



FAIR LABOR
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**FINAL REPORT
VERIFICATION OF REMEDIATION
STYLE AVENUE S.A. DE C.V. (EL SALVADOR)**

In August 2015, at the request of affiliated companies Outerstuff and College Kids, the FLA engaged labor rights expert Katya Castillo to revisit the factory Style Avenue S.A. de C.V. (hereinafter Style Avenue) in El Salvador.

The objective of the visit was to assess the status of the implementation of the remediation plan developed by Outerstuff and College Kids, in collaboration with Style Avenue management, to address noncompliances that had been identified in assessments going back to 2012. A similar effort to assess the status of remediation was conducted by the same expert in early 2015 and it had concluded that, while remediation had been completed with respect to many items, it had not been completed with respect to several others specified in the summary report of the subject investigation published by the FLA.¹

Field Visit

Labor rights expert Castillo conducted an on-site visit to Style Avenue on August 20 - 21, 2015. She reviewed documents, interviewed management officials, met with unionized and non-unionized workers and representatives of union organizations,² and carried out a visual inspection of the facilities.

Results

The following items in the remediation plan being implemented by Style Avenue were deemed by the expert to have been completed:

1. Implementation of mechanism of protection for pregnant workers.
2. Development and implementation of procedure for disciplining union officials.
3. Issuance of policy statement on gender diversity to all workers and elimination of graffiti expressing violent acts and discrimination against

¹ See <http://www.fairlabor.org/2015-independent-verification-of-remediation-style-avenue>

² The expert met with representatives of the seven union organizations active in the factory: (1) Seccional of the Sindicato de Trabajadores y Trabajadoras de la Industria Maquiladora, Comercialización, Servicios y Afines de El Salvador (SITRAIMES); (2) SITECS, affiliated to the Federación de Asociaciones y Sindicatos Independientes de El Salvador; (3) Sindicato de la Industria de la Costura y la Maquila (SINDICOM); (4) Sindicato General de Costureras (SGC); (5) Federación Sindical de El Salvador (FESS); (6) Sindicato de Trabajadores de la Industria del Vestir de El Salvador (STIVES); and (7) Seccional of the Sindicato de Trabajadores de la Industria de Algodón, Sintéticos, Acabados, Textiles, Similares y Conexos, (STITAS), affiliated with the Federación de Trabajadores Salvadoreños (FENASTRAS).

workers based on their gender orientation that had been painted in bathrooms.

4. Completion of a heat and thermal stress investigation to confirm that ambient temperature is within permissible limits.
5. Payment of workers for the time they were away from their jobs during a work suspension that occurred in February 2015³ and development of better communication between Style Avenue and its clients to prevent similar work disruptions in the future.

With respect to other items, the expert found that some progress had been made with respect to remediation, but additional work was needed. Those items, and updates or additional remediation steps being put in place by Style Avenue, are as follows:

1. **Training of 100 percent of the workforce on freedom of association, sexual harassment, and verbal abuse.** The factory used outside trainers well experienced on labor law, freedom of association, and sexual harassment and the training materials were of high quality. Moreover, training was done on the clock, meaning that workers were paid when they attended training sessions on Saturdays. The expert found that at the time of the investigation, about 69 percent of the workforce had been trained. Management staff rated the training sessions as positive, while trade union interviewees recognized that they had been offered but indicated that despite the sessions, anti-union behavior and verbal abuse persisted in the factory. Factory management has reported that as of the end of October 2015, 100 percent of the workforce had received the promised training. Training of the workforce on these topics is an ongoing process.
2. **Continuing roundtables with unions,** but consolidating individual “tables” into a multi-union dialogue with management, to avoid giving different messages to different participants and ameliorating the feeling of some unions that others are more favorably treated by management. The expert found that while the union representatives’ perception of roundtables was positive, a large percentage felt that they had not gone far enough, as they had not developed solutions to the underlying problems. Management proposes continuing the roundtables and points out that several multi-union roundtable meetings have been held.

³ This incident was the subject of a Third Party Complaint filed in March 2015 by Sindicato de la Industria Textil Salvadoreña (SITS) sectional at Style Avenue, affiliated to the Federación Sindical de El Salvador (FESS). The case was successful completed in July 2015. See <http://www.fairlabor.org/report/style-avenue-el-salvador>.

3. **Training of management personnel on sexual harassment and verbal abuse** so that they can effectively prevent and address sexual harassment and verbal abuse cases in the factory. The expert noted that administrative staff has received the indicated training, but instances of sexual harassment continued, focusing on an individual supervisor. After the expert's investigation, management has reported that the supervisor alleged to engage in sexual harassment has been dismissed.
4. **Timely payment by the factory of contributions to the social security system.** The expert found some delays in payment of contributions to the AFP (Pension Funds Administrator) in mid-2015. Factory management has stated that it is committed to timely payment and in fact is current with respect to all social security payments.
5. **Payment of first three days of leave for workers who are sick.** The factory does not currently follow this practice, which it claims is not required under national law. The expert suggested that factory management review national law and consider adopting a broad interpretation that would require payment for the first three days of sick leave. The factory has responded that it pays for the first three days of sick leave for urinary tract infections, chikungunya, and dengue fevers and work-related accidents.
6. The expert also found, during the visual inspection of the facility, that there were some issues regarding **disuse of Personal Protection Equipment (PPE)** and work chairs that were either broken or were not adequate for the work being performed. Management is aware of the concerns and is addressing them.

Conclusions and Next Steps

The verification of the remediation plan conducted by the expert found that the factory has made considerable progress in overcoming the noncompliances identified in earlier investigations through remediation.

The investigator recommended continued efforts by the factory to complete those elements of the remediation plan that had not been completed and suggested continued attention to two issues: (1) relations between the factory's unions and the Human Resources Department, particularly in view of perceptions by some of the unions of discriminatory treatment; and (2) continued instances of verbal abuse by management.

The FLA recommends that Outerstuff and College Kids continue to support Style Avenue in providing training for workers and management on freedom of association and harassment or abuse and in continuing to dialogue with the unions at the factory.