of factories in Bangladesh and safeguarded jobs in a highly competitive world market.

Tesco & MFPE Suppliers: Commitments to Ethical Trading

Our Aim: for Tesco and suppliers to ensure decent treatment of workers across the Meat, Fish, Poultry & Eggs supply chain.

Joint commitments:

1. We promote permanent employment where possible and take a planned approach to our use of agency workers
2. We have practices which protect workers and ensure fair treatment during recruitment
3. We ensure access to jobs and equal pay for comparable work
4. We manage expectations of working patterns for all workers
5. We ensure all workers receive training to allow them to work safely and demonstrate their full potential in the job
6. We give all workers the opportunity to raise concerns and resolve them as soon as possible
7. We offer a decent standard of facilities & equipment for all workers

Background: In light of the EHRC report in March 2010 and the forthcoming Agency Worker Regulations, Tesco commissioned focus groups with workers in the MFPE supply base about fair employment practices in the industry. This informed consultation with suppliers and agencies in March 2011 about what is fair and feasible for the management of temporary labour in the sector. These Commitments are the outcome of this process, and were reviewed and adopted by Tesco suppliers in May 2011, for implementation by October 2011.

Tesco will share these Commitments with the EHRC Taskforce and welcomes input for subsequent versions.

Purpose of this document: To set out the good practices to underpin these commitments, which are believed to be fair for workers and feasible for all suppliers in our MFPE supply chain.

Other applicable standards:

- UK Employment Law including the Agency Worker Regulations and GLA Standards
- Tesco Food Manufacturing Standard (s32 and s34)
- ETI Base Code

Suggested guidance:

- Tesco Ethical Trading Guidance & Supplier Case Studies (forthcoming)
- GLA Responsible Labour User Guide
- Association of Labour Providers & Workforce Cohesion Toolkit
- Equality & Human Rights Commission Guidance (forthcoming in May)
- Dept for Business, Innovation & Skills Guidance on Agency Workers Regulations

1. REGULAR EMPLOYMENT: We promote permanent employment where possible and take a planned approach to our use of agency workers

I. The supplier estimates their labour needs throughout the year and maximises the level of permanent employment contracts on offer, either directly or by an agency.

II. The supplier has internal reporting on the number of workers engaged on each form of employment and regularly reviews their adherence to this commitment.

III. The supplier has a Service Level Agreement (SLA) with agencies which includes the following:

- Identified roles for agency workers.
- Responsibility for training and managing agency workers.
- Process for communicating daily and weekly requirements.

Recommendations:

- Contracts of employment specify standard working hours, which are at least 1 shift per week.

2. RECRUITMENT: We have practices which protect workers and ensure fair treatment during recruitment

I. Fair recruitment and freedom from any form of bonded labour.

The SLA between the agency and the supplier specifies:

- Where people are recruited from and the individuals / organisations involved at each stage of the recruitment process;
- Non-discriminatory recruitment methods;
- Mechanisms to detect and prevent finders' fees and bonded labour, and;
- Commitment to inform GLA of concerns regarding bonded labour.

II. Workers can communicate with one another where necessary, understand relevant company policies and know their rights.

The supplier has a non-discriminatory workplace language policy which includes the following:

- Whether English language is required and what level for each role;
- An objective language testing method applied consistently in the recruitment of directly employed and agency workers (where English is specified).
- Procedures for training and people management appropriate to the level of English language required (see points 5 and 6 below).

3. AGENCY WORKERS REGULATIONS: We ensure access to jobs and equal pay for comparable work

- I. The supplier clearly communicates job vacancies to all workers and includes the skill level and experience required.
- II. All workers can access a record of their training and skills.
- III. Assignments are not automatically terminated before 12 weeks to avoid achieving the qualifying period.
- IV. Suppliers and agencies do not use false self employment to avoid the obligations under the AWR.
- V. Suppliers set the same performance measures and targets for both agency and permanent workers in the same roles.
- VI. Agency workers are on a pay rate according to the company pay scale, unless they have an employment contract with the agency.

Recommendations:

- The pay scale is based on the skills and performance needed to do different jobs.
- Multi-skilled roles earn a premium, which is reflected in the pay structure.
- Trial periods for new workers (permanent and agency) are based on expectation of time needed to reach full skill, and assessment that it has been reached.
- Suppliers and agencies offer contracts of employment rather than contracts for services.
- Contracts of employment specify standard working hours, which are at least 1 shift per week.

4. HOURS & WORK ALLOCATION: We manage expectations of working patterns for all workers

- I. Workers know what to expect day-to-day
 - Agencies specify the terms of each assignment to workers, including minimum time and minimum payment.
 - All workers feel able to turn down non-contracted overtime without detriment.
 - The agency ensures that agency workers know their right to decline overtime.
- II. Working hours are managed responsibly, including:
 - Working hours are clearly recorded and monitored for all workers.
 - A regular management review of working hours.

- Exception reports for excessive hours to prevent breaches of working time regulation rights.

Recommendations:

- Overtime hours (i.e. above contracted hours) are paid at a premium of at least 1.25 (International Labour Organisation recommendation)
- A minimum assignment term of at least 4 hours.

5. TRAINING: We ensure all workers receive training to allow them to work safely and demonstrate their full potential in the job

I. Adequate induction training* time that is paid

- Agency workers receive the same level of induction training as permanently employed workers.
- The induction training is company specific.
- The SLA details arrangements for induction training, how payment is made and how the cost is allocated between agency and supplier.
- Agencies have access to all relevant job-related risk assessments.

* What we mean by induction training: introduction to the role and the site e.g. role and site-specific health and safety. Induction training is not to be used as part of the assessment process.

II. Job-related training

- The supplier ensures agency workers receive the same level of job-related training as permanent workers for the same task.
- Line leaders or supervisors who conduct on-the-job training have the relevant competencies to train others e.g. training and communication skills.
- There are training records for all workers and an assessment and validation of their competency for different roles.

6. RESOLVING CONCERNS: We give all workers the opportunity to raise concerns and resolve them as soon as possible

I. Senior managers have responsibility for HR and the skills and training necessary to manage integration of agency workers

- A senior manager with HR responsibility meets regularly with the representative of the agency to review treatment and performance of agency workers in the company.
- A senior manager with HR responsibility monitors implementation of the SLA.

II. A range of mechanisms for workers to raise complaints or grievances are agreed in the SLA, including:

- A complaints mechanism for agency workers directly to the agency;
 - Procedures for communicating complaints between supplier and agency;
 - Options for confidential and anonymous complaints, which may include Tesco Protector Line;
 - A paper trail to demonstrate how complaints are resolved.
- III. Every effort is made to make workers feel comfortable to raise issues with the agency or the supplier:
- The agency communicates all options for giving feedback or making complaints as part of agency induction.
 - The agency reassures individuals that there will be no repercussions when they give feedback or raise a complaint.
 - Anonymous complaints are handled sensitively but the outcome communicated to the workforce.

7. FACILITIES & EQUIPMENT: We offer a decent standard of facilities & equipment for all workers

N.B. It will be a legal requirement from October 2011 to give equal access to collective facilities for all workers from day 1.

- I. All workers have access to a secure, lockable facility during their working hours.
- II. All workers have access to clean and hygienic personal protective equipment that is provided free of charge.
 - Wherever possible, workers have their own boots, overalls, and safety gloves
 - Where short-term workers have PPE which may have been used by others, they can see it is clean, hygienic and carefully stored.

Version 1 – May 2011.

Next review – end 2011.

Please relay any interim feedback to your Tesco MFPE Category contact or the Tesco Ethical Trade Team.

Accord on Fire and Building Safety in Bangladesh

The undersigned parties are committed to the goal of a safe and sustainable Bangladeshi Ready-Made Garment ("RMG") industry in which no worker needs to fear fires, building collapses, or other accidents that could be prevented with reasonable health and safety measures.

The signatories to this Agreement agree to establish a fire and building safety program in Bangladesh for a period of five years.

The programme will build on the National Action Plan on Fire Safety (NAP), which expressly welcomes the development and implementation by any stakeholder of any other activities that would constitute a meaningful contribution to improving fire safety in Bangladesh. The signatories commit to align this programme and its activities with the NAP and to ensure a close collaboration, including for example by establishing common programme, liaison and advisory structures.

The signatories also welcome a strong role for the International Labour Organization (ILO), through the Bangladesh office as well as through international programmes, to ensure that both the National Action Plan, and the programme foreseen by the signatories of this Agreement, get implemented.

The signatories shall develop and agree an Implementation Plan within 45 days of signing this Agreement. The nongovernmental organisations which are signatories to the Joint Memorandum of Understanding on Fire and Building Safety (dated March 15, 2012), having stated their intention to support the implementation of this programme, shall, at their own election, be signed witnesses to this Agreement.

This Agreement commits the signatories to finance and implement a programme that will take cognizance of the Practical Activities described in the NAP involving, at minimum, the following elements:

SCOPE: The agreement covers all suppliers producing products for the signatory companies. The signatories shall designate these suppliers as falling into the following categories, according to which they shall require these supplier to accept inspections and implement remediation measures in their factories according to the following breakdown:

1. Safety inspections, remediation and fire safety training at facilities representing, in the aggregate, not less than 30%, approximately, of each signatory company's annual production in Bangladesh by volume ("Tier 1 factories").
2. Inspection and remediation at any remaining major or long-term suppliers to each company ("Tier 2 factories"). Together, Tier 1 and Tier 2 factories shall represent not less than 65%, approximately, of each signatory company's production in Bangladesh by volume.

3. Limited initial inspections to identify high risks at facilities with occasional orders, one-time orders or those for which a company's orders represent less than 10% of the factory's production in Bangladesh by volume ("Tier 3 factories"). Nothing in this paragraph shall be deemed to alleviate the obligation of each signatory company to ensure that those factories it designates as Tier 3 represent, in the aggregate, no more than 35%, approximately, of its production in Bangladesh by volume. Facilities determined, as a result of initial inspection, to be high risk shall be subject to the same treatment as if they were Tier 2 factories.

GOVERNANCE:

4. The signatories shall appoint a Steering Committee (SC) with equal representation chosen by the trade union signatories and company signatories (maximum 3 seats each) and a representative from and chosen by the International Labour Organization (ILO) as a neutral chair. The SC shall have responsibility for the selection, contracting, compensation and review of the performance of a Safety Inspector and a Training Coordinator; oversight and approval of the programme budget; oversight of financial reporting and hiring of auditors; and such other management duties as may be required. The SC will strive to reach decision by consensus, but, in the absence of consensus, decisions will be made by majority vote. In order to develop the activity of the SC, a Governance regulation will be developed.
5. Dispute resolution. Any dispute between the parties to, and arising under, the terms of this Agreement shall first be presented to and decided by the SC, which shall decide the dispute by majority vote of the SC within a maximum of 21 days of a petition being filed by one of the parties. Upon request of either party, the decision of the SC may be appealed to a final and binding arbitration process. Any arbitration award shall be enforceable in a court of law of the domicile of the signatory against whom enforcement is sought and shall be subject to The Convention on the Recognition and Enforcement of Foreign Arbitral Awards (The New York Convention), where applicable. The process for binding arbitration, including, but not limited to, the allocation of costs relating to any arbitration and the process for selection of the Arbitrator, shall be governed by the UNCITRAL Model Law on International Commercial Arbitration 1985 (with amendments as adopted in 2006).
6. The signatories shall appoint an Advisory Board involving brands and retailers, suppliers, government institutions, trade unions, and NGOs. . The advisory board will ensure all stakeholders, local and international, can engage in constructive dialogue with each other and provide feedback and input to the SC, thereby enhancing quality, efficiency, credibility and synergy. The SC will consult the parties to the NAP to determine the feasibility of a shared advisory structure.
7. Administration and management of the programme will be developed by the SC in consultation with the 'High-Level Tripartite Committee' established to implement and oversee the National Action Plan on Fire Safety, as well as with the Ministry of Labour

and Employment of Bangladesh (MoLE), the ILO and the Deutsche Gesellschaft für Internationale Zusammenarbeit GmbH (GIZ), to maximize synergy at operational level; and the SC may make use of the offices of GIZ for administrative coordination and support.

CREDIBLE INSPECTIONS:

8. A qualified Safety Inspector, with fire and building safety expertise and impeccable credentials, and who is independent of and not concurrently employed by companies, trade unions or factories, shall be appointed by the SC. Providing the Chief Inspector acts in a manner consistent with his or her mandate under the provisions of this Agreement, and unless there is clear evidence of malfeasance or incompetence on his or her part, the SC shall not restrict or otherwise interfere with the Chief Inspector's performance of the duties set forth in the Agreement as he or she sees fit, including the scheduling of inspections and the publishing of reports.
9. Thorough and credible safety inspections of Tier 1, 2 and 3 factories shall be carried out by skilled personnel selected by and acting under the direction of the Safety Inspector, based on internationally recognized workplace safety standards and/or national standards (once the review foreseen under the NAP is completed in June 2013). The Safety Inspector shall make all reasonable efforts to ensure that an initial inspection of each factory covered by this Agreement shall be carried out within the first two years of the term of this Agreement. The Safety Inspector will be available to provide input into the NAP legislative review and to support capacity building work regarding inspections by the MoLE foreseen under the NAP.
10. Where a signatory company's inspection programme, in the opinion of the Safety Inspector, meets or exceeds the standards of thorough and credible inspections, as defined by the Safety Inspector, it will be considered an integral part of the programme activities set forth in this Agreement. Signatory companies wishing to have their inspection programme so considered shall provide the Safety Inspector full access to the findings of their inspections and he or she will integrate these into reporting and remediation activities. Notwithstanding this provision, all factories within the scope of this Agreement shall still be subject to all the provisions of this Agreement, including but not limited to a least one safety inspection carried out by personnel acting under the direction of the Safety Inspector.
11. Written Inspection Reports of all factories inspected under the programme shall be prepared by the Safety Inspector within two (2) weeks of the date of inspection and shared upon completion with factory management, the factory's health and safety committee, worker representatives (where one or more unions are present), signatory companies and the SC. Where, in the opinion of the Safety Inspector, there is not a functioning health and safety committee at the factory, the report will be shared with the unions which are the signatories to this Agreement. Within a timeline agreed by the SC, but no greater than six weeks, the Safety Inspector shall disclose the Inspection Report to

the public, accompanied by the factory's remediation plan, if any. In the event that, in the opinion of the Safety Inspector, the inspection identifies a severe and imminent danger to worker safety, he or she shall immediately inform factory management, the factory's health and safety committee, worker representatives (where one or more unions are present), the Steering Committee and unions which are signatories to this Agreement, and direct a remediation plan.

REMEDICATION:

12. Where corrective actions are identified by the Safety Inspector as necessary to bring a factory into compliance with building, fire and electrical safety standards, the signatory company or companies that have designated that factory as a Tier 1, 2, or 3 supplier, shall require that factory to implement these corrective actions, according to a schedule that is mandatory and time-bound, with sufficient time allotted for all major renovations.
13. Signatory companies shall require their supplier factories that are inspected under the Program to maintain workers' employment relationship and regular income during any period that a factory (or portion of a factory) is closed for renovations necessary to complete such Corrective Actions for a period of no longer than six months. . Failure to do so may trigger a notice, warning and ultimately termination of the business relationship as described in paragraph 21.
14. Signatory companies shall make reasonable efforts to ensure that any workers whose employment is terminated as a result of any loss of orders at a factory are offered employment with safe suppliers, if necessary by actively working with other suppliers to provide hiring preferences to these workers.
15. Signatory companies shall require their supplier factories to respect the right of a worker to refuse work that he or she has reasonable justification to believe is unsafe, without suffering discrimination or loss of pay, including the right to refuse to enter or to remain inside a building that he or she has reasonable justification to believe is unsafe for occupation.

TRAINING:

16. The Training Coordinator appointed by the SC shall establish an extensive fire and building safety training program. The training program shall be delivered by a selected skilled personnel by the Training Coordinator at Tier 1 facilities for workers, managers and security staff to be delivered with involvement of trade unions and specialized local experts. These training programmes shall cover basic safety procedures and precautions, as well as enable workers to voice concerns and actively participate in activities to ensure their own safety. Signatory companies shall require their suppliers to provide access to their factories to training teams designated by the Training Coordinator that include

safety training experts as well as qualified union representatives to provide safety training to workers and management on a regular basis.

17. Health and Safety Committees shall be required by the signatory companies in all Bangladesh factories that supply them, which shall function in accordance with Bangladeshi law, and be comprised of workers and managers from the applicable factory. Worker members shall comprise no less than 50% of the committee and shall be chosen by the factory's trade union, if present, and by democratic election among the workers where there is no trade union present.

COMPLAINTS PROCESS:

18. The Safety Inspector shall establish a worker complaint process and mechanism that ensures that workers from factories supplying signatory companies can raise in a timely fashion concerns about health and safety risks, safely and confidentially, with the Safety Inspector. This should be aligned with the Hotline to be established under the NAP.

TRANSPARENCY AND REPORTING:

19. The SC shall make publicly available and regularly update information on key aspects of the programme, including:
 - a. a single aggregated list of all suppliers in Bangladesh (including sub-contractors) used by the signatory companies, based on data which shall be provided to the SC and regularly updated by each of the signatory companies, and which shall indicate which factories on this list have been designated by that company as Tier 1 factories and which have been designated by that company as Tier 2 factories, however volume data and information linking specific companies to specific factories will be kept confidential,
 - b. Written Inspection Reports, which shall be developed by the Safety Inspector for all factories inspected under this programme, shall be disclosed to interested parties and the public as set forth in paragraph 11 of this Agreement.

Public statements by the Safety Inspector identifying any factory that is not acting expeditiously to implement remedial recommendations.
 - c. Quarterly Aggregate Reports that summarize both aggregated industry compliance data as well as a detailed review of findings, remedial recommendations, and progress on remediation to date for all factories at which inspections have been completed.
20. The signatories to this Agreement shall work together with other organizations such as ILO and the High-Level Tripartite Committee and the Bangladeshi Government to encourage the establishment of a protocol seeking to ensure that suppliers which participate fully in

the inspection and remediation activities of this Agreement shall not be penalised as a result of the transparency provisions of this Agreement. The objectives of the protocol are to (i) support and motivate the employer to take remediation efforts in the interest of the workforce and the sector and (ii) expedite prompt legal action where the supplier refuses to undertake the remedial action required to become compliant with national law.

SUPPLIER INCENTIVES:

21. Each signatory company shall require that its suppliers in Bangladesh participate fully in the inspection, remediation, health and safety and, where applicable, training activities, as described in the Agreement. If a supplier fails to do so, the signatory will promptly implement a notice and warning process leading to termination of the business relationship if these efforts do not succeed.
22. In order to induce Tier 1 and Tier 2 factories to comply with upgrade and remediation requirements of the program, participating brands and retailers will negotiate commercial terms with their suppliers which ensure that it is financially feasible for the factories to maintain safe workplaces and comply with upgrade and remediation requirements instituted by the Safety Inspector. Each signatory company may, at its option, use alternative means to ensure factories have the financial capacity to comply with remediation requirements, including but not limited to joint investments, providing loans, accessing donor or government support, through offering business incentives or through paying for renovations directly.
23. Signatory companies to this agreement are committed to maintaining long-term sourcing relationships with Bangladesh, as is demonstrated by their commitment to this five-year programme. Signatory companies shall continue business at order volumes comparable to or greater than those that existed in the year preceding the inception of this Agreement with Tier 1 and Tier 2 factories at least through the first two years of the term of this Agreement, provided that (a) such business is commercially viable for each company and (b) the factory continues to substantially meet the company's terms and comply with the company's requirements of its supplier factories under this agreement.

FINANCIAL SUPPORT:

24. In addition to their obligations pursuant to this Agreement, signatory companies shall also assume responsibility for funding the activities of the SC, Safety Inspector and Training Coordinator as set forth in this Agreement, with each company contributing its equitable share of the funding in accordance with a formula to be established in the Implementation Plan. The SC shall be empowered to seek contributions from governmental and other donors to contribute to costs. Each signatory company shall contribute funding for these activities in proportion to the annual volume of each company's garment production in Bangladesh relative to the respective annual volumes of garment production of the other signatory companies, subject to a maximum contribution of \$500,000 per year for each year of the term of this Agreement. A sliding

MAY 13, 2013

scale of minimum contributions based on factors such as revenues and annual volume in Bangladesh will be defined in the Implementation Plan with annual revisions, while ensuring sufficient funding for the adequate implementation of the Accord and the Plan.

25. The SC shall ensure that there are credible, robust, and transparent procedures for the accounting and oversight of all contributed funds.

Trade Union Signatories

Company Signatory



Jyrki Raina
General Secretary
IndustriAll Global Union

Philip Jennings
General Secretary
UNI Global Union

15.5.2013
Geneva, Switzerland

15.5.2013
Geneva, Switzerland



RAGS

4th HR Module

Getting the most out of your workers



Agenda

Day 1

Working with management to understand:

- What stops us sustaining best levels of efficiency and quality
- What to do about it

Day 2

Implementing the new ways of working



The Training Programme

Step 1:

VISION

ROLES

INDUCTION

BUDDY



The Training Programme

Step 2:

WORKER JOB DESCRIPTIONS



APPRAISAL & PROMOTION



SUPERVISORS' ROLES



The Training Programme

Step 3:

TRAINING
PLAN



LINK PAY, PROMOTION
& BENEFITS



INCENTIVE
SCHEMES



The Training Programme

Step 4:

PEACE OF
MIND



WELFARE OFFICER,
WORKER COMMITTEE



SYSTEM
IMPLEMENTATION



Tell me about a time:

when you had a worry on your mind and you could not focus at work



How did you feel?

How did it affect your performance?

If you are worried, you are less likely to work efficiently and concentrate on your work

What is going on in the mind of a worker

I'd love my son to go to private school, I need **money** for his education. How can I manage?

My son is **sick** again
I must go home as quickly as possible.

I don't understand my husband. I hand over all the **money**. why is he never happy ?

I am so tired, last night I did long overtime hours, and then cooked dinner – **I am too tired** to be a zero defect operator.

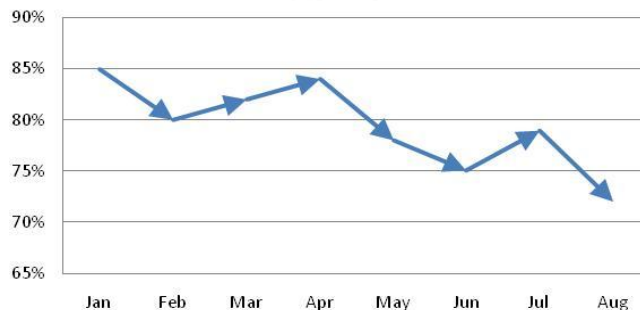
Money... such a big headache... I wish could get an **advance**.

Oh, that **supervisor**... if he is **angry** with me without reason again, I swear, I'll leave this place at once!

Stupid operator. I don't understand why he's been **promoted** and not me.



Efficiency going down!!



Efficiency is made of:

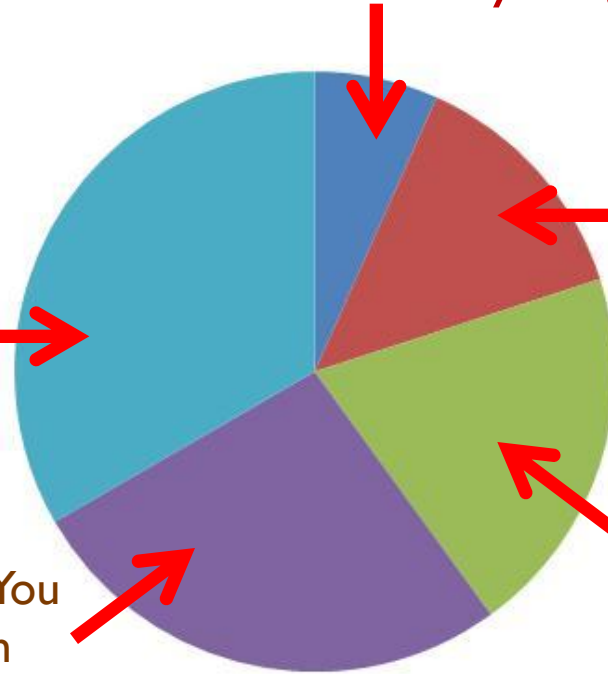
Peace of Mind – “everything is resolved”

Good process / technical know-how – “You know what you have to do when to do it”

Good work environment – “I feel comfortable at work”

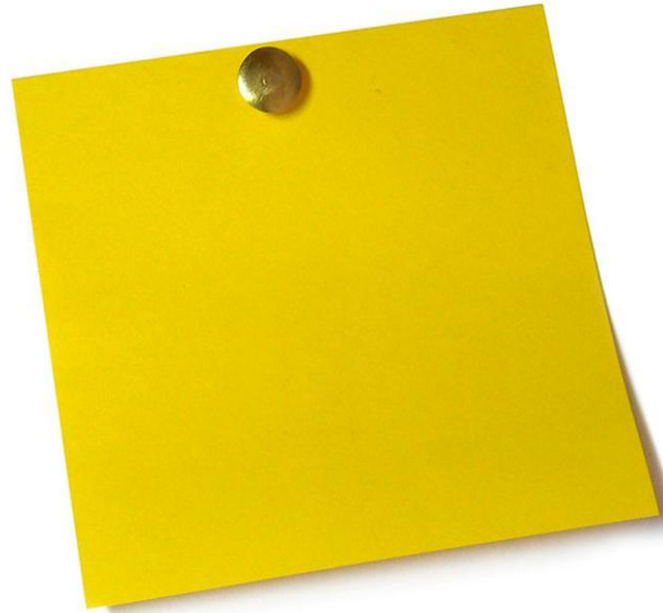
Good management – “You get the right support when you need it”

Career path/reward – “You improve your position”



If you are worried, you are less likely to work efficiently and concentrate on your work.

What are the improvements you have already made which have resulted in higher efficiency?

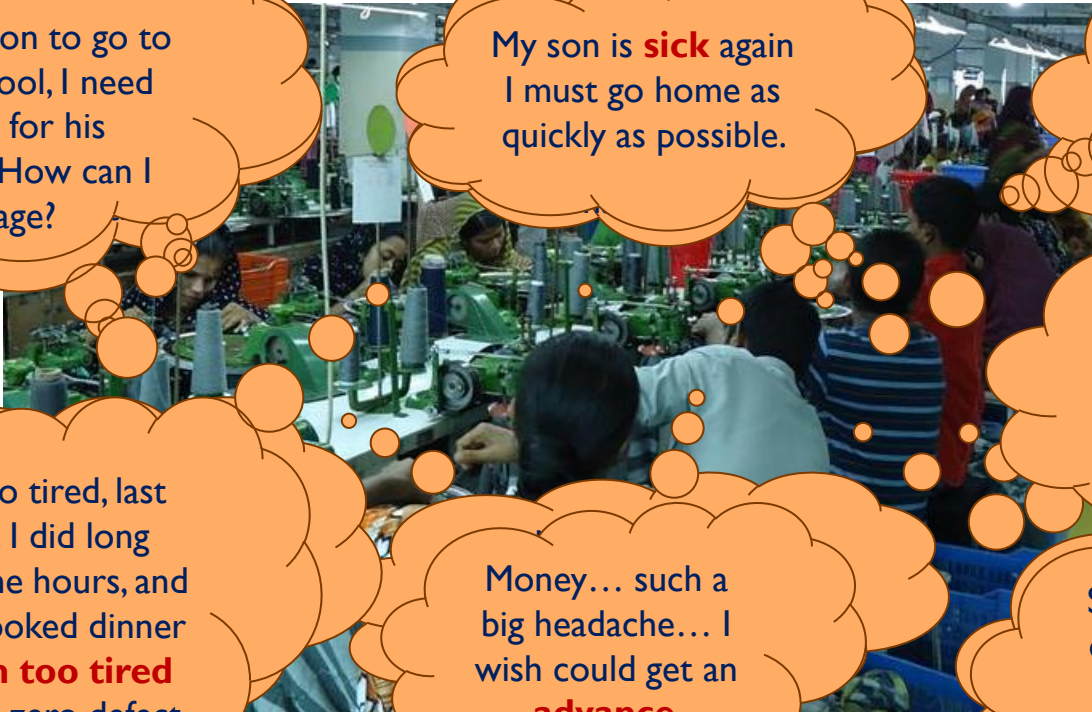


How **important** do you think piece of mind is?
How much can it affect workers' **performance??**

30%? 100%? 40%?
25%? 55%? 15%?

How to achieve 100% peace of mind?

What could be going on...



I'd love my son to go to private school, I need **money** for his education. How can I manage?

My son is **sick** again
I must go home as quickly as possible.

I don't understand my husband. I hand over all the **money**. why is he never happy?

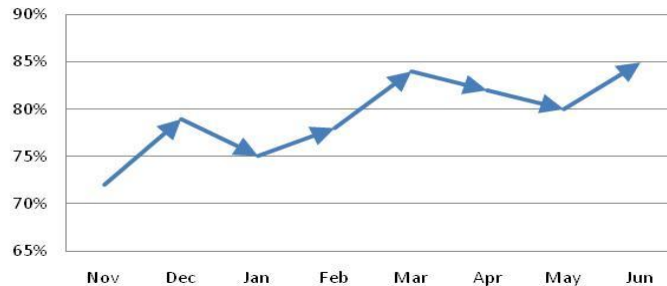
Oh, that **supervisor**... if he is **angry** with me without reason again, I swear, I'll leave this place at once!

I am so tired, last night I did long overtime hours, and then cooked dinner – **I am too tired** to be a zero defect operator.

Money... such a big headache... I wish could get an **advance**.

Stupid operator. I don't understand why he's been **promoted** and not me.

Efficiency is going up



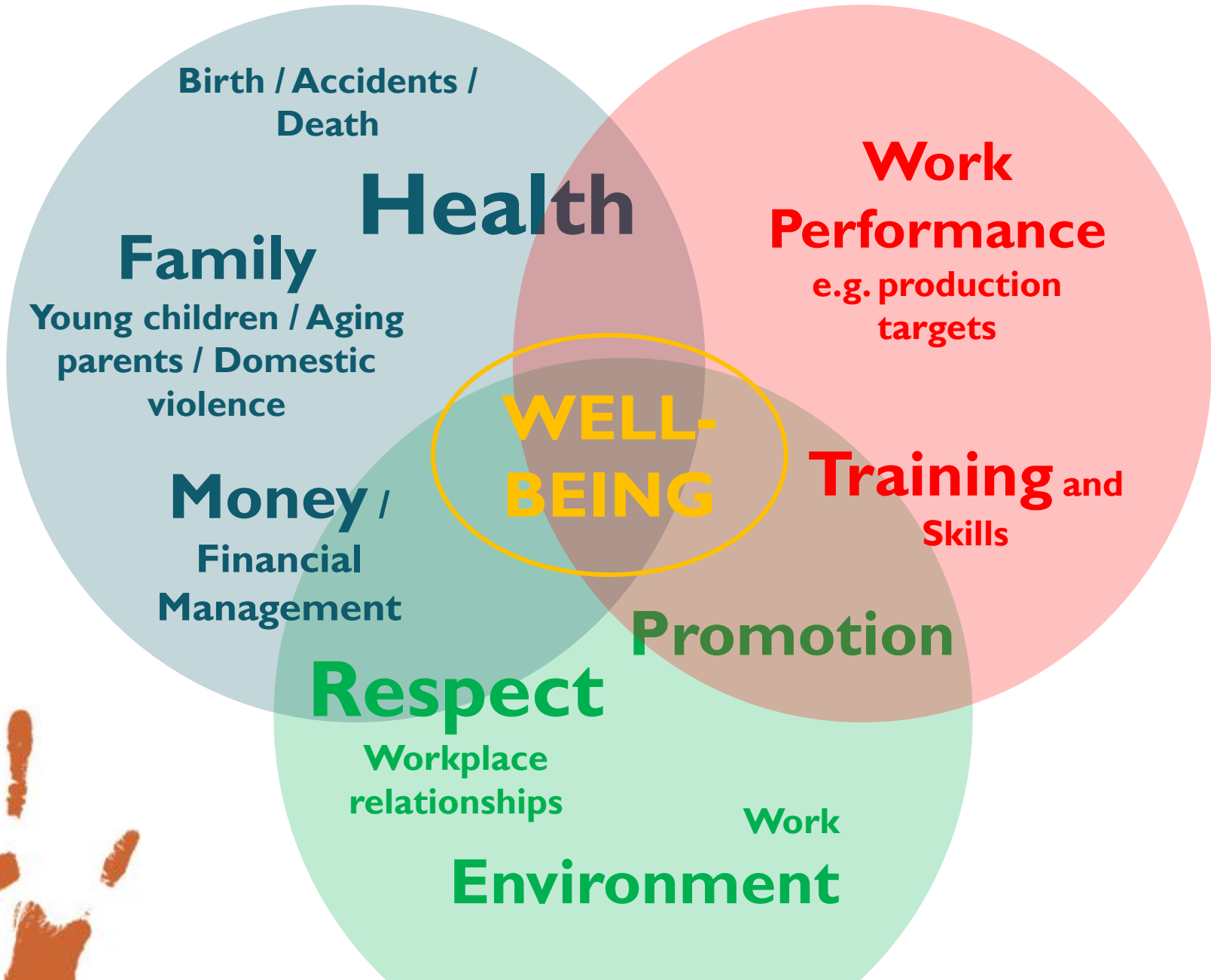
Need to understand what is going on

How can we empower workers to share their grievances with us?
If we do not know, we cannot do anything...

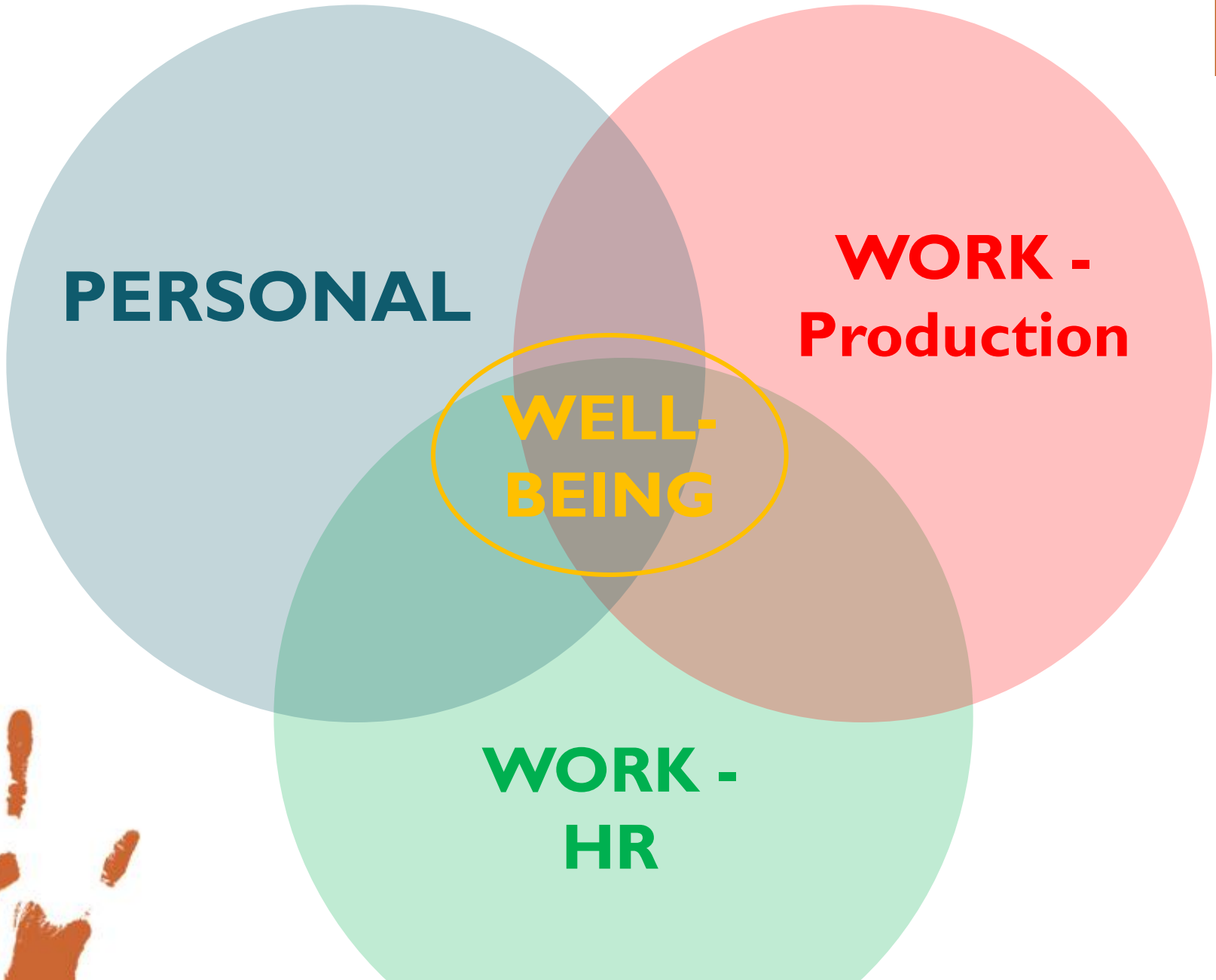
Absenteeism and turnover will still be an issue. Lower
productivity will be the norm.



Need to understand what is going on



Need to understand what is going on



Current Systems

Who is there for workers to go to? What are they for?
What is working well? What can be improved?

Welfare Officer
NGOs
Micro-Finance
Buddies

Supervisors
Worker Committee
Buddies

WELL-
BEING

HR officer
Worker Committee
Buddies



Communications Workshop

Invite worker reps/buddies, welfare officer, supervisors into discussion to share workers' concerns

What can be done?

Not all issues can be addressed by us. We can only support our workforce in some ways.

Someone at the factory?

Someone outside the factory?

We unfortunately cannot help...

How can we feed this back to workers?



Systems



With a wider REACH we can capture MORE worker worries

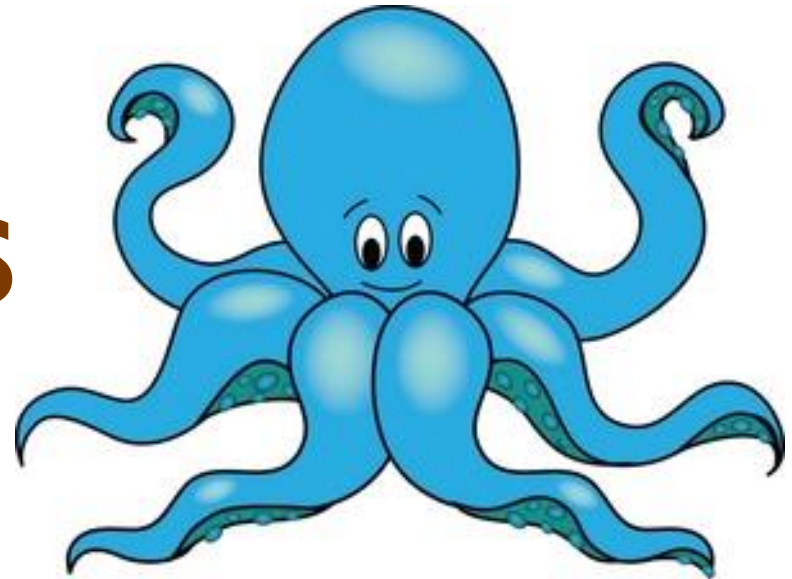
Workers are more at PEACE and can focus on their WORK

Systems

Why have so many different communication channels?



VS



You can reach **MORE** views with **MORE** hands

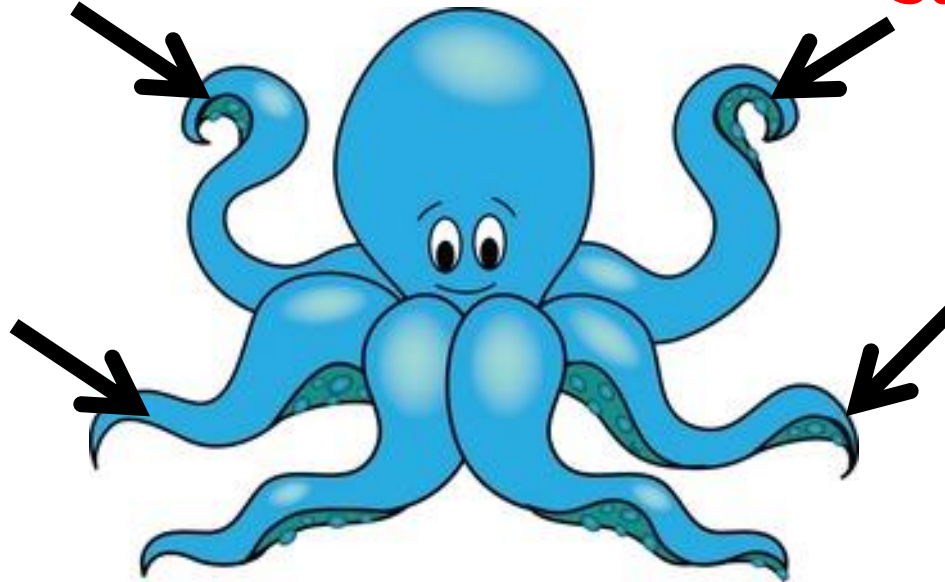
Systems

Welfare Officer

Supervisors

Buddies

**Worker
Committee**



Every arm is important – Every arm needs attention

Summary

Summary of the Day
Feedback





Day 2

4th HR Module

Getting the most out of your workers



Challenges

A factory is like a bowl of milk – a tiny drop of sourness can turn the whole bowl bad:

How to keep the milk sweet?

How to sweeten sour elements?

How to find sweet elements?



Some Examples

- Supervisors – workers report that they do not respect workers and workers want to leave
- Welfare officer – job description focuses on administration not on HOW to support workers
- Buddies – there are workers who are respected who workers turn to for advice but they are not recognised and the information they capture is not used



Challenges

But what if workers do not want to share...?

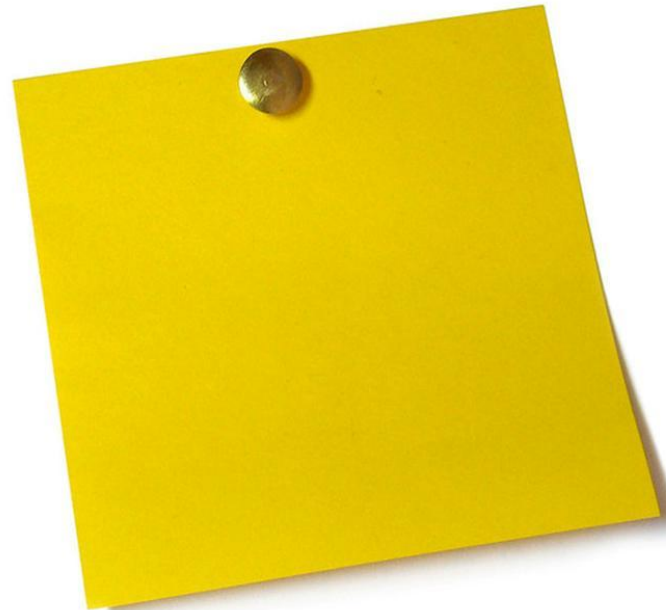
How can we understand workers' needs and address them?

How can we proactively gather feedback from workers on what is working and what needs to be improved?



Worker Participation Commitee

Job Description
Responsibilities
Skills
Personality



Worker Participation Committee

Golden rules:

- Establish a functioning committee
- Identify workers' views
- Communicate workers' views
- Resolve any issues
- Record workers' views and outcomes
- Communicate back the resolution



*These are critical for the success of a worker committee. If workers are not aware of the resolution of issues, they will not raise any issues... It is therefore **very important** to let workers know that management is addressing their concerns.*



Benefits

- ✓ Workers feel heard and valued by management
- ✓ Increased loyalty and retention
- ✓ Management is pro-actively tackling the issues before they become industrial actions / labour unrest



How to Communicate?

We have two ears and one mouth so that we can listen twice as much as we speak



Training / Sweetening

Make sure senior management approve the roles and responsibilities of Welfare Officer, WPC, Buddies, Supervisors

Sweeten them to ensure they understand their responsibility and role – and see it as an opportunity!

Sweeten them to ensure they can communicate with workers (& back to management)

Who will train? How Often? Content?

Training / Sweetening Exercise

Role-play between two people:

One person is the worker – One person is the welfare officer, buddy or supervisor

Objectives:

Show the welfare officer, buddy or supervisor that getting worker views is an opportunity to do their job well:

- Supervisors - it is a way to increase their team's work performance
- Welfare officer - it is an opportunity to increase worker satisfaction, have fewer complaints
- Buddy - it is a way to be seen as a valued and important worker
- Worker representatives - it is a way to improve overall satisfaction in the workplace

How do you understand your role?

What aspects of your role do you like/enjoy the most?

What more would you like in your role?

When was the last time you felt you did your job really well e.g. helped a worker with an important issue? What enabled you to do this? How was this experience for you?

Summary

Objective	Currently / Target	Responsible	Accountable	Timeline
e.g. Set up worker committee	Draw up job descriptions and training plan by [date]			



Further action planning

One-to-one clinic sessions

