



FROM THE CALIFORNIA PROGRESS REPORT

Overturn California Indian Gaming Compacts With a No vote on Props 94 to 97

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On February 5th California voters can overturn four Indian gaming compacts approved by the legislature--compacts which will permit Native American tribes in Southern California to commence one of the largest expansions of gambling in American history. Californians concerned with the unprecedented polarization of wealth and the consequences of urban sprawl in the state should assess the impacts of these compacts--Propositions 94,95,96,97--on small non-gaming tribes, casino workers and their families, and the environment.

Unlike compacts approved by the Legislature in 2004, these compacts will deny up to 50,000 present and future casino workers protections essential to improve their standard of living and to gain access to California's middle class. If this legislation stands, the basic right of California casino workers to organize unions will be significantly eroded.

In California and across America, workers who attempt to organize a union at a casino are routinely harassed, threatened, illegally disciplined, and fired. Without specific provisions to protect workers at these gigantic casinos, working conditions suffer, and wages and benefits are lower than comparable union casinos such as those operated by the United Auburn and Rumsey tribes.

These compacts come at a critical moment. In California, tribal gaming is our fastest growing industry, posting revenues of more than \$7 billion annually. The new compacts are worth an estimated \$50 billion over two decades and would enable the tribes to triple the size of their casinos

According to a recent report by Occidental College professor Peter Dreier, the four wealthy Southern California tribes represent just .6%--less than one percent--of California's native population, but their casino revenue in 2005 was 43 percent of all gaming revenues in the state.

Their super casinos, each with more than 2000 slot machines and 2,000 employees, enjoy near monopoly privileges and are located off interstate highways close to the metropolitan centers of Los Angeles and San Diego.

The potential to further increase their revenues is substantial. The compacts authorize the tribes to add 17,000 slot machines; Southern California will then become home to some of the largest casinos in the world, surpassing those in Las Vegas.

Moreover, the new compacts lack the same opportunity for public review and comment before local governments sign-off on casino expansions. In a brazen and cynical move, three of the four tribes under these compacts built-out facilities to accommodate new gaming prior to final approval--so it is likely that the environmental review for these casinos will never happen.

Furthermore, the vast majority of California Native Americans will see little or no benefit from this expansion. Ninety percent are members of tribes without gaming. Most gaming tribes have small casinos in relatively isolated rural areas with less than 500 slot machines and 300 employees. Moreover, the rich Southern California tribes have opposed efforts by poor non-gaming tribes such as the Quechan in Imperial County and the Yurok in Humboldt County, the state's two largest tribes, to procure gaming compacts.

Most disturbing, the new mega-casinos will create poverty-wage jobs alongside exorbitant profits. The Morongo in Riverside have built a 27-story hotel and casino complex that employs 3,000 workers, most of whom are not tribal members. The Economist magazine claims the tribe earned \$100 million in profit from gaming in 2004 and provided each member \$20,000 a month.

Yet according to Peter Dreier's report, based upon public data provided by the tribe, the median minimum entry wage for a non-tipped full-time Morongo casino worker was \$9.50 an hour in 2007, and annual compensation less than \$20,000 a year.

In addition, UC economist Eric Nilsson found that health care premiums and insurance co-pays provided by the Agua Caliente in Riverside for dependent children of casino workers were so high that state programs such as Healthy Kids and Medi-Cal covered 46 percent of employee's children.

A recent report by the California Budget Project indicates that the gap between high-wage and low-wage workers in California "is greater than it was a generation ago," and that 44 percent of workers in the state do not earn wages sufficient for two full-time workers to provide the basics for a family of four. If denied the right to organize, casino workers employed by the four tribes will join the ranks of the working poor.

Californians should vote no on these propositions and send a message to the legislature that new compacts should be better than the last ones.

Workers, the environment and disenfranchised tribes deserve better.

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