Written by Administrator
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ATLANTIC CITY - Casinos slashed nearly 1,400 jobs in September, eliminating more than 300 additional workers than at the same time last year during the traditional post-Labor Day slowdown in tourism.

Figures released Tuesday by the New Jersey Casino Control Commission show that all 11 casino hotels trimmed their payrolls for

the month, reducing the industry's total work force to 35,917, and reflecting continued weakness in gaming revenue.

One analyst noted that seasonal jobs routinely are eliminated after business tapers off at the end of the peak summer tourism season. However, the sluggish economy and competition from casinos in surrounding states have put additional pressure on Atlantic City gaming operators to cut even deeper to reduce costs.

"The seasonality of the industry dictates employment. You have fewer employees with less business," said Brian J. Tyrrell, associate professor of hospitality and tourism management studies at the Richard Stockton College of New Jersey.

Overall, 1,389 jobs were eliminated this September. There were 1,067 job cuts in September 2009 and 1,015 in September 2008. Borgata Hotel Casino & Spa, the industry's largest employer, led the pack with 272 job cuts this September. Borgata's work force now stands at 6,685, Casino Control Commission figures show.

"It's common to see a fairly large group of workers let go in September because they are seasonal. That happens each year," said Robert McDevitt, president of Local 54 of UNITE-HERE, the casino industry's largest labor union.

Casinos are in the midst of a four-year revenue slump. Revenue from slot machines and table games has plunged 25 percent in the last three years, from a high of $5.2 billion in 2006 to $3.9 billion in 2009. Through the first eight months of 2010, it is down 8.4 percent.

As revenue has plummeted, so has the number of jobs. Total casino employment has dipped to a level not seen since the late 1980s and is well below the peak of 51,560 jobs in July 1997.

"For the economy, things are bad everywhere," McDevitt said. "It's a bad time for gaming."

McDevitt predicted there may be even more severe job cuts heading into winter. Tyrrell also believes employment will continue to decline through the winter, except for perhaps a slight increase around the usually busy New Year's Eve celebration. Tyrrell said the next growth spurt likely won't come until spring, as casinos begin gearing up for the summer crush of tourists.

Resorts Atlantic City warned last week that all of its 2,022 employees are at risk of losing their jobs in a change of ownership at the financially troubled casino. Resorts said mass layoffs could start on Dec. 1, the day that former Atlantic City gaming executive Dennis Gomes is expected to receive approval from the Casino Control Commission to take over the property.

However, union officials said Resorts has assured them there are no plans to shut down. They said the layoff notices are a legal requirement to protect Resorts if there are any delays in the change of ownership and the casino is forced to close.

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