



# Major hotel brand shuts temporarily but labor dispute remains unresolved

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Workers protested outside the Le Meridien Angkor in Siem Reap in September after the hotel terminated three of their colleagues in July. Panha Chhorpoan



The Le Meridien Angkor Hotel in Siem Reap will temporarily shut down for at least one year starting November 25, according to a hotel representative, even as workers continue to protest the termination of three hotel staff in July.



The hotel is the first major international hotel chain to shut its premises in Cambodia on account of the COVID-19 pandemic, which has severely affected global travel and tourist-reliant cities like Siem Reap. Simultaneously, workers at the hotel have protested the termination of three staffers who requested management to not cut salaries in July.



Sabreena Jacob, general manager at Le Meridien Angkor Hotel, confirmed Wednesday that the hotel had temporarily shut down operations for one year because of the COVID-19 pandemic, which had resulted in low demand.

“This closure is for a period of at least one year. The hotel is therefore unable to continue the employment of its employees,” she said in an email.

The Le Meridien manager said a “mutual separation scheme” had been offered to employees that was better than what was required in the Labor Law, and that workers would receive an “additional payout on top of other statutory payouts.”

She did not respond to queries about three workers who had been fired in July for allegedly inciting hotel staff.

The three unionists – Doeum Chhaya, Sok Naren and Kham Sreyphreak – had asked workers to sign a petition asking the hotel to make minimal salary cuts due to the dramatic drop in tourist arrivals during the COVID-19 pandemic.

Employees have since held demonstrations outside the provincial labor department and the hotel, as negotiations aimed at resolving the dispute have repeatedly broken down.

Ly Linda, president of Le Meridien Angkor Trade Union, said on Wednesday that he too had received information from the hotel about the temporary closure during a staff meeting on November 23.

The union leader estimated that the total compensation for all workers would be close to half a million dollars, because the 140 employees and senior staff were owed anywhere between \$700 and \$10,000.

“For me, I have worked at [the hotel] for almost 16 years and I should receive more than \$5,000 in benefits,” Linda said.

He added that the company had given workers five payments for outstanding dues, but had given the terminated workers from July fewer payments.

Kham Sreyphreak, one of the three terminated unionists, said the company was not making the required payments and that the hotel closure was an attempt to sideline or dissolve the union, if and when the hotel resumed operations.

“I think that the company used COVID-19 as an excuse to close...and the hotel wants to dissolve the union at the hotel,” she said.

She said it was strange that the Labor Ministry and provincial labor department had not reviewed the hotel’s plans for the closure and that they would meet officials on Wednesday to convey their complaints.

Svay Sithol, another staffer at Le Meridien Angkor, said some of the employees were not satisfied with the compensation package and were attempting to negotiate with the hotel.

“Three activists of the union do not agree with the company’s decision. So, the company’s representatives will meet with representatives of the federation and union [Wednesday] afternoon,” Sithol said.

He had worked at the hotel for more than 15 years and expected to receive more than \$3,000 in benefits.

Touch Kosal, president of the Cambodia Tourism Workers' Union Federation, also felt that the hotel closure and staff terminations were aimed at dissolving the union.

"The hotel announced to temporarily close down but they should have sent a letter to the Labor Ministry or Commerce Ministry and employees, but employees do not have an announcement letter from the hotel yet," said Kosal.

Chan Sokhom Chetta, director at Siem Reap's Department of Labor, said the hotel had informed the provincial labor department about the closure on November 23 to temporarily close starting November 25.

"They have been calculating the compensation packages themselves," Sokhom Chetta said.

Top Sopheak, spokesperson at the Tourism Ministry, said there were very few foreign tourist arrivals since the pandemic, but hoped that local tourists would continue to travel within the country.

"Tourism places in the provinces, especially Siem Reap province, are seriously affected compared to other provinces," Sopheak said, adding that more than 100 hotels in the temple city were affected.

The tourism sector has taken the biggest hit during the COVID-19 pandemic, with international tourist arrivals dropping 98 percent in the second quarter and 40 percent in the first quarter of 2020. The government has committed to paying laid off tourism workers, though advocates say this money has not been disbursed uniformly.

Song Tonghap, secretary of state at Tourism Ministry, posted in early November on the ministry's official Facebook page that there had been an 80 percent drop in international arrivals and 50 percent reduction in domestic travel, resulting in a loss of \$3 billion. This had affected a third of tourism-related businesses and resulted in close to 51,000 job losses.

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### Cambodian Journalists Alliance Association

 +(855)23 88 23 11

 editor@cambojanews.com

 #19, St. 388, Sangkat Tuol Svay Prey I, Khan Boeng  
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