

Workers at five Atlantic City casinos vote overwhelmingly to strike

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Workers at five casinos in Atlantic City, New Jersey have voted by over 96 percent to strike if a new contract is not agreed. Gambling is Atlantic City's major industry, and is second only to Las Vegas, Nevada. The five casinos—Caesars, Tropicana, Harrah's, Borgata and Hard Rock—together employ approximately 10,000 workers who belong to UNITE HERE Local 54.

The existing contract expired at the end of May and workers have been conducting informational picketing since then. The vote authorizes the union leadership to call a strike if no agreement is reached by July 1 for the first three casinos, and on July 3 for Hard Rock, but does not require it.

The overwhelming vote authorizing a strike is among the latest examples of the explosive growth of worker militancy across the US and around the world, the result of decades of wage stagnation and benefits give-backs, engineered in collaboration between unions and management, now exacerbated by rapidly rising inflation and the continuing effects of the pandemic.

According to the website salary.com, the current cost of living in Atlantic City is 14.2 percent higher than the national average. The union reports that the average wage at Caesar Entertainment casinos was about \$15.81 per hour for non-tipped workers and \$8.80 for tipped workers. Hospitality workers in general were already among the lowest paid sections of the working class, prior to the current crisis. According to the MIT Living Wage calculator, the current living wage in Atlantic County for one adult with no children is \$18.83 per hour. The union's wage demand is reportedly a totally inadequate \$18 an hour under conditions of skyrocketing inflation, especially for workers supporting a family.

The gambling industry in Atlantic City has

experienced severe contraction over the past decade, devastating its working population. In 2014, the city had 12 casinos. In less than nine months, that total had been reduced by a third and its workforce by one quarter. The response of Local 54 of the UNITE HERE union at that time was a useless call for state intervention.

In July 2016, workers struck against the Trump Taj Mahal. That strike was defeated when the casino closed down in October, only to be reopened as the Hard Rock by different owners.

The city's gambling industry is experiencing another boom-bust cycle, with workers suffering the consequences. Following an initial slowdown early in the pandemic, the lifting of nearly all measures to suppress the spread of the virus, combined with massive government subsidies to corporations, resulted in a resurgence of the gambling industry in 2021. This rebound continued early this year. The American Gaming Association (AGA) reported that in the first four months of 2022, the gambling industry in New Jersey took in approximately \$1.6 billion, topping the equivalent period last year by 19 percent.

Workers have, however, not benefited. In fact, large numbers have been quitting due to low pay, which makes it nearly impossible to afford to live in the area. Workers are now demanding a sizable increase in pay and protection against the use of outside contractors.

Following the huge vote to authorize a strike, union president Bob McDevitt blustered, "The industry better not take this lightly. This is a no (B.S.) thing." However, based on the union's long history of betraying those workers it supposedly represents, workers now entering into struggle can put no confidence in UNITE HERE.

The union has already weakened the workers by

reaching agreements with two other casinos—the Ocean Casino Resort and Bally’s—to accept whatever terms are reached with the larger casinos.

Since breaking off from the AFL-CIO and joining the Change to Win Federation in 2005, UNITE HERE has portrayed itself as a supposedly militant and even left-wing union, which has focused on food industry and hospitality workers that many other unions considered too poor to organize. UNITE HERE executives, who receive six-figure salaries, often use radical phraseology, deploying identity politics to make a false appeal to minority and immigrant workers who make up the majority of the service industry workforce.

In practice, however, UNITE HERE has betrayed strikes by casino workers in Las Vegas and hotel workers in Chicago and a number of cities across the United States, as well as catering workers in the airline industry, ensuring that the employers can continue to pay poverty-level wages. As a result, the catering workers under UNITE-HERE were the lowest paid in the airport, making as low as \$10 an hour when most other workers were making above \$15.

When Donald Trump sold his struggling Atlantic City casinos in 2016, including Trump Plaza and Trump Taj Majal, about 1,000 cooks, housekeepers and other workers at the casino had gone on strike. The UNITE HERE union kept these workers isolated, agreeing to a deal with Tropicana Atlantic City while the Taj Mahal workers were on strike.

The executives atop UNITE HERE, who control assets worth tens of millions of dollars, are totally divorced from the struggles of their members. Unions have become the servants of the capitalist system, working to extract as much profit as possible, regardless of the consequences. The current worldwide crisis of the capitalist system is responsible for raging inflation, the continuing uncontrolled spread of the COVID-19 pandemic and the drive to a third world war.

The only way for workers to avoid another defeat is to separate from their totally corrupt union and form independent rank-and-file committees to unite with other workers across the country, such as the health care workers currently on strike at Saint Michael’s hospital in Newark, to fight for a socialist program to put an end to the murderous capitalist system.



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