

MGM Grand Detroit casino workers reject contract betrayal, continue strike

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20 November 2023

Workers at MGM Grand Detroit casino have rejected a proposed contract and are continuing a strike begun October 17. Meanwhile, workers at two other Detroit casinos, MotorCity Casino and Hollywood Casino at Greektown, have returned to work after ratifying their agreements.

The workers, about 3,700 in total, are members of the Detroit Casino Council, a coalition of five unions, including the United Auto Workers, Unite Here, Teamsters, Operating Engineers and Carpenters. The workers include dealers, cleaning staff, food and beverage staff, valets and engineers.

The unions did not provide any breakdown of the vote totals on the contract, only reporting that 600 of the about 1,600 MGM Grand workers had voted in favor of the deal.

Despite the “no” vote by MGM Grand workers, the unions have sent the MotorCity and Hollywood Casino workers back to work, effectively leaving the MGM workers isolated.

The attempt to shut down the Detroit casino strike follows the scuttling of a scheduled strike by tens of thousands of workers at Las Vegas casinos earlier this month. Culinary Workers Union Local 226 announced a last-minute deal covering workers on the Las Vegas strip, including 25,400 workers at MGM Resorts International. At no point have any of the unions suggested waging a coordinated fight against MGM or the other multibillion-dollar casino conglomerates.

Only blocks away from the Detroit casinos, hundreds of Blue Cross Blue Shield of Michigan workers are continuing a strike that began September 13, part of more than 1,000 Blue Cross workers on strike across the state. Workers are demanding an end to outsourcing, the elimination of tiers and inflation-busting pay increases. They have complained of an

information blackout on negotiations by the UAW leadership.

MGM Resorts International reported net revenues of \$4 billion in the third quarter of this year, up 16 percent from the same period last year. In Detroit, gaming revenues have returned to pre-pandemic levels and have reached a new high. According to the Detroit Casino Council, “In 2022, the Detroit casino industry generated \$2.27 billion in gaming revenue and is on track for another record-breaking year in 2023.”

The opening of several large casinos in Detroit followed the virtual shutdown of the auto industry in the city by the Detroit-based car companies. The wiping out of tens of thousands of what had been relatively well-paying jobs was carried out with the collaboration of the UAW, which blocked any opposition to the plant closures. Over the past 25 years, the casino operators have been able to reap enormous profits off the backs of the pool of low-wage labor in Detroit created by these betrayals.

At issue at the Detroit casinos are pay and working conditions. Many casino workers earn pay as low as \$10-\$11 an hour and rely on tips to survive. The contract calls for an average \$3 per hour immediate pay increase and \$5 over the life of the five-year contract, with no inflation offset, which will still leave most workers earning poverty-level pay.

The union coalition boasted that the deal contained an 18 percent immediate pay raise, “the largest wage increases ever negotiated in the history of the Detroit casino industry.” However, according to figures from the Detroit Casino Council since the pandemic “Detroit casino workers have received only 3% raises, but inflation in Detroit has risen 20%.” Therefore, the “historic” pay raise barely offsets the rising cost of living since 2020. Workers’ pay has hardly risen for

eight years, as the unions accepted a contract extension with the onset of COVID.

The so-called job protections contained in the deal are laughable, only stipulating that workers will be notified in advance about the introduction of new technology and receive training. Workers laid off due to technology will receive unspecified health and severance benefits.

For its part, casino management lauded the contracts. John Drake, vice president and general manager at Hollywood Casino, said he appreciated “the productive and respectful negotiations with the DCC and are eager to welcome back our team members as soon as possible.”

The rank-and-file opposition to the sellout casino deal follows mass opposition to the contracts negotiated by the UAW with General Motors, Ford and Stellantis, where workers at a series of large assembly plants voting against the deal that abandoned all of the fundamental demands initially raised by workers. The imposition of the auto contract betrayal followed the phony “stand up” strike called by the UAW that left the vast majority of workers on the job producing profits for the automakers.

Posts on Facebook indicated the hostility by casino workers to the claims by the unions that the deals were “historic.” One called the deal, “Garbage after a historic 8 YEAR bad contract!” Another said, “The companies are throwing pennies at us like we are a wishing well. But you got to do what you got to do. I went and got some snowpants, some boots, and a bigger coat. If you don’t fight for something then you get nothing, that’s what I’m going to do.”

Another worker said, “Even the managers at our job think this is a BAD contract. Y’all want to go and settle for a bs contract because of the weather instead of wearing more layers of clothes and standing outside for just a bit longer. They are using ‘starting all over’ as a scare tactic to make y’all say yes to that contract. They know what we want and they really NEED us for holidays. NO TO THE CONTRACT. Let’s hold them off a little bit longer so we can get a contract worth signing.”

This experience shows the necessity for workers to form organizations controlled by the rank and file, to transfer power from the union bureaucracies that control UAW and other casino unions to the workers

themselves. This means building rank-and-file committees that can provide a democratic forum for workers to discuss and organize the fight needed to win. Workers wishing to learn more or share information on your struggles should fill out the form below.



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