The Effect of Typhoon Soudelor on the Tinian Local Economy

Lisa Marie Aguon

Author Note

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Dr. Kimberly Bunts-Andersen.

The gaming industry before Typhoon Soudelor was stable enough to provide the necessary funding for the people employed through the Tinian local budget. The revenue collected from the gaming taxes is used to fund the local government such as: the local budget, medical referrals, Tinian Municipal Scholarship, the off-island liaison offices, and local community events. It was also able to maintain its funding for expenditures that were funded from the monthly generated revenue from the casino. Business wasn't fast and booming, but it was fast enough to generate the necessary monthly revenue. Although the revenue wasn't as much as it used to be when the Tinian Dynasty's casino first opened, it was still enough for the people of Tinian to get by.

After Typhoon Soudelor was another story for the gaming industry, and in my opinion it made a mark on the history of it. Shortly after the typhoon hit, there was a letter posted on Facebook that was addressed to Tinian Mayor, Joey Patrick San Nicolas that stated they will be temporarily closing the casino due to the impact on day time flights that bring tourists, as well as the negative cash flow that was produced at the time because there were not enough customers coming to the Dynasty. That created chaos for the Tinian Casino Gaming Control Commission because they were not informed when in fact they are supposed to be the first entity that is to be notified. When the casino was shut down, a lot of things needed to be done before it was properly closed.

The temporary closure has affected the local economy in so many ways, such as: employees from both private and government sectors were laid off or put on furlough because there was no funding in place to pay them, there would be no way to fund the expenditures that were funded by the monthly collection of revenue since no revenue would be generated because of the temporary closure. No funding for operational costs for the departments funded by the local government. No funding, no budget, no employees and some department offices under the local budget were closed.

Tinian local budget was signed by the delegation on December 15, 2015 so the employees under the Tinian Local budget returned to their perspective jobs on December 16, 2015. The employees were given an early holiday gift, some of the employees were already giving up, some were thinking of resigning and looking for a job elsewhere. The employees who were protected under the law, not to be put on furlough were happy for the Mayor was demanded to pay their back wages, amounting to four and a half payrolls. The other employees who were put on furlough were just happy to get back to work even though they did not have any payroll to receive.

The public confidence and trust, to this day, has been threatened because there is no clear communication from the Tinian Dynasty management team, the local delegation, Tinian Mayor's Office and the Tinian Casino Gaming Control Commission. Because of the miscommunication between the above mentioned agencies, reopening the casino has taken longer than expected. After interviewing former coworkers from the Tinian Casino Gaming Control Commission on Tuesday afternoon after a special meeting that was held; the most recent news was that the Commission approved to open the casino on December 9 and that the Tinian Dynasty's owner had to pay half of the annual license fee of five-hundred thousand dollars by 4:30 PM the following day. It had taken three months for the Tinian Dynasty and the TCGCC to come up with a compromise.

After having some Tinian residents take my survey, it is safe to say that many of them do not think that Typhoon Soudelor is the cause for the downfall of the local economy. Some believe that it is a contributing factor for the Dynasty to close its doors, due to the halt of international flights caused by the damages brought to the international airport by Typhoon Soudelor. Many agreed upon the economy, gaming industry, and the Tinian residents livelihoods were the most impacted by the closure of the casino. Many had friends and family members who lost their job or were put on furlough.

Majority commented on knowing that the gaming industry is in fact an integral part of the Tinian resident’s livelihood. One politician, who took the time to do my survey, said “this all could have been prevented”, he believes, “that some regulations regarding the casino needs to be changed so that the Tinian casino may be able to compete with the other gaming industries in our region”.

As a former employee of the Tinian Casino Gaming Control Commission, I am confident that the Tinian Dynasty and TCGCC will cooperate and communicate better from now on. I am also remaining optimistic that the public trust and confidence will come back once the casino is back in business and in proper working order. Also, am very hopeful that the Tinian Dynasty Hotel and Casino will comply with all laws, rules and regulations, and procedure; local and federal.

References

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Marianas Variety, [www.mvariety.com](http://www.mvariety.com), 2015

Surveys filled out by Saipan and Tinian Residents, 2015

**, such as: the local budget, medical referrals, Tinian Municipal Scholarship, the off-island liaison offices and local community events. The aftermath of Typhoon lead to the temporary closure**