

## Joint Statement

### **Attempts at Dissolving the Union and Plans to Lay Off 1,329 Workers at NagaWorld**

We, as representatives of trade union confederations, federations, associations and civil society organisations working to promote human and labour rights in the Kingdom of Cambodia are extremely disappointed with attempts to dissolve trade union leadership and the plans to systematically, unreasonably and unacceptably lay off workers during the COVID-19 crisis.

On 18 April 2021, representatives of **NagaWorld Limited** announced the plan to lay off 1,329 of the more than 8,000 workers at the company claiming reasons related to the COVID-19 crisis. At the end of April, company representatives confirmed that for those workers to be laid off, the company would contact each of them individually, as well as call them for a personal meeting on company premises.

On 11 April 2021, the Labour Rights Supported Union of Khmer Employees of NagaWorld organised a large-scale online meeting attended by thousands of workers. The overwhelming majority of workers refused to accept the plans proposed by company representatives.

On 12 April 2021, company representatives met with the union's representatives and shop stewards. Company representatives spoke of the number of workers to be laid off in each section. At the same time, union leaders attempted to raise workers' proposals, as well as other reasons, but company representatives did not accept any of these proposals.

Staff were to be called at the end of April, but because of the lockdown in Phnom Penh during the spread of COVID-19, NagaWorld representatives only began calling staff for meetings from 17 May, to occur at the company's premises, in order to explain the termination of workers' employment contracts. The majority of employees did not agree to go to these meetings, whilst a small number of workers who did go were forced to accept these dismissals, with company representatives instructing those workers to write a resignation letter themselves before receiving compensation from the company.

Through this notification on the layoff plan, we observe that workers currently on maternity leave, currently requesting maternity leave and currently pregnant were also notified of the termination of their contracts. Additionally, the entire local union leadership – President, Vice President and Secretary – as well as the majority of local union activists in all sections of the company have been notified of their dismissal as well.

All of this suggests to us that the planned layoffs at NagaWorld were intended to exclude the presence of the union in the company; something which this company also did to the previous iteration of trade union leadership there in 2009. These acts evince an intention to discriminate against the union and to violate the fundamental freedom of association guaranteed by the Constitution, core conventions of the International Labour Organisation and the Labour Law of the Kingdom of Cambodia.

As well as this, the economic situation of NagaWorld has not been severely affected by the COVID-19 crisis and the company still has sufficient capacity to maintain the employment of all workers. Over the last five years, NagaWorld has made a net profit of more than USD\$1 billion. In 2019, NagaWorld's net profits peaked at USD\$521 million. Despite the impacts of the COVID-19 crisis, NagaWorld still made a net profit of more than USD\$102 million in 2020. Additionally, the new development plans of Naga 3 continue to proceed as normal, with this new building requiring at least an additional 4,000 employees.

In January 2020, thousands of union members protested to demand the reinstatement of Ms. Chhim Sithar, after NagaWorld suspended her employment. She was subsequently successfully permitted to return to work. Several months later, hundreds of union members protested after Malaysian-owned NagaWorld stopped providing wages during periods of work suspension after the Royal Government decided to

temporarily close casinos. Therefore, the plan to dismiss Ms. Chhim Sithar, union leaders and these 1,329 workers is aimed at attacking the union which has only peacefully advocated for the labour rights of its members.

The reasons outlined above suggest that COVID-19 is not the real reason for management's plan to lay off workers at NagaWorld. This company's intention is that they do not want the presence of the union at the company, so as to be an opportunity for themselves to exploit workers' benefits and to impose poor working conditions in the workplace inconsistent with national and international law.

We, as representatives of trade union confederations, federations, associations and civil society organisations working to promote human and labour rights in the Kingdom of Cambodia will continue to attentively monitor this case. We request the Royal Government to attentively inspect and monitor this case also. We also request company management to negotiate in good faith with union representatives in order to find any appropriate resolution acceptable to both sides and to build a good, professional relationship with the local union.

Phnom Penh 10 June 2021

**This statement is endorsed by:**

1. 197 Land Community (Koh Kong)
2. Action Aid Cambodia (AAC)
3. Affiliated Network for Social Accountability (ANSA)
4. Alliance for Conflict Transformation (ACT)
5. Am Leang Community (Kampong Speu)
6. Andong Trabek Land Community (Svay Rieng)
7. Areng Indigenous Community (Koh Kong)
8. Boeung Pram Community (Battambang)
9. Building and Wood Workers Trade Union Federation of Cambodia (BWTUC)
10. Cambodia Tourism Workers Union Federation (CTWUF)
11. Cambodia Transportation Worker Federation (CTWF)
12. Cambodia Youth Network (CYN)
13. Cambodian Alliance of Trade Unions (CATU)
14. Cambodian Center for Human Rights (CCHR)
15. Cambodian Food and Service Workers Federation (CFSWF)
16. Cambodian Human Rights Action Coalition (CHRAC)
17. Cambodian Human Rights and Development Association (ADHOC)
18. Cambodian Informal Economic Workers' Association (CIWA)
19. Cambodian League for the Promotion and Defense of Human Rights (LICADHO)
20. Cambodia's Independent Civil Servants Association (CICA)
21. Center for Alliance of Labor and Human Rights (CENTRAL)
22. Chi Kha Kraom Land Community (Koh Kong)
23. Chi Kha Leu Land Community (Koh Kong)
24. Choam Kravien Community (Tboung Khmum)
25. Chray Indigenous Community (Ratanakiri)
26. Coalition Free Trade Union of the Women Textile (CFTUWT)
27. Coalition of Cambodian Apparel Workers' Democratic Union (C.CAWDU)
28. Coalition of Cambodian Farmers Community Association (CCFC)
29. Collective Union Movement of Workers (CUMW)
30. Committee for Free and Fair Elections in Cambodia (COMFREL)
31. Community to Protect Nature (Pursat)

32. Confederation of Cambodian Worker-Movement (CCW)
33. Dak Por Community (Kampong Speu)
34. Equitable Cambodia (EC)
35. Free Independent Trade Union Federation (FUFI)
36. Free Trade Union of Workers of Kingdom of Cambodia (FTUWKC)
37. Haong Samnam Community (Kampong Speu)
38. Independent Democratic of Informal Economy Association (IDEA)
39. Independent Trade Union Federation (INTUFE)
40. Indigenous Community in Prame Commune (Preah Vihear)
41. Klahan
42. Kleang Toek 78 Community (Siem Reap)
43. Koh Sralao Fishery Community (Koh Kong)
44. Kouy Indigenous Community (Preah Vihear)
45. Land Community (Pailin)
46. Lor Peang Land Community (Kampong Chhnang)
47. Mean Chey Land Community (Svay Rieng)
48. National Independent Federation of Textile Union of Cambodia (NIFTUC)
49. Neutral and Impartial Committee for Free and Fair Election in Cambodia (NICFEC)
50. Ou Chamsrey Tradakpong Community (Kampong Thom)
51. Ou Damdaek Community (Kampong Thom)
52. Ou Vor Preng Community (Battambang)
53. Phnom Krom Community (Siem Reap)
54. Phum Sela Khmer Land Community (Banteay Meanchey)
55. Prek Ksach Land Community
56. Prey Chher Pech Changvar Laor Chhert Community (Kampong Chhnang)
57. Prey Lang Community (Kampong Thom)
58. Prey Peay Fishery Community (Kampot)
59. Rattanak Rokha Forestry Community (Oddar Meanchey )
60. Reaksmei Sameakki Community (Kampong Speu)
61. Sahmakum Teang Tnaut (STT)
62. Samaki Chek Meas Community (Svay Rieng)
63. Samaki Romeas Haek Community (Svay Rieng)
64. Samaki Sangkae Pi Mean Rith (Preah Vihear)
65. Solidarity House (SH)
66. Steung Khsach Sor Forestry Resource (Kampong Chhnang)
67. Ta Ni Land Community (Siem Reap)
68. Ta Noun Land Community (Koh Kong)
69. Tonlung Community (Tboung Khmum)
70. Transparency International (TI)
71. Trapeang Chour Community (Kampong Speu)
72. Union Alliance of Labor (UCL)
73. Youth Resource Development Program (YRDP)