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COVID-19: Trump Companies Fall, Hundreds Lose Jobs

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The impact of the COVID-19 pandemic on the economy already seems to be affecting the companies and businesses of U.S. President Donald Trump and, along with with it, the employment of hundreds of people.

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President Trump's company — significantly reliant on tourism, conventions, and restaurant income — has been sharply impacted by the COVID-19 pandemic, with at least two properties closing and three hotels laying off staff, according to the Washington Post.

In the wake of the crisis caused by the new coronavirus pandemic in the world, many countries have adopted some strict policies to prevent mass contagion. In the United States, some states ordered the closure of bars and restaurants and imposed special restrictions in some places, which has affected Trump's businesses and companies in Florida, Las Vegas, New York, Washington, among others.

Places like the famous Mar-a-Lago Club and hotels announced its closure due to the policies that the states imposed to combat the COVID-19. However, the strong impact of all this lies in the dismissal of hundreds of employees, more than 200, according to the Washington Post.

Trump's hotel in Las Vegas was shuttered in response to a statewide order from Nevada's governor. It will not reopen until April 17; the hotel told customers. However, some employees at the hotel have already been laid off, the news outlet reported.

> One nonsalaried employee in the hotel's food and beverage department said his manager told him he would receive nothing. "Zero, nothing," said the employee, who said he had been at the hotel for more than a decade. "We live paycheck to paycheck," "We are screwed," he said to the Washington Post.

In New York, Trump's hotel on Central Park remained open Friday. However, 51 of the more than 300 employees were fired on Thursday, according to a person familiar with the Trump hotel's operations.

> "Various facilities are temporarily closed given local, state and federal mandates," Trump Organization spokeswoman Kimberly Benza said in a statement. "We anxiously await the day when this pandemic is over, and our world-class facilities can reopen."

At the Trump Hotel in Washington, the layoffs were even more drastic. In essence, 160 workers were let go, as the hotel's occupancy rate plunged to about 5 percent, according to the union that represents the hotel's employees.

Trump's D.C. hotel remains open, despite the bar and restaurant being closed by a directive from the D.C. government and almost no guests staying there.

John Boardman, executive secretary-treasurer of the D.C. affiliate of Unite Here, said occupancy is about 5 percent and about 160 of his 174 workers he represents — including housekeepers, dishwashers and bellmen — have been laid off. He said the Trump Organization is "no different than anybody else except that they are staying open, which amazes me."

And at all of the company's other large U.S. hotels — in Miami, Honolulu, and Chicago — restaurants were either partially or entirely shut, cutting off a vital stream of revenue, the Washington Post said.

The company does not release profit and loss information, so it is unclear what the downturn has meant to its bottom line.

Also, the company has other lucrative investments in commercial buildings that will not be hurt immediately by the new coronavirus. But many of the company's largest — and most heavily indebted — businesses are dependent on a travel industry that is now primarily shuttered, with no end in sight. Trump still owns his business empire, so its struggles could affect his wealth.

Trump owns seven U.S. hotels, including three — in Washington, Miami, and Chicago — with outstanding loans from Deutsche Bank. The original value of these loans was more than $300 million. Deutsche Bank declined to comment about the loans, according to the Washington Post.

Many analysts have criticized the lack of preventive policies by the Trump government, who had initially downplayed the COVID-19 threats in March early. Now the impact of this new virus seems to become more real for the world economy as well as the International Labour Organization (ILO) said that the effects of the new pandemic could destroy up to 25 million jobs around the world.

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