

Atlantic City casinos losing \$540M a month due to coronavirus

Written by Administrator

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The coronavirus could break the house for Atlantic City's casinos, industry experts and officials say.

The gambling mecca on the Jersey Shore is now virtually a wasteland that is costing the state \$540 million in casino revenues every month while they remain locked down amid the deadly pandemic, according to the American Gaming Association

Meanwhile, more than 26,000 workers are out of a job, part of a ripple effect that is putting a massive dent in Atlantic City's \$2.9 billion-a-year casino industry.

"We haven't seen it play out yet, but if you look at the economic numbers that are going to start coming out in the coming weeks, this portends to be a worse economic downturn than we even saw in the great recession," Clyde Barrow, a professor at University of Texas Rio Grande Valley and an expert on the casino industry, told The Post.

"It will be the biggest blow to the casino industry that we've seen in a lifetime," he said.

In a statement Sunday, Casey Clark, vice president of strategic communications for the gaming association, said he remained hopeful that the casino business would rebound as it did after the recession, calling the industry "incredibly resilient."

"Right now, we're focused on working with the federal government so that all corners of the industry — from gaming hubs like Las Vegas and Atlantic City to regional and tribal gaming properties, suppliers and the small businesses that depend on us — have the ability to weather this unprecedented public health crisis," the statement said.

Nonetheless, the nation's casinos estimate that they will lose more than \$43 billion in revenue over the next two months before the COVID-19 crisis dissipates and the economy begins to try to return to normal, [according to a report in The Hill](#) last month.

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New Jersey Gov. Phil Murphy ordered all nine of Atlantic City's casinos to close March 16, just the fifth time the gambling houses had been shut in the 42-year history of legalized gambling in New Jersey, according to a [report in the Philadelphia Inquirer](#) .

The last time was for Hurricane Sandy in 2012, when the casinos closed for three days, the report said.

This time, the casinos will remain closed indefinitely, leaving the boardwalk empty and local businesses gambling on their future.

"Nothing is like it was before," said Jose Torres, 37, of Cafe di Roma on Atlantic Avenue. "Everything has changed. Workers are only working three days as people are scared to come out."

But "as long as they let us keep open, we'll stay open," he said.

Liz Marron, 55, a gas-pump attendant at a Gulf service station on North Fleming Avenue, said, "It's slow. But we get paid by the hour, thank God for that."

Liquor-store owner Rajbir Raju said the shuttered casinos have all but killed his business. He used to lock the door at 2 a.m. or 3 a.m., but now closes up for the night at 8 p.m.

"No business is the best way to put it," said Raju, 52. "Because the casinos are closed, even the employees aren't coming. We are doing nothing."

According to the New Jersey Division of Gaming Enforcement, Atlantic City casinos had 26,450 full-and part-time workers when they closed, with the Borgota the largest employer with 5,562 employees.

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Barrow said it's a safe bet the pandemic will put some of the casinos out of business for good.

"That means some casinos won't survive," he said. "Some may go into bankruptcy, as happened back in 2006 and 2010" during the recession.

"There will be some losers, and there will be some winners," he said.

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