TOP GLOVE DENIES FORCING EMPLOYEES TO WORK OVERTIME

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KUALA LUMPUR: Top Glove Corp Bhd, the world's largest natural rubber glove maker, has conceded that some of its workers had breached the overtime (OT) limit of 104 hours per month, but its executive chairman Tan Sri Dr Lim Wee Chai denied they were forced to do so.

"This was just a small percentage and [involved] only certain departments," Lim told a press conference yesterday. Reports surfaced over the weekend alleging that the group had subject its workers to forced OT.

In its Bursa Malaysia filing yesterday, Top Glove said measures to follow the OT limit stipulated in the Employment (Limitation of Overtime Work) Regulations 1980 had been implemented.

"These measures have been implemented on a staggered basis across all Top Glove factories between March 2018 and November 2018. By December 2018, workers will not be working in excess of the 104-hour limit as permitted by the labour law," the group said.

Top Glove said it had taken initiatives to reduce OT, such as progressively investing in more automation for factory operations to cut the need for manual labour, introducing new shift patterns to allow sufficient rest time for workers, and regularly conducting training to improve worker efficiency and quality of work.

Lim also clarified a Sunday report by the UK's The Guardian newspaper that mentioned Top Glove had reported a record profit of £1 billion (RM5.26 billion) when the group actually reported a net profit of RM433.62 million, which was equivalent to just £82 million, for the financial year ended Aug 31, 2018.

"The information [on the profit] is inaccurate, and there are other inaccurate information [in the article]. They didn't even do their homework to check their numbers, which is so important," he said.

Lim then extended an invitation to the UK reporters to visit Top Glove factories to see the conditions for themselves. "We don't mind paying for their air tickets to come and visit our factories, hostels and office to see for themselves. We welcome them as we are very open and transparent," he added.

He said it is business as usual for Top Glove, and its supply to the UK's National Health Service (NHS) had not been interrupted.

"We have no [issues] with the NHS; they will come and audit us every year. The NHS is actually the customer of one of our customers, as they buy from many suppliers and we are one of them. However, to us, their contribution is less than 0.5% of revenue," he said.

The Guardian also mentioned debt bondage faced by Top Glove workers. In its filing, Top Glove said its workers are recruited via approved recruitment agencies listed by the source countries.

"Recruitment cost is charged by the foreign agents to workers in the source countries, which Top Glove is not involved in. The recruitment cost is either fixed by the government or the recruitment agent in the source countries.

"Top Glove does not deduct workers' salaries to pay for recruitment fees on behalf of the agent. Top Glove only pays for the processing cost in Malaysia which comprises levies, visa stamping and medical examination. This processing cost is borne by Top Glove of which the company does not divert any of the cost to workers," it said. It added that it will engage the embassies of the source countries to request that they take urgent action on this issue.

Top Glove's shares hit an intraday low of RM5.52 yesterday, before closing at RM5.55, down 35 sen or 5.93%, giving it a market capitalisation of RM14 billion.

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