

Union blocks strike by 50,000 Las Vegas casino workers

A WSWS reporting team in Las Vegas
2 June 2018

With 50,000 workers primed to walk out of dozens of Las Vegas casinos when their five-year labor agreement expired on Friday at 12:01 am, the Culinary Workers Union Local 226 cancelled any strike and ordered its members to remain on the job. Nearly three hours later, the union announced that it reached a tentative agreement with one of the casino owners, Caesar Enterprises, which employs 12,000 workers.

The union is explicitly defying the mandate of its members, who voted by 99 percent to authorize a strike against the casino and resort owners who have refused to budge on their demands for a freeze in real wages and other concessions. The widespread support for a walkout, which would be the first citywide casino strike since 1984, is another expression of the growth of working-class militancy in the United States and internationally since the beginning of the year.

The workers, members of UNITE HERE's Culinary and Bartenders unions, include bartenders, guest room attendants, cocktail servers, food servers, porters, bellmen, cooks and kitchen workers at 34 casinos and resorts on the Las Vegas Strip and downtown. With MGM Resorts International, Caesars Entertainment and other casino owners making large profits and squandering millions on CEO pay and stock buybacks, workers are determined to improve their wages and benefits.

The so-called "historic" 5-year deal reached with Caesars, announced at 2:41 am on Twitter, only covers one-quarter of the total union members and thus leaves over 38,000 workers without a contract. Furthermore, if the workers do strike in the coming days, the strike will be weakened by the absence of 12,000 workers. In a tweet, the union explicitly called for Caesars workers not to participate in a strike if one breaks out.

Though the details of the tentative contract have not been released, union leaders have made clear that significant improvements to wages and working conditions are not included. Instead, the major "victories" in the agreement concern the income and institutional interests of the union apparatus.

This includes establishing a "formal role in the ongoing and escalating process of new technology adoption and implementation in the workplace," a proposal for a "jointly-funded study by an independent expert to analyze housekeeping workload" due to room renovations, and finally a successor clause to "ensure the continuity of union contracts and the protection of a workers' union rights if and when a MGM property is sold to a new owner."

Union representatives and shop stewards organized a "Strike Headquarters" meeting on Friday in a desolate parking lot miles from the busy areas of the Strip. Around one hundred members attended what was largely a media stunt by the unions to show off their supposed ongoing "strike preparations," despite the repeated statements by the unions that their goal is to avert a strike.

As a shop steward attempted to answer the questions of WSWS reporters regarding the status of wage increases in the new contract, a communications director interrupted, stating, "We're not speaking about wages right now. That is an important aspect, but the average union worker here in Las Vegas makes \$23 [an hour] including their benefits."

Geoconda Arguello-Kline, the Secretary-Treasurer of the Culinary Workers Union, summarized the de facto alliance between the unions and corporations, hailing the Caesars deal as a victory for the casinos while downplaying the conditions of workers they nominally represent. "I can tell you that this is a success for us, and a success for the company. They can continue to do their job, and we can continue to have the American dream."

The union has kept workers completely in the dark about the details of the deal, which will not be released until the day of the vote. Many workers who spoke with reporters to the WSWS expressed their frustration with the unions' conduct. They also detailed their most urgent demands for wages that keep up with the cost of living, job security, and safe and fair working conditions.

"I have to clean 20 rooms a day, thirteen of them were checkouts today," said Martha, a housekeeping attendant at Circus Circus hotel. "We have to do more and more work,

but our wages go down. And the work is unsafe and dangerous. Sometimes random people will come into our rooms while we're cleaning, but our supervisors don't check on us very often so we are all alone."

Martha added, "Everyone, everyone wanted to go out on strike when we voted." Since the walkout was called off last minute, "Now we're all just waiting. We don't know if we'll go out today, maybe tomorrow, or not."

In 2013, the Culinary Workers Union Local 226 and the Bartenders Local 165 said workers had no choice but to bow to the demands of the casino owners for major concessions, including pay freezes, due to the ongoing fallout from the 2008 financial crash and the mountain of debt incurred by MGM and Caesars. The five-year agreement in 2013 resulted in an average annual 2.2 percent rise in all-in labor costs (wages and benefits), the equivalent of a de facto wage and benefit cut when inflation is taken into account.

In the time since, the casino owners have completed billions of dollars in upgrades, reduced their debts and seen their share prices rebound. Profits have fully recovered, tripling year-over-year from 2016 to 2017. Flush with cash from Trump's corporate tax cuts, MGM and Caesars have announced \$2.5 billion in stock buybacks and large payouts to their corporate executives. Caesars CEO Mark Frissora pocketed \$24 million in total compensation in 2017, 601 times the median employee compensation of \$39,869 for a worker at one of his operations.

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Despite this, the unions limited their demands to an average annual increase of 4 percent in wages *and* benefits, which would include a 2.2 percent pay increase, roughly the equivalent of the rate of inflation. This would in effect be another pay freeze for workers struggling with rising prices for gas and other necessities. Nevertheless, the casino owners have rejected this meager demand and insist they will not grant more than a 2.7 percent increase in all-in costs. The contract likely established wages that were between the 2.7 percent and 4 percent mark, caving into the greedy interests of the owners.

Workers' jobs and working conditions are also under attack, as the casino owners implement cost cutting measures, including new technologies like self-service hotel check-ins and automatic food and drink ordering, along with increased workloads and the corporate shell games of switching ownerships. However, the UNITE HERE union is not opposing these attacks. It is only looking to become further integrated into the process of corporate decision-making and cost-cutting.

Joint committees on technology and workloads, along with the successive clause, are chiefly aimed at defending the

salaries and position of the union executives. While the Culinary Union secretary treasurer enthuses over workers making \$23 an hour, UNITE HERE President Donald Taylor really is living the "American dream" with a salary of \$362,000, plus perks.

The struggle of casino workers takes place amid a growing wave of struggles by workers around the US and the world. Major work stoppages in the US during the first five months have already surpassed the total for 2017. These include the largest wave of teachers strikes in decades, including statewide walkouts in West Virginia, Oklahoma, Arizona, Kentucky, Colorado and North Carolina. In each case, rank-and-file workers, who initiated the strikes using social media, came into a direct collision with the unions, which did everything to isolate their struggles and then agreed to sellout deals that ignored the strikers' demands.

Workers are beginning to break through the decades-long suppression of the class struggle by the unions, which function not as defensive organizations of workers but tools of corporate management and the government, headed up by privileged business executives.

For casino workers to take their struggle forward, they must take the conduct of the struggle into their own hands by electing rank-and-file strike committees, which answer to workers themselves, not the unions, the corporate owners or the big business politicians. These committees should immediately fight to mobilize all casino workers and every section of the working class—teachers, health care workers, public sector workers, UPS workers—in a common fight to defend the social right to good-paying and secure jobs, decent working conditions, health care and a comfortable retirement.

Striking workers must be on guard in particular against the Democratic Party politicians who claim that they are friends of workers and opponents of Trump and the Republicans. In reality, both the Democrats and Republicans speak for big business. An industrial counter-offensive by workers must be combined with the fight for the building of a powerful political movement to unite all workers, black, white, immigrant and native-born, in a common struggle against the capitalist system and for socialism.



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