



U.S. casinos slowly coming back from recession woes

Published: Wednesday, May 09, 2012, 1:29 PM Updated: Wednesday, May 09, 2012, 1:29 PM

AP By **The Associated Press**



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The American Gaming Association said today the country's casinos paid nearly 5 percent more in taxes last year than the previous year.

The nation's commercial casinos continued their slow-but-steady comeback from the recession last year, with revenues up 3 percent nationwide and jobs holding nearly steady, according to a report released Wednesday.

The American Gaming Association's annual report noted the nation's 492 non-Indian casinos or other legal gambling halls paid nearly \$8 billion in taxes to state and local governments, a 4.5 percent increase over 2010.

The casinos took in \$35.6 billion last year.

They also provided more than 339,000 jobs, a decline of less than half of 1 percent from a year

earlier. And casino workers saw their pay decline by 3 percent last year, to \$12.9 billion in wages, benefits and tips.

"While it may be slow, the recovery of the national commercial casino industry is well under way," said Frank Fahrenkopf Jr., the AGA's president. "The state of the industry is good; the prospects for its future are solid."

The report also found that more than a quarter of casino patrons surveyed said they rarely or never gamble, indicating that casinos are doing a better job of offering non-gambling attractions such as fine restaurants, spas, nightclubs and big-name entertainment.

Las Vegas remains the nation's largest casino market, with more than \$6 billion in revenue last year.

Markets where new casinos opened or where gambling had its first full year of operation posted the biggest gains, including Maryland, Kansas and New York.

Atlantic City had the biggest revenue drop at 7 percent. Its casinos took in \$3.3 billion, down from \$5.2 billion in 2006, when the first of Pennsylvania's casinos opened and began siphoning off business from New Jersey. Atlantic City has lost its perch as the nation's second-largest gambling market to Pennsylvania, although the AGA report treats Pennsylvania as a series of smaller independent markets.

New Jersey was for years the only state beside Nevada with legal commercial casinos, but it's now beset by fierce competition from casinos in Pennsylvania, New York and Delaware, not to mention Indian casinos a short drive away in Connecticut.

Fahrenkopf said the opening last month of the \$2.4 billion Revel casino resort could help turn things around in Atlantic City. Yet he said he was surprised to hear that Revel's first-month casino revenues were only \$13 million, a figure that ranks it near the bottom of the city's 12 casinos. Revel CEO Kevin DeSanctis told The Associated Press the first month was a preview period where it was more important to test systems and equipment than concentrate on generating revenue.

Delaware's casinos lost nearly 16 percent of their jobs, falling to 2,730 workers last year.

The AGA's figures do not include Indian casinos, which took in \$24.9 billion in 2010, the last year for which figures are available according to the National Indian Gaming Commission.

Maryland, where two casinos had their first full years of operation, saw casino revenue go from \$27.6 million in 2010 to \$155.7 million last year, an increase of 464 percent. Kansas' casino revenue went from nearly \$38 million to \$48 million, an increase of 28.3 percent, and Pennsylvania's casino revenue rose from \$2.5 billion to more than \$3 billion, an increase of 21.3 percent.

New York, where Resorts World opened last summer in Queens, saw a 15.6 percent increase in casino revenues.

Other notable gains in casino revenue were seen in Florida (16 percent); West Virginia (9.2 percent); Illinois (8 percent); Rhode Island (7.5 percent), and Oklahoma (6.4 percent).

Pennsylvania's casinos paid the most taxes in the nation at \$1.45 billion; Kansas paid the least at \$13 million. Thirteen states saw increases in the amount of tax revenue they paid to governments last year.

Nevada's casino revenue went from \$10.4 billion to \$10.7 billion, an increase of nearly 3 percent, even as jobs held roughly steady at 174,381. New Jersey's casino jobs declined by nearly 4 percent to 32,823.

Nearly 60 million people, or more than one-quarter of the nation's adult population (27 percent) visited a casino in 2011, and the only form of gambling that was more popular was the lottery. Almost half of those surveyed said they set a budget of less than \$100 for themselves when they went to a casino, with another 23 percent limiting

themselves to under \$200.

Slot machines and video poker were the favorite forms of casino gambling nationwide, with 53 percent of the AGA's survey respondents choosing it first. Blackjack was second at 23 percent, followed by poker (7 percent), and craps and roulette (3 percent each).

There are more than 837,000 slot machines in 39 states, with Nevada (183,319), California (67,601) and Oklahoma (65,400) having the most.

During 2011, Americans spent more at commercial casinos than they did on music, movies and outdoor equipment combined. But the money they lost at casinos was significantly less than the amounts they spent on electronics (\$186 billion) and cable television (\$97 billion).

Philadelphia (\$842 million) and Yonkers N.Y. (\$577 million) remained the largest racetrack casino markets in the country last year.

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