

Atlantic City casino employment up 20 percent at end of 2018

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ATLANTIC CITY — With the addition of two reopened properties, casino employment at the end of 2018 was up more than 20 percent compared to the same time the year before, according to data from state gaming regulators.

The nine Atlantic City casinos reported total employment of 27,927 in December, an increase of 5,749 jobs over the number recorded in the final month of 2017 when seven properties were open, based on self-reported figures with the state Division of Gaming Enforcement.

The double-digit increase in casino jobs can be directly attributed to the June 27 openings of Hard Rock Hotel & Casino Atlantic City and Ocean Resort Casino, experts said.

Rummy Pandit, executive director of the Lloyd D. Levenson Institute of Gaming, Hospitality and Tourism at Stockton University, said the most-recent casino employment figures were "definitely encouraging."

"Employment appears to be stable and is growing," Pandit said. "The fact that we added two new properties and (more than) 6,000 new jobs, that's a huge positive and continues to drive the market."

The two newest casino hotels accounted for 6,927 jobs, or nearly 25 percent of the total industry, in December 2018. The two operators pushed total casino employment over the 30,000 mark in July 2018, a benchmark that had not been met in nearly four years when 12 casinos were open in Atlantic City.

With a focus on entertainment, food & beverage, retail and other non-gaming options at the new properties, Pandit said much of the industry's growth is likely attributed to those areas.

The number of full-time jobs in December 2018 increased by 4,472 over the same month in 2017, while part-time positions went up by 16. Seasonal and on-call employment in casinos increased 32 percent over that time period.

However, the increase in casino jobs has not directly translated to a regional economic benefit, according to Jim Kennedy, a former Casino Reinvestment Development Authority head who is now an Atlantic City regional economic and policy analyst.

Kennedy said key market indicators, such as an increase in housing construction or non-casino employment, do not yet indicate that Atlantic County, as a whole, has reaped the benefits of more jobs in the region's largest economic driver.

"When you hire the numbers of employees that we've seen at the two new casinos, there are usually secondary benefits," he said. "None of that has happened."

One reason is that casino workers often hold the same job at several properties, meaning the overall impact on the regional economy is relatively small, Kennedy said.

Another reason is that Hard Rock and Ocean Resort overstaffed for their grand openings and scaled back more as the off-season approached.

Based on the employment figures submitted to DGE, Hard Rock has decreased its total employment by nearly 15 percent while Ocean has downsized almost 16 percent of its workforce since July's peak. The existing seven properties averaged a workforce decrease of 5 percent between July and December of last year, which was the same percentage cut during the second half of 2017.

Pandit said the decreases across the industry reflect seasonal realities more than anything else. He said if the industry is able to sustain the employment levels through the winter, the summer "will definitely be positive."

Borgata Hotel Casino & Spa continued to employ the most people in the industry, with 5,620 jobs reported in December. Hard Rock was second with 3,750, Harrah's Resort Atlantic City was third at 3,294 and Ocean Resort was fourth with 3,177. Tropicana Atlantic City (3,070), Caesars Atlantic City (2,649), Bally's Atlantic City (2,298), Golden Nugget Atlantic City (2,199) and Resorts Casino Hotel (1,870) accounted for more than 43 percent of the industry's total employment.

The casino industry employed 5,796 Atlantic City residents in December 2018, according to state data.