

NagaWorld cuts out union to lay off workers one-by-one

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The NagaWorld casino and hotel complex as seen in Phnom Penh, May 25, 2021. CambJA/ Pring Samrang



The layoff of about 1,300 NagaWorld workers, including top leaders of the casino company’s labor union, is taking shape this week as management refuses union negotiators to instead deal with individual workers.



As NagaWorld forges ahead with plans to cut almost one-sixth of its total workforce of roughly 8,000, union members are fighting their announced layoffs by adding their thumbprints to a complaint addressed to the Ministry of Labor.





Union members account for about 600 of the workers now facing layoffs and have been asked by company representatives to arrange the conditions of their own termination without union representation — or otherwise be automatically laid off with less severance pay. The thumbprinting campaign began after NagaWorld management sent layoff notices to three union leaders, including President Chhim Sithar and Chhim Sokhon, Secretary of the Labor Rights Supported Union of Khmer Employees of NagaWorld (LRSU).

Chhun Sokha, LRSU vice president, said some employees have already accepted company terms for their layoff, but, from what she's heard, most of them are not members of the union.

"[Company representatives] sent text messages individually, but they didn't publicly reveal the names of those who were laid off," she said.

Sokha said LRSU members, of which there are 4,500 total at the casino complex, haven't gone to negotiate their layoffs with NagaWorld representatives.

"[Managers] have told staff who have agreed to end their contract that they will receive five-point benefits, while those who disagree will only receive four points, excluding compensation," Sokha said. The five points in this case include payments for indemnity and seniority, as well as a compensation payment the company will not provide to workers who reject a voluntary layoff.

She believes the mass layoff, which NagaWorld says is for financial reasons, is really intended to eliminate union workers and organized labor at the casino complex.

The NagaWorld casino announced on April 8 its intent to cut employees due to the impacts of the pandemic, which hurt business operations for nearly a year before forcing the temporary closure in March of NagaWorld facilities. Last week, after a handful of staff members received text notifications from management, workers have now begun negotiating their own contract termination.

The union has stated that since April 2020, NagaWorld's employees have had to accept lost income and benefits due to the effects of the pandemic on the casino. After a year of weak stability at work, union leaders argue, a layoff will seriously affect the families of workers who are soon to be terminated.

In the past year, while some employees agreed to reduce working hours and take home less pay, the company continued to turn a profit. In its latest financial report, NagaWorld posted \$102 million in profits for 2020, down from \$521 million earned the year prior.

In a message viewed by CamboJA originally sent by management to an individual worker, a company representative writes that NagaWorld alone will set the terms of the layoff with its workers.

"If you agree with the plan termination contract, we will provide the highest indemnity payment according to the Law on Labor, including seniority, compensation and other benefits," the message read.

"We reaffirmed that the employer has full discretion in choosing the plan of termination of contract, with a volunteer's consent," it said.

NagaWorld's human resources chief Hein Dames could not be reached for comment and has kept a low profile in recent months of media coverage on the layoffs.

Meanwhile, Labor Ministry spokesman Heng Sour said his office has not yet received the workers' thumb-printed complaint and spoke about the situation in general terms.

"The layoff of staff due to the economic situation is not banned in law," he said, pointing to existing legal procedures to reduce staff. "In the COVID-19 era, many companies are forced to lay off workers."

Khun Tharo, a program coordinator of labor rights organization Central, expressed his disappointment in the situation, which he characterized as NagaWorld taking an opportunity amidst a crisis to lay off staff and target union leaders.

"The mass layoff of staff demonstrates serious discrimination against union leaders because the company has no willingness to negotiate with the union," Tharo said.

He said NagaWorld management has in the past seen the power of union leaders in pressing the company to respect workers' rights. Tharo pointed to the union's organization of protests to reinstate LRSU leaders who had previously been fired or to fight for wage increases for workers. In 2019, union members went on strike and protested outside the casino complex to demand the reinstatement of union President Chhim Sithar, who was eventually returned to her post before being selected yet again for termination as part of the current mass layoff.

"The company has intended to reduce the influence of the union because the majority of workers are members of the union," Tharo said.

Tharo said employers in other sectors, such as in garment and footwear production, also target union members and leaders in layoffs. When workers are struggling with their income, management can more effectively pressure them into accepting compensation packages, he explained.

Sok Kongkea, 37, has worked for about eight years as the assistant manager at a NagaWorld restaurant. He told CamboJA he doesn't believe NagaWorld leaders are going to provide suitable terms to those workers being laid off. That includes himself — Kongkea has received notice of his impending layoff after already being suspended from his job since March of this year.

Kongkea rejected a meeting this past Saturday with company representatives to discuss the termination of his own contract. A union member, he's also one of the roughly 600 NagaWorld workers who thumb-printed the letter of complaint to the Labor Ministry regarding the mass layoff.

Kongkea believes NagaWorld aims to get rid of union leaders and other staff amidst the ongoing crisis of COVID-19.

"There is no reason to lay off staff while the company is still earning its revenues," he said. "I saw in the plans to lay off staff that the company wanted to dig up the roots of union leaders."

Other laid-off NagaWorld employees are just trying to move on quickly from their termination.

After working for the casino complex for about 21 years, Chat Sinchay, 42, agreed to accept a termination plan and left the company on May 5. He received more than \$16,000 in total

severance pay.

“I accepted the termination because I have a new job. I wanted to stop working and don't want to waste my time,” he said.

However, he said the severance package is less than what NagaWorld really owes him. Sinchay claimed the calculation of indemnity and seniority wasn't done properly under the law, arguing that he started his job in 2000 but that the company had only calculated his indemnity and seniority pay from 2008 on.

“It was a very small package of money after I sacrificed to work for the company for many years,” he said.

713 views

 NagaWorld

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