

The factual information set forth on the Tracking Charts was submitted to the FLA by each Independent External Monitor and Participating Company and reviewed by FLA staff. It is being made available to the public pursuant to the FLA Charter in order to strengthen the monitoring process. The FLA Charter provides for regular public disclosure of the factual results of independent monitoring and the resulting specific actions taken by Participating Companies.

What is a Tracking Chart?

Compliance is a process, not an event. A Tracking Chart outlines the process involved in FLA independent external monitoring and remediation. It is used by the accredited independent external monitor, the participating company and the FLA staff to do the following:

- **Record Findings:** The independent external monitor uses the Tracking Chart to report noncompliance with FLA Code standards. The monitor should also cite the specific Code benchmark or national/local law that was used to measure compliance.
- **Report on Remediation:** The FLA participating company uses the Tracking Chart to report on the remediation program that was implemented in order to resolve the noncompliance and prevent any future violations.
- **Evaluate Progress:** The FLA uses the Tracking Chart for purposes of collecting and analyzing information on the compliance situation of a particular factory and for publication on our website. This information is updated on an ongoing basis.

What a Tracking Chart is NOT -

- An exhaustive assessment of factory conditions

Working conditions - in any type of workplace - are dynamic. Each Tracking Chart represents a survey of the factory's conditions on a specific day. Over time, a fuller picture emerges as we compile information from various sources to track the compliance progress of a factory.

- A pass or fail evaluation

The Tracking Charts do not certify whether or not factories are in compliance with the FLA Code. Monitoring is a measurement tool. The discovery of noncompliance issues is therefore not an indication that the participating company should withdraw from a factory. Instead, the results of monitoring visits are used to prioritize capacity building activities that will lead to sustainable improvements in the factory's working conditions.

- A one-time event

Each monitoring visit is followed by a remediation program, further monitoring and remediation in an ongoing process. The Tracking Charts are updated accordingly.

Note on Language

Please be advised that because FLA independent external monitors are locally-based and English is generally not their native language, the language presented may at times appear unclear to a reader who is a native English speaker. In order to preserve the integrity of the transparency process and the information we receive, our policy is to publish the original text from the monitor and participating company. However, the reader will note that we have taken the precaution to remove any identifying information about the factory that was monitored or the workers interviewed.

For example, in cases where monitors and/or participating companies have cited the actual number of workers in reference to a noncompliance issue, in order to protect the workers' identities, we have replaced the numbers with generic wording in brackets (i.e. "[some]", "[worker interviews revealed that]", etc.).

We do not disclose the name of the factory that was monitored in order to ensure that the FLA's efforts to encourage and reward transparency do not have detrimental consequences for the factory and the workers.

Instructions for Printing

The information contained in the Tracking Charts is organized by columns and rows in a table format. Due to the number and width of the columns, the charts have been formatted for legal size (8.5 x 14in.) paper. To print the charts, please make sure to select "legal" size paper from Print properties.

FLA Audit Profile	
Country	China
Factory name	05001507C
IEM	Global Standards
Date(s) in facility	Dec. 16 - 17, 2004
PC(s)	Liz Claiborne Inc.
Number of workers	2200
Product(s)	Woven apparel
Production processes	Sewing, cutting, pressing, finishing and packing

FLA Code/ Compliance Issue	Country Law/Legal Reference	FLA Benchmark	Findings					Remediation				Company Verification Follow up			
			Monitor's Findings	Documentation (if finding was corroborated/verified through multiple sources, list all sources)	Was Finding Corroborated? Yes or No	If not corroborated, explain why	Best Practice	Company Remediation plan	Target Completion Date	Factory Response (Optional)	Company follow up (Cite date of follow up)	Documentation	Company Follow up (Cite date of planned or follow up visit, if appropriate)	Documentation	
1. Code Awareness		FLA Principle of Monitoring, Obligation of Companies: Ensure that all Company factories as well as contractors and suppliers inform their employees about the workplace standards orally and through the posting of standards in a prominent place (in the local languages spoken by employees and managers) and undertake other efforts to educate employees about the standards on a regular basis.	Workers are not aware of CoC [Code of Conduct].	Worker interview	yes				In order to enhance workers' awareness on the CoC, the factory should educate the workers on the CoC on a regular basis.	The factory confirmed that the corrective actions had been taken on Jan 15, 2005. The PC planned to visit the factory on Jan 21, 2005 to ensure that the Code be properly addressed to all workers.	The factory agreed to reinforce the education and training program on the Code at least twice a year.		Outline of the training and the attendance sheets, and interview forms	The PC visited the factory on January 21, 2005, and confirmed that employees were aware of Liz's Code of Conduct. The factory showed the PC the records regarding the training on Liz's Code of Conduct, which took place on January 20, 2005. According to the records, the employees at all sections were trained and the training covered all Code provisions. The PC interviewed 15 workers randomly selected, and they were well aware of the Code. The PC recommended that the factory should introduce the Code to the newly recruited workers during the orientation program. The PC conducted another follow-up audit on June 9, 2005, and confirmed that the factory continued providing trainings to workers on Code provisions. In addition, the PC reviewed the records and noticed that the factory had introduced the Code to the newly recruited during the orientation program.	Outline of the training and the attendance sheets, and interview forms
Confidential non-compliance reporting channel		FLA Principle of Monitoring, Obligation of Companies: Develop a secure communications channel in a manner appropriate to the culture and situation, to enable Company employees and employees of contractors and suppliers to report to the Company on noncompliance with the workplace standards, with security that they shall not be punished or prejudiced for doing so.	No such system in place	Visual inspection	yes		There is a confidential non-compliance reporting channel printed in CoC of Liz Claiborne.	It is the policy of the PC to establish a secure communication channel for the workers to report non-compliance issues. The CoC of Liz has already included the telephone number and address of Liz HK and South China office so that the workers could contact the PC, when necessary. [Note: This has been regarded by IEM as the best practice.]							
2. Forced Labor															
There will not be any use of forced labor, whether in the form of prison labor, indentured labor, bonded labor or otherwise															
3. Child Labor															
No person will be employed at an age younger than 15 (or 14 where the law of the country of manufacture allows) or younger than the age for completing compulsory education in the country of manufacture where such age is higher than 15.															
4. Harassment or Abuse															
Every employee will be treated with respect and dignity. No employee will be subject to any physical, sexual, psychological or verbal harassment of abuse.															
5. Nondiscrimination															
No person will be subject to any discrimination in employment, including hiring, salary, benefits, advancement, discipline, termination or retirement, on the basis of gender, race, religion, age, disability, sexual orientation, national, political opinion, or social or ethnic origin.															
6. Health and Safety															
Employers will provide a safe and healthy working environment to prevent accidents and injury to health arising out of, linked with, or occurring in the course of work or as a result of the operation of employer facilities															
Safety Equipment		All safety and medical equipment (such as fire fighting equipment, first aid kits, etc.) shall be in place, maintained as prescribed and accessible to the employees	Found one extinguisher out of order and most of the first aid kits inside the facility are not well stocked.	Visual inspection	yes			The factory should designate a person to be responsible for regularly checking all fire extinguishers to ensure that they are in good conditions. In addition, this person should periodically check the first aid kits to ensure that they are well stocked.	The factory confirmed that the corrective actions had been taken on Jan 15, 2005. The PC planned to visit the factory on Jan 21, 2005 to ensure that the fire extinguishers be in good conditions, and the first aid kits be well stocked.	The factory agreed to assign a Health and Safety guard to check the fire extinguishers and first aid kits on a weekly basis.		Health and Safety inspection records, and photos of fire extinguishers and first aid kits will be included in the PC's internal file.	The PC visited the factory on Jan 21, 2005 and reviewed the inspection records of the fire extinguishers and first aid kits. The PC noted that the fire extinguishers were checked on a weekly basis and those malfunctioned would be replaced immediately; the first aid kits were inspected on a weekly basis to ensure that they are fully stocked as per the standardized medicine list that is posted on each first aid kit. During the follow up audit, neither a malfunctioned fire extinguisher nor a non-fully stocked first aid kit was identified.	Photos of fire extinguishers and first aid kits, and Health & Safety inspection records	
Ventilation/Electrical/facility maintenance		All ventilation, plumbing, electrical, and lighting services shall be provided and maintained to conform to applicable laws and prevent hazardous conditions to employees in the facility	Because of high heat and humidity, some workers who use vapor ironing machine have skin problems (on their hands) and they purchase their own medicinal cure. Some workers even buy fans to protect themselves from high heat and humidity.	Worker interview, visual inspection	yes			The factory should ensure that all workshops, esp. ironing section, be adequately ventilated to provide a reasonable temperature.	The factory confirmed that the corrective actions had been taken on Jan 15, 2005. The PC planned to visit the factory on Jan 21, 2005 to ensure that the temperature of the workshop be maintained at a comfortable level.	The factory agreed to set up the standard procedures for operating the air conditioner. It became effective Jan 15, 2005. The standard operation procedures require the secretary to the floor manager or floor-in-charge to check the thermometer at 10am every day. The temperature is required to mark on a logbook, and the air conditioner will be switched on when the workshop temperature exceeds 28°C.		A copy of standard operation procedures, and the logbook, and photos will be included in the PC's internal file.	The PC visited the factory on Jan 21, 2005 and noted that the temperature of the workshop was maintained below 28°C. The standard operation procedures are posted on the workshop. Workers could voice out to turn on the air conditioner when the temperature is over 28°C.	Worker interviews. Photos of ironing workers, air conditioner, standard operation procedure (posted on the production floor), a copy of standard operation procedure, the air conditioner logging record, and interview forms	
7. Freedom of Association and Collective Bargaining															

FLA Code/ Compliance issue	Country Law/Legal Reference	FLA Benchmark	Findings					Remediation				Company Verification Follow up		
			Monitor's Findings	Documentation (if finding was corroborated/verified through multiple sources, list all sources)	Was Finding Corroborated? Yes or No	If not corroborated, explain why	Best Practice	Company Remediation plan	Target Completion Date	Factory Response (Optional)	Company follow up (Cite date of follow up)	Documentation	Company Follow up (Cite date of planned or follow up visit, if appropriate)	Documentation
Employers will recognize and respect the right of employees to freedom of association and collective bargaining														
		<p>FLA Comment: <i>The Chinese constitution guarantees Freedom of Association; however, the Trade Union Act prevents the establishment of trade unions independent of the sole official trade union – the All China Federation of Trade Unions (ACFTU). According to the ILO, many provisions of the Trade Union Act are contrary to the fundamental principles of freedom of association, including the non-recognition of the right to strike. As a consequence, all factories in China fall short of the ILO standards on the right to organize and bargain collectively. Recently, however, the government has introduced new regulations that could improve the functioning of the labor relations mechanisms. The Amended Trade Union Act of October 2001 does stipulate that union committees have to be democratically elected at members' assemblies and trade unions must be accountable to their members. The trade union has the responsibility to consult with It also grants the trade union an enhanced role in dispute resolution. In December 2003, the Collective Contracts Decree introduced the obligation for representative trade unions and employers to negotiate collective agreements, in contrast to the previous system of non-negotiated administrative agreements.</i></p>												
8. Wages and Benefits														
Employers recognize that wages are essential to meeting employees' basic needs. Employers will pay employees, as a base, at least the minimum wage required by local law or the prevailing industry wage, whichever is higher, and will provide legally mandated benefits														
Pay statement		Employers will provide workers a pay statement each pay period, which will show earned wages, regular and overtime pay, bonuses and all deductions	The factory does not provide workers with a pay statement, workers only sign a form to confirm that they have already received the payment.	Worker interview, management interview, document review	yes			During each pay period, the factory should provide workers a pay slip/statement showing the wage breakdown, such as normal work hours, overtime hours, normal wages, overtime wages, allowance, deduction etc.	The factory confirmed that the corrective actions had been taken on Jan 15, 2005. The PC planned to visit the factory on Jan 21, 2005 to ensure that the factory had started issuing the pay statement/slip.	The factory agreed to provide the pay statement to workers starting from Jan 19, 2005. It was the day when the factory paid the workers' wages for the month of Dec 2004.		Copy of pay slip/statement	The PC visited the factory on Jan 21, 2005 and confirmed that workers were provided with the pay statement for the month of Dec 2004. The PC reviewed the pay statement with no exceptions noted.	Worker interviews, interview forms, and a copy of pay statement
9. Hours of Work														
Except in extraordinary business circumstances, employees will (i) not be required to work more than the lesser of (a) 48 hours per week and 12 hours overtime or (b) the limits on regular and overtime hours allowed by the law of the country of manufacture or, where the laws of such country will not limit the hours of work, the regular work week in such country plus 12 hours overtime; and (ii) be entitled to at least one day off in every seven day period														
Overtime Limitations		Except in extraordinary business circumstances, employees will (i) not be required to work more than the lesser of (a) 48 hours per week and 12 hours overtime or (b) the limits on regular and overtime hours allowed by the law of the country of manufacture or, where the laws of such country will not limit the hours of work, the regular work week in such country plus 12 hours overtime; and (ii) be entitled to at least one day off in every seven day period. An extraordinary business circumstance is a temporary period of extra work that could not have been anticipated or alleviated by other reasonable efforts	Some workers working hours exceed 60 hours in July, and most workers working hour exceeded 60 hours in December.	Worker interview, record review	yes		The factory should develop a plan to reduce the overall working hours, and to ensure that the working hour is below 60 hours a week under normal business circumstances. All overtime must be on a voluntary basis.	The factory confirmed that all corrective actions would have been taken on Jan 30, 2005. The PC planned to visit the factory on Jan 21, 2005 to review the progress of the corrective actions.	The factory agreed to adjust and balance its production schedule so that the working hour per week does not exceed 60 hours. The factory plans to recruit more workers to reduce the current workload. In addition, the factory will be negotiating with the buyers to scatter the orders among different months in order to alleviate the production pressure.		Photocopies of time records will be included in the PC's internal file.	The PC visited the factory on Jan 21, 2005, and noted that the workers continued to work more than 60 hours per week in the first half of Jan 2005. Out of 25 randomly selected samples, 21 of them worked 62-64.5 hours per week. It was also noted that the overtime was on a voluntary basis. The PC conducted another follow-up audit on June 9, 2005. The PC randomly selected 5 workers and reviewed their weekly working hours for the months from February to April 2005. 3 of them worked 61-63 hours per week, which is marginally beyond the 60 hours a week. All workers confirmed that the overtime is on a voluntary basis.	Photocopies of time records	
10. Overtime Compensation														
Miscellaneous														
Illegal subcontracting														
Possible homework														