

Morongo Resort Casino and Spa Lays off 95 workers

The Morongo Resort Casino & Spa has laid off 95 people, making it the latest Indian casino in the region to scale back in the face of the growing economic downturn, the tribe announced Tuesday.

All of the employees are dealers or table-game operators and represent 5 percent of the casino's work force.

The casino, which sits along Interstate 10 near Cabazon, closed 28 table games months ago. Management also began reducing the casino's work force through attrition more than a year ago and froze managers' salaries.

„It is unfortunate that we have to reduce the work force, but the economy shows no immediate signs of improvement,“ Dual Cooper, the resort's general manager said in a written release. „We hope to be able to recall employees as conditions improve.“

The turnabout in casino fortunes comes just a few years after several tribes opened new and expanded gambling resorts across the Inland region. The USD 250 million Morongo resort, which opened in December 2004, features a 23-story tower, room for additional slot machines and plans for another tower.

Now, many tribal casinos are removing gaming tables, slashing prices and laying off workers. Inland Indian casinos have said gamblers appear to be spending less per visit.

The Pechanga Band of Luiseño Indians laid off about 400 employees at its Temecula-area resort over the summer, citing the economic hard times. The tribe opened its USD 262 million resort in 2002 with a 14-story hotel, seven restaurants and a performing-arts theater.

Managers of the Morongo casino pointed to the downturn in the gambling industry and the economy in general when they announced the layoffs Tuesday. Affected employees include those who worked at table games such as poker and blackjack.

Employees are receiving severance packages, will be eligible for unemployment benefits and could be rehired when positions open, according to the statement.

There are no plans for other layoffs at this time, although the tribe will continue to monitor the economy, said Fred Muir, a public-relations consultant for the tribe.

The Morongo Band of Mission Indians initially hyped its facility, which is about 20 miles west of Palm Springs, as a „destination resort“ for the young and hip. Managers retooled the resort recently to target the 45-and-older crowd with cheaper room rates, less-expensive food and more classic-rock entertainment.

The Morongo resort eliminated some 400 to 500 jobs previously through attrition, and other casinos have been doing the same thing.

The Soboba Band of Luiseño Indians, which runs the Soboba Casino near San Jacinto, also has reduced its work force through attrition and has said it plans to look at its 2009 budget this month to see where to cut.

The Agua Caliente Band of Cahuilla Indians runs two casinos in the Coachella Valley and has reduced its work force through attrition but hasn't suffered as much as others, said Nancy Conrad, press secretary for the tribe.

„There's no question this has been a difficult market,“ she said. „There hasn't been anything on the scale that other casinos have had.“

The Agua Caliente tribe was one of four in Southern California

that got voter approval in February to add new slot machines. The previous limit was 2,000. Morongo and Pechanga each got approval to add 5,500 slot machines, but they have been unable to add many of the devices because of the slowdown in the economy.

Under the new agreements approved in February, the tribes all are paying additional revenues to the state, which is faced with its own budget woes.

Indian-owned casinos generally do not report financial results, so there's no way to know exactly how much revenues are down, but it is clear gambling returns are down across the board.

Growth at Indian casinos has slowed nationwide, growing only 5 percent in 2007 compared to 10 percent in 2006, according to Alan Meister's Indian Gaming Industry Report. The Las Vegas Strip reported a 5.2 percent decline in September.