

# 'Less OT will hurt us all'

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**NATION**

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PETALING JAYA: Reducing how much overtime employees can earn per month can hurt their livelihoods and the nation's economy as a whole, say employers. They said this following calls by labour unions to cut the current legal maximum number of overtime (OT) hours of 104 so as to combat incidences of forced labour by employers.

Associated Chinese Chambers of Commerce and Industry of Malaysia's (ACCCIM) SMEs committee chairman Koong Lin Loong said reducing maximum OT hours would hurt certain industries and in turn affect employees.

"Certain industries depend on OT to complete certain assignments or tasks due to the current lack of skilled local workers and experts in their industry," Koong told The Star.

"Other industries, like the service industry, rely on OT labour to meet seasonal demands especially due to the shortage of employees during certain seasonal holidays."

Reducing maximum OT hours could force companies to opt for service contracts instead of full-time employment when hiring staff as it provides them the flexibility to hire workers in a shorter period during periods of high demand, he added.

"Service contracts, while flexible, may deprive employees of full-time employment benefits like company health insurance and saving schemes like EPF, thus hurting employees in the long term," he said.

He added that the current 104 hours per month, under the Employment (Limitation of Overtime Work) Regulations 1980, was already sufficient, noting that very few people hit the limit anyway.

Malaysian Employers Federation (MEF) president Datuk Dr Syed Hussain Syed Husman said employees in need of extra income could be hurt by any sudden cut to allowed OT hours.

“In some professions, around 65% to 80% of employees’ income comes from overtime work.

“Any steps to drastically reduce the OT limit would not only hurt the income of these employees but also damage the country’s image as an attractive destination for existing and potential employees,” he said.

Bumiputra Retailers Organisation (BRO) president Datuk Ameer Ali Mydin echoed this, saying that cutting OT limits would hurt Malaysia’s labour competitiveness among our regional neighbours.

“As fellow competing developing economies, practices like reducing OT limits would only hurt our national productivity and economic growth.

“We should instead focus on upskilling and reskilling efforts to improve national productivity to accelerate our growth into a developed nation”

Amir said OT limits should only be reduced once there are enough skilled workers.