

Harrah's misses employment goal - WWL

Written by Administrator
Thursday, 07 October 2010 22:25 -

NEW ORLEANS -- Harrah's New Orleans Casino opened in 1995 with a promise of good, high-paying jobs. Thousands of them.

For the most part, the Canal Street gaming palace has delivered. After the casino emerged from bankruptcy in 1998, the state demanded that the company put its job pledge in writing. Since then, Harrah's

contract with the state requires the casino to maintain at least 2,400 jobs.

Except for the period after Hurricane Katrina, the casino has maintained that number for 10 years.

Until recently.

The monthly state police audit for August shows that Harrah's employment dipped as low as 2,350. Records show the casino also fell short in July with 2,386 jobs.

That puts the casino in violation of its state contract, according to Special Assistant Attorney General John Campbell Jr., who advises the State Gaming Control Board in its oversight of Harrah's.

Campbell said, "They are in technical default, but it's not a formal default. A formal default has to be declared by the board and notice has to be given by Harrah's."

The matter will be taken up at the next Gaming Control Board meeting on Oct. 21, Campbell said. In the meantime, the state contract gives Harrah's a 30-day "cure" period to boost the numbers, he said.

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According to Harrah's, that's been accomplished. A spokesman said the number of employees now stands at 2,436.

In a written statement, Harrah's said it takes its job promise seriously: "Missing our employment goal is completely unacceptable and is not indicative of how we do business in New Orleans."

Longtime casino critic C.B. Forgotson said he was not surprised to hear that Harrah's violated its job pledge.

"I've watched this and these figures you've shown me just continue to drop. No big surprise. And it's no big surprise that nothing's been done about it," he said. "You can call it backsliding, I say it's business as usual for Harrah's. They'll promise whatever you want, then don't live up to the agreement."

State Rep. Ernest Wooton, I-Belle Chasse, whose House Criminal Justice Committee oversees gaming, said he wants answers from Harrah's, as well as the Gaming Control Board.

"They have a contractual obligation to employ 2,400 people," Wooton said. "They dipped below it. I'd like to know why. I want to be kept abreast of the investigation."

Recent hiring activity by Harrah's shows a good-faith effort to remedy the problem. A job fair last month at the casino's local offices in Canal Place was extended by a week and an additional hiring session was held at the Delgado Community College campus on the West Bank.

But close inspection of the state police audits shows erosion not just in the quantity of jobs, but in the quality. Over the past few years, full-time jobs have gradually decreased while part-time have increased. Another lesser type of job – on-call positions – also increased.

Here are the numbers comparing the number of jobs by each category from August 2008 to August 2010.

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-- In August 2008, the state audit showed 2,037 full-time jobs. In August 2010, that number dropped to 1,807.

-- Over the same period, part-time jobs increased from 294 to 354, and on-call jobs went from 94 to 104.

"I'm not surprised that they're not keeping their word on the number of employees, or that the employees aren't really full-time employees." Forgotson said. "I mean, Harrah's gets whatever Harrah's wants. That's the bottom line."

In its written statement, Harrah's addressed the decline in full-time jobs, pointing out that it coincides with declining gaming revenues:

"In our effort to maintain our commitment to the city and state during current economic times, our company has reduced the hours of some employees to 32 hours per work period. However, Harrah's continues to provide full-time medical and other employment benefits to these team members as part of our commitment to them," the statement said.

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