

Maryland casino boom a lucky roll of the dice for unions

By: Gary Haber – May 24, 2013

Maryland's booming casino industry is providing a boost for organized labor in the state.

Unions have added well more than 1,000 new members among workers at Maryland Live, Hollywood Casino Perryville and Casino at Ocean Downs since those casinos opened.

These numbers are increasing labor's clout in the state at a time when union membership has been on the decline nationally.

Industries like manufacturing, steelmaking and autos that have traditionally employed large numbers of union members have been shrinking or not expanding. That leaves organized labor turning its organizing efforts to a growing sector like casinos, said Mike Smith, a Detroit-based expert on unions.

"The higher the membership, the more political clout and economic force you have," said Smith, the UAW archivist at the Walter P. Reuther Library at Wayne State University.

United Food and Commercial Workers, Local 27, started out representing supermarket workers at chains like Giant Food, Safeway and Acme in Maryland and Delaware. But as supermarkets have been closing or have been slow to open new stores, as Superfresh did in Maryland, the union has turned increasingly to the casino industry as a source of new members.

"It's given us another avenue to grow, which is vital to the existence of a strong union," said George Murphy, president of Local 27. "It's been a real shot in the arm."

Murphy's local represents about 1,000 gaming and casino floor workers at Maryland Live, the state's largest casino, and is negotiating with the casino on a contract that would cover about 700 table games dealers there.

The local also represents about 80 food and beverage workers at Hollywood Casino Perryville. Meanwhile, the Seafarers Entertainment and Allied Trades Union represents about 400 food and beverage workers and housekeeping staff at Maryland Live.

In Maryland, casinos have added or will add thousands of jobs with the advent of table games, round-the-clock gaming, and the addition of a sixth casino in Prince George's County.

The expansion comes amid a decline in union membership. According to the U.S. Bureau of Labor Statistics, 11.3 percent of the U.S. workforce, or 14.4 million workers, belonged to unions in 2012. That was down from 20.1 percent, or 17.7 million workers, in 1983, the first year for which comparable data on union membership is available.

In Maryland, workers represented by unions account for about 12.3 percent of the workforce.

Casinos are a natural fit for unions because they employ large numbers of people whose jobs can't be sent offshore or automated, said Robert Bruno, a professor of labor studies at the University of Illinois.

Hollywood Casino Perryville has contracts with three unions - Local 27, the Seafarers Entertainment and Allied Trades Union, and the United Industrial, Service, Transportation Professional and Government Workers of North America.

"We have a good working relationship with each union," Jennifer Miglionico, the casino's director of marketing, said in an email. Rocky Gap Casino Resort, which opened May 22, declined to say whether any of its workers are unionized.

Not everyone thinks a union expansion is a good idea. Dan Ikenson, an economist at the Cato Institute, a Libertarian think tank, is opposed to the expansion of unions because they drive up the cost of labor, he said.

"It ties up the supply of labor and causes all sorts of inefficiencies for business," said Ikenson, director of Cato's Herbert A. Stiefel Center for Trade Policy Studies. Unions get their members higher salaries and costly benefits that employers pay for. They also demand work rules that can keep workers from performing multiple job functions, slowing production, Ikenson said.

Unite Here, Local 7, represents about 100 workers at Casino at Ocean Downs, including slot attendants, cage cashiers and food and beverage workers.

"The way we look at it, the growth of the industry is a way to create good-paying jobs with good benefits," said Roxie Herbekian, president of Unite Here, Local 7.

If workers have jobs they pay taxes, which benefits the state, Herbekian said. And if they are paid enough that they don't have to work two or three jobs to make ends meet it leaves them time to participate in their children's school, or in the civic life of the community.

"It's an important economic issue for Maryland," she said.