

Casino industry's luck has run out

Atlantic City, New Jersey (AP) – Juan Jimenez's job at the casino wasn't the most glamorous one in the place.

But picking up cigarette butts, vacuuming dirt from carpets and shampooing stains from spilled drinks (and other, much worse substances) allowed him to bring his family from the Dominican Republic, buy a small house and claim a tiny slice of the American Dream.

In October, his luck ran out.

After 15 years at Bally's, Jimenez was laid off, joining thousands of other casino employees in Atlantic City, Las Vegas and other hotspots around the country whose jobs have been eliminated in recent months because people are gambling less in this recession.

„This Christmas is going to be a lot like the first Christmas I had in this country,“ said the 62-year-old Jimenez. „I didn't have a job, I didn't have any money, no anything. The only difference is now I have a mortgage and bills.“

Atlantic City has been hit particularly hard; this will be the second straight year of declining casino revenue after 28 consecutive years of increases. The industry's woes began when slots parlors opened in the Philadelphia suburbs two years ago, stealing many of Atlantic City's customers, and worsened in recent months, first when gas prices shot up, then when the economy nose-dived.

For the first 11 months of this year, Atlantic City casinos won USD 4.2 billion from gamblers, down 6.7 percent from the same period last year.

That has forced casinos to slash payrolls. As of Nov. 30, there were 39,137 people working at the city's 11 casinos, down nearly 1,500 from the same period in 2007. Not all those cuts were due to layoffs; they include resignations and seasonal jobs.

Last month, the city's most successful casino, the Borgata, laid off 400 employees. The four casinos run here by Harrah's Entertainment laid off several hundred earlier this year, and still more layoffs took place at Resorts Atlantic City.

„We've had downturns before, but we've never seen anything like this,“ said Donna DeCaprio, secretary-treasurer of UNITE-HERE Local 54, the union that represents casino cleaning staffs, food-and-drink workers and other employees.

The union held a two-day seminar this week for laid-off workers, giving them information on job training and the network of public and private services available to them. The neediest got diapers, infant formula, winter coats and supermarket debit cards.

Steve Norton, a gambling industry veteran who helped open New Jersey's first casino in 1978, said the casinos have learned they are subject to the same business cycles as other industries.

„We're starting to see that we're not bulletproof,“ he said. „In the early days, we didn't think that could ever happen. It definitely is a new reality.“

In Las Vegas, about 6,000 union employees have been laid off or had hours reduced, according to the culinary workers union, which is bracing for more cutbacks.

Harrah's, which runs eight Las Vegas casinos, has laid off nearly 1,800 workers this year. Las Vegas Sands Corp. cut more than 200 employees last week from its work force of 10,000 at the Venetian and Palazzo hotel-casinos on the Strip, after

shedding 50 workers three weeks before.

Mississippi's 30 casinos on the Gulf Coast and the Mississippi River are coping not only with the national recession, but with the effects of hurricane-related closings in September. They have laid off workers amid a 3 percent decline in revenue this year.

Connecticut's two huge Indian-run casinos, Foxwoods and Mohegan Sun, have seen slot machine revenue fall 5 to 7 percent, and have eliminated more than 1,300 jobs through layoffs and attrition over the past year.

James Howard spent 14 years as a food and beverage worker at the Atlantic City Hilton Casino Resort before being laid off last week.

„I didn't have any idea this was coming,“ said the 54-year-old Howard. „It's very upsetting. Each year at Christmas, we would have parties to celebrate the season. This year, we're trying to figure out where our next meal is coming from. It's like this all over the city.“

In between trips to the unemployment office, Howard has looked – unsuccessfully – for jobs stocking shelves at stores in between trips to the unemployment office. He and his wife have already burned through their meager savings and are grateful their landlord has been understanding about late rent. But they know that won't last forever.

Howard will be giving his wife only one present for Christmas this year.

„My love,“ he said. „That's about it. They can't take that from me.“