

Salaries slashed at James Packer's casino Crown Macau

James Packer's gamble on casinos has already cost him billions but the workers at his Macau investment are the latest to pay the price.

Crown Macau staff have taken a haircut of up to 8 per cent on their wages after government officials gave Packer's consortium, Melco Crown Entertainment (MPEL), permission to slash their salaries, reports The Daily Telegraph.

MPEL is moving to cut costs as the Macau casino industry continues to be hit hard by the economic downturn and a travel ruling (recently overturned) that slowed high-roller visits from mainland China.

Crown Macau workers had previously agreed to other staffing options, including a shorter working week, unpaid leave and sabbaticals, in a bid to avoid large-scale axings.

The pay deal, affecting the casino's staff of 3610, came into effect from December 1.

MPEL told labour authorities it had also sacked „excessive imported staff members“, including some from senior levels.

It was believed Packer's consortium partner, casino mogul Lawrence Ho, the co-chairman and chief executive of MPEL, was among executives who „had their salaries reduced by some amount of per cent,“ a government spokesman said.

Mr Ho committed the company to its investment in Macau and the training of local staff.

„I have always believed that our long-term success depends first and foremost on our employees,“ he said.

„We have insisted on exploring ways to avoid large-scale redundancies and our primary hope is to keep our employee teams together in the best shape possible.

„This will help us to best deal with the current turbulence in market conditions, so that when the market revives – as it most surely will – MPEL will be best poised to benefit.“

Although sources close to Packer have long scoffed at his „obsessive“ gamble on gaming assets, he is believed to be cashing in other investments to up his stake in the Macau market.

The reported AUD 400 million set to be raised from the sale of his family’s cattle properties, Consolidated Pastoral Holdings, is likely to be wagered almost entirely on his next planned Macau project, City Of Dreams.

The AUD 2.2 billion mega-casino is slated to open mid-year.