

Casinos: We'll hire replacement dealers for strike

Jul 20, 2:27 PM EDT

By WAYNE PARRY (AP) – 3 days ago

ATLANTIC CITY, N.J. — The parent company of two Atlantic City casinos targeted for a possible dealers' strike began planning Monday to hire replacement workers in the event of a walkout.

Harrah's Entertainment Inc. said it started implementing a contingency plan that includes hiring replacement workers for any dealers who go out on strike.

Over the weekend, the United Auto Workers authorized a strike against Bally's Atlantic City and Caesars Atlantic City, but did not set a strike date. Previously, the union authorized a strike against the Tropicana Casino and Resort.

"We take their threats seriously," said J. Carlos Tolosa, the company's eastern regional president. "There are 14,000 employees in Atlantic City who rely on Harrah's for their livelihood, and we are not going to let the misguided tactics of the UAW interfere with our guests or the employees who are working hard to keep Atlantic City competitive this summer."

Company spokeswoman Alyce Parker said any actual recruitment and hiring would be done "when and if there is a strike."

A Tropicana executive did not immediately return a call seeking information on preparations for a possible strike.

The UAW is seeking the first-ever union contracts with 3,000 Atlantic City dealers, even though hotel and other service workers have been unionized for decades. In addition to Bally's, Caesars and the Tropicana, they also won a union representation election at Trump Plaza Hotel and Casino, but have not yet voted on a strike there.

The actions have the nation's second-largest gambling resort wondering if the union is truly prepared to launch a strike at a time when Atlantic City is struggling as never before from the recession and fierce competition.

Atlantic City is in the third year of a revenue decline that started when the first slots parlor opened in the Philadelphia suburbs in November 2006. Since then, the recession has aggravated the problem, leaving gamblers with less disposable income to risk at the slot machines and table games.

So far this year, revenue at Atlantic City's 11 casinos is \$1.94 billion, down 15.3 percent from the same period last year.

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A dealer walkout could further hurt the casinos, and lead to more job losses for dealers if it fails. As of June, there were 3,413 fewer casino jobs in Atlantic City than there were a year ago.

The union is hopeful deals can be reached without a strike, but insists it's not bluffing.

"Workers at Bally's and Caesars are sending a very a strong message with their votes: We've had enough," said the union's secretary-treasurer Elizabeth Bunn. "We voted for a union two years ago, we want our votes to mean something and we're ready to take action to make it happen."

"Nobody wants a strike, but we're going to stand up to enforce our rights," added Ed Hendricks, a Caesars slot technician for 15 years. "We have negotiated for almost two years, but instead of reaching an agreement, the company keeps cutting back. Harrah's has cut our 401(k) match, increased our benefit costs and laid off our fellow workers."

Steve Norton, a Missouri casino consultant and former vice president of Resorts Atlantic City, predicted many dealers would cross picket lines if a strike happened.

"You don't make that kind of threat unless you're prepared to go through with it," he said. "Any dealer with any intelligence would realize the industry is in horrible shape right now. It would be like signing a death warrant for your own job."

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