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## The Right Fight The Culinary Union vs the Elardi Family in Las Vegas, 1991-1998

## Dana Kraus

On September 29, 1991, the headline above the fold in the *Las Vegas Review-Journal* read: "Frontier Strike Aims to Destroy Elardis." The article explained how HERE International Union Local 226, better known locally as the Culinary Union, viewed the nascent strike. The strike was just eight days old at the time, and the union viewed it as key to the union's survival in Las Vegas – the right fight for it to under take. The union was pitted against the hostility of the Elardi family, owners of the Frontier Hotel and Casino on the Las Vegas Strip, who refused negotiations. The Frontier strike was the culmination of factors that made the 1989 contract negotiations also the right time or the right fight for casino and resort owners to engage in to challenge the Culinary Union's strength in the hospitality industry. The union was prepared for a fight. The union's conviction that the strike's success was essential to the union's future in Las Vegas likely helped sustain it through to its conclusion nearly seven years later. While the Frontier strike succeeded in large part because of the specific local and industry conditions in Nevada's gaming industry, there are key elements to its success that can be applied elsewhere: rank-and-file organizing, strong leadership, union solidarity, labor-industry partnerships, and public opinion pressure outside of the organized labor movement.

The Frontier strike did not occur in a vacuum. In 1989, while the majority of the those involved in the strike were local to Las Vegas, labor nationally was struggling to maintain membership levels. As labor scholar Julius Getman describes in *Restoring the Power of Unions*, the labor unions of the 1970s began resting on their laurels. Unions mistakenly believed that

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<sup>&</sup>lt;sup>1</sup>Dave Palermo, "Frontier Strike Aims to Destroy Elardis," Las Vegas Review-Journal, September 29, 1991.

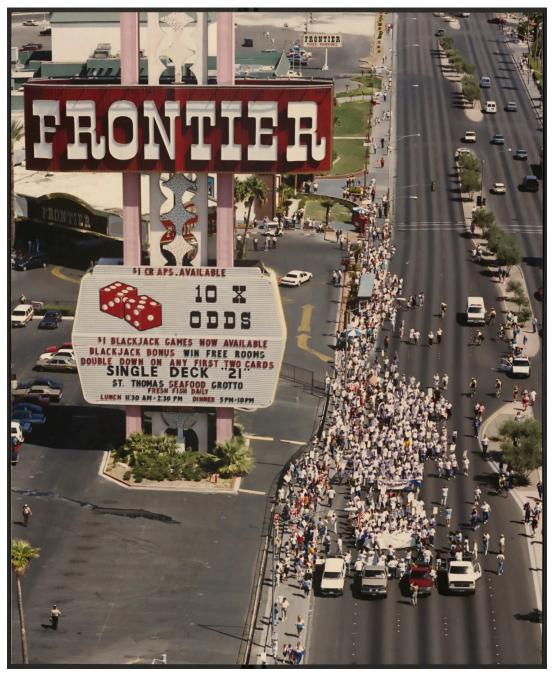


Figure 1. A rally of Frontier strikers, Labor Day weekend, September 7, 1992. (*Johnny LaVoie Papers on the Culinary Workers Union Local 226, Special Collections, University Libraries, University of Nevada, Las Vegas*)

they had established an era of labor–management partnerships and assumed that their role was one of caretakers. They failed to invest in expansion, increase their membership, and look ahead to changes in the business environment. By supporting the Vietnam War, the larger union movement represented by the AFL-CIO (Big Labor in the lexicon of the day) had, in the view of many, misappropriated much of its social and political capital with many of the anti-war members of both the Republican and Democratic parties. The dynamics of Big Labor, or lack thereof, had reduced the labor movement to service organizations which were focused on serving their existing membership with ever-better collective bargaining agreements in well-established unionized industries. In their complacency toward increasing union membership among the non-unionized throughout the nation, Big Labor lost its broader appeal in public circles, while management mounted large-scale campaigns against the entire labor movement.<sup>2</sup>

Business interests made a strong case against unionization of the nation's workforce. For any given enterprise, it was argued that labor was almost always the single largest operating expense. This was not just in nominal wages, but also in benefits such as health care and pension funding, which could double or triple the hourly cost of an employee. Minimizing this expenditure was not only rational, but also necessary, if the goal was to maximize profit. Unions' primary focus was to obtain the best possible working conditions for their members, not only by improving wages and benefits, but by bargaining for work conditions that limited the work done by the employee. Unions insisted on safety by adhering to job descriptions, decreasing onerous overtime requirements, and requiring full-time work schedules. They also impacted the ability of the employer to maximize the work they got out of their labor force. From the perspective of the business as a profit-maximizing entity, unions were something to be crushed whenever possible.

When businesses looked for ways to increase profits, they most often regarded unions as the enemy. In the 1970s, unions probably looked like fat, juicy animals ripe for slaughter. Stagflation and recessions over the next decade meant that negotiations shifted from expanding benefits and wage hikes to concessions and givebacks. Businesses threatened to shut down union shops, citing them as unprofitable. They sought—and got—two-tier pay systems, where new employees received a fraction of the pay that more senior employees received, even though they were doing the same job. This damaged union solidarity when new employees saw the union supporting this lopsided wage scale.

Two devastating strikes for labor during the 1980s illustrated the decline of organized labor's power: The Professional Air Traffic Controllers Organization (PATCO) strike of 1981 and the Phelps-Dodge copper strike of 1983 in Arizona. The unions lost both strikes, effectively breaking the local unions involved. Both strikes illustrated how a lack of political support for unions crippled strike efforts. As Richard McCracken, a labor lawyer and key figure in the Frontier strike, put it, "unions are about contract enforcement." Without a political infrastructure willing to support them when they organized, negotiated contracts, and attempted to enforce them in strikes in the face of business intransigence, unions had little to fall back on in the 1980s, a decade shaped by the Ronald Reagan presidency.

The PATCO strike was one of the more famous strikes in modern U.S. history. It is still being discussed in business classes today almost fifty years later. The legacy was a sad one for organized labor. PATCO represented air traffic controllers at most airports in the United

<sup>&</sup>lt;sup>2</sup>Julius G. Getman, Restoring the Power of Unions: It Takes a Movement (New Haven, CT: Yale University Press, 2010), 18-19. 
<sup>3</sup>Richard G. McCracken, oral history interview. Interview by Claytee White, September 30, 2014, OH\_02173\_book, transcript, Oral History Research Center, Special Collections and Archives, University Libraries, University of Nevada, Las Vegas, http://n2t.net/ark:/62930/d1kp7xv02.

States. In 1981 they were public employees and, by law, not allowed to strike. In August of that year, despite the prohibition, members chose to strike after they refused a contract that offered what they felt were only modest gains. The strikers believed that they held an effective monopoly of trained air traffic controllers throughout the U.S. and that the federal government (their employer) would have to negotiate with them. President Reagan, in a dramatic move, fired all of the striking controllers and set about replacing them at airports across the country. The move shocked the labor movement. Because PATCO was a public union participating in what amounted to an illegal strike, the executive branch of the federal government declared that striking workers could be fired and replaced, but not with any of the controllers who had participated in the illegal strike.<sup>4</sup>

Denying the "right to strike" for public sector employees, the PATCO event was a punishing blow to all unions across the board, especially public sector employees who made up a significant portion of union workers. The ensuing 1983 Phelps-Dodge mine strike became decidedly worse. Phelps-Dodge was a long-established company that owned copper mine operations in Arizona and elsewhere. After years of declining profits and losses, the company deliberately took an anti-union stance in contract negotiations in 1983, demanding concessions in wages and cost-of-living increases from its Arizona workers. When the union chose to strike, the company hired non-union replacements to work the mine and eventually used the same non-union, or scab, workers to decertify the union. Phelps-Dodge saw the PATCO strike as instructive. The playbook was to negotiate in bad faith, hire replacement workers, then use those workers to vote out the union or at least to show no interest in being represented by it. The PATCO and the Phelps-Dodge successes against strikers offered a textbook example for businesses wanting to rid themselves of a unionized workforce—a game plan that unions seemed unable to check.

It goes without saying that under the Reagan administration appointees to the National Labor Relations Board (NLRB) were not friendly to unions. This is important because the Board ultimately was the arbiter of negotiations and even strikes in labor–management disputes. The only available recourse in dealing with an unfriendly NLRB was to appeal to the judicial system, but it, too, seemed skewed in favor of business. Without support from political leaders, and with little sympathy in the judicial system, unions faced wage givebacks, claw backs of benefits, deteriorating working conditions, and outright union busting in the 1980s.

Also, the NLRB often took years to rule on disputes, and its anti-union rulings were rarely overturned in court. Under these pressures labor languished as it lost strikes, lost members in business mergers, and suffered when businesses shifted manufacturing overseas. Strikes were routinely broken, and large union organizations showed little determination to do battle with a hostile and powerful business world. In this dismal national picture for organized labor, the Frontier strike stood out not only for its success, but for its length, and for the dogged determination of striking union workers to stay the course. Some asserted that it was the longest successful strike in U.S. history, lasting 24 hours a day, 7 days a week, for a total of 6 years, 4 months, and 10 days.<sup>7</sup>

<sup>&</sup>lt;sup>4</sup>Joseph McCartin, "A Historian's Perspective on the PATCO Strike, Its Legacy, and Lessons," *Employee Responsibilities and Rights Journal* 18 (2006): 215–222.

<sup>&</sup>lt;sup>5</sup>Michael Kazin, "In Scabs There Is Strength: What Happened When the Miners Took on Phelps Dodge–and Lost," New York Times, January 15, 1995.

<sup>6&</sup>quot;End Near for Copper Strikers Phelps Dodge Has Upper Hand in 2-Year Strike," *Chicago Tribune*, July 7, 1985. "Culinary Union Local 226, "History," accessed May 9, 2023, https://www.culinaryunion226.org/union/history.

Despite the dismal national climate for labor, the Culinary Union undertook the strike against the Frontier Casino with some enthusiasm. In Las Vegas, unlike most service-oriented economies, the city's gaming and hotel industry was highly unionized with its participation in UNITE HERE, a labor union with hundreds of thousands of members in the hotel, gaming, and food service industries across the United States and Canada. The bulk of that union participation was with the Culinary Union.<sup>8</sup> Particularly in Las Vegas, the Culinary Union organized and bargained on behalf of workers in the hospitality industry despite Nevada's Right-to-Work law, which had been on the books since 1953. The union membership extended to "guest room attendants, cocktail and food servers, porters, bellmen, cooks, bartenders, [and] laundry and kitchen workers." These jobs typically paid minimum wage or less in most cities but, with the help of the Culinary Union in Las Vegas, many of these service jobs provided a comfortable middle-class life. Widespread union membership in the casinos on the Las Vegas Strip and in downtown Las Vegas meant strikes could be effective. In addition, given the sheer numbers in the union, Culinary could wield real power in local and even state elections.

Culinary's position in Las Vegas, Clark County, and Nevada politics reflects both Nevada's changing social structure and the gaming industry's essential role in the local economy. Today Clark County, Nevada, has one of the largest HERE locals in the country, despite the state's "Right to Work" law. <sup>10</sup> The origin of the law traces back to the Taft-Hartley Act, which was supported by a Republican-controlled Congress in 1947, and passed into law after overriding the veto of Democratic president Harry S. Truman. The origin of the law can also be traced to the summer of 1949 in Reno when a strike against hotels, bars, and restaurants over the July 4th weekend threatened Reno's major summer tourist draw which featured both the Independence Day celebrations and the Reno Rodeo. The community's backlash against the strike prompted pro-business groups to circulate an initiative petition to invoke the "Right to Work" provision in a section of the recently-passed Taft-Hartley Act. It permitted states to ban closed and union shops which required workers to be members of unions that acted as their bargaining agents.

The next legislative session in 1951 (the Nevada legislature meets biennially in the odd-numbered years) considered the initiative petition but failed to send it to the governor for his signature which would have enabled it to promptly become law. Instead, the legislature, in accordance with the Nevada constitution, referred the initiative petition to the voters in the fall election of 1952, a presidential election year in which the Republican Party was poised to capture the presidency for the first time in twenty years. Republican Dwight D. Eisenhower waged a successful campaign with the catchy slogan of "I Like Ike" and won Nevada's electoral votes by almost a 20,000 popular-vote plurality while the initiative passed by just over 1,000 votes. Nevada joined other western mountain, Midwestern, and southern states in becoming a Right-to-Work state.<sup>11</sup>

<sup>&</sup>lt;sup>8</sup>HERE (Hotel Employees and Restaurant Employees International Union) merged with UNITE (Union of Needletrades, Industrial, and Textile Employees) in 2004, and became thereafter known as UNITE HERE.

<sup>°</sup>Culinary Union Local 226, "Our Union," accessed May 9, 2023, https://www.culinaryunion226.org/union/history.

10"Labor and Employment," Policy and Program Report (Research Division, Nevada Legislative Counsel Bureau, April 2016), https://www.leg.state.nv.us/Division/Research/Publications/Pandpreport/02-LE.pdf; "Right To Work," Background Paper (Research Division, Nevada Legislative Counsel Bureau, 1975), https://www.leg.state.nv.us/Division/Research/Publications/Bkground/BP75-08.pdf. The Bartender's Union in Las Vegas has operated with the Culinary Union since at least the 1970s and, today, both are part of the larger UNITE HERE International Union. With a history of organizing for workers that UNITE HERE boasts about, most of the casinos on the Las Vegas Strip and in downtown Las Vegas are, to this day, unionized.

<sup>&</sup>lt;sup>11</sup>Eleanore Bushnell, *The Nevada Constitution: Origin and Growth*, rev. ed. (Reno: University of Nevada Press, 1968), 61; *Political History of Nevada*, 4th ed., issued by John Koontz, Secretary of State (Carson City, NV: State Printer, 1960), 81.

As the Nevada Legislative Council Bureau Research Division put it, "Right-to-work laws prohibit agreements between labor unions and employers making membership in a union, or payment of union dues, a condition of employment." Alternatively, the words in the initiative petition to the legislature in 1951 were, "prohibiting agreements excluding any person from employment because of non-membership in a labor union." As of 2016, ten attempts to repeal the state's Right-to-Work law via ballot initiative and legislative action had failed.<sup>12</sup>

The relationship between the gaming industry and the unions has evolved during Las Vegas's history, growing and shifting with the changes in the industry in spite of the Rightto-Work law. The relationship has been filled with tensions and conflicts that inevitably led to the involvement of local, state, and national political leaders because of Nevada's dependence upon sales tax and gaming tax revenues to fund its governance. Despite efforts to diversify the state's economy, gaming and its associated tourism have been key to the state's economic health with the gaming and hotel industry in Las Vegas the key to that revenue source<sup>13</sup> Nevada's dependence on tourism and gaming has led politicians on both sides of the aisle to intervene as self-proclaimed non-biased arbiters when strike actions threaten the stability of Las Vegas's main industry<sup>14</sup> Paul Laxalt, Nevada's governor from 1967 to 1971, described Nevada's overall political attitude toward labor disputes well when he said, "Government must take care not to involve itself in collective bargaining except in those cases—clear cut cases—when such a dispute is damaging the public interest."15 No matter the ideology of the officeholder, Laxalt felt that local and state politicians should get involved only when strikes threaten "the public interest." With an overall national climate unfriendly to labor, and a local political class inclined to stay out of disputes, organized labor in Las Vegas was largely left to fend for itself in disputes with management. That necessity offered opportunity to skillful labor organizers and leadership.

On the eve of the Frontier strike in 1991, there is no question that Las Vegas was in a state of transition. The old guard, the Vegas preserved in Elvis's movies and 1970s TV shows, the Vegas of Bugsy Siegel, of Bob Stupak, of Howard Hughes, was ending. In its place was the beginning of what one historian has called the "Mirage Phase." This was the rise of the mega resort, where hotel rooms and floor shows were no longer loss leaders, but sources of revenue for the corporations that owned the hotel-casino complex. Gaming was still present but was becoming only one of several forms of entertainment that customers could partake in as part of the Vegas experience. The Mirage, the first of the resorts, opened in 1989. The Elardis bought the Frontier from Summa Corporation, Howard Hughes' holding company, in 1988.

<sup>&</sup>lt;sup>12</sup>"Labor and Employment," Policy and Program Report (Research Division, Nevada Legislative Counsel Bureau, April 2016); *Journal of the Assembly of the Forty-Fifth Session of the Legislature of the State of Nevada* 1951 (Carson City, NV: State Printing Office, 1952), 33.

<sup>&</sup>lt;sup>13</sup>"Casino Economic Impact Grows to \$329B per Year; Nevada Remains Leading Gaming State," *The Nevada Independent*, October 11, 2023; United States Congress, House Committee on Education and Labor, Subcommittee on Labor-Management Relations, *Oversight Hearing on Labor Relations in the Entertainment and Gaming Industry—The Frontier Hotel Strike*, hearing held in Las Vegas, NV, October 1, 1993 (Washington, DC: U.S. Government Printing Office, 1994).

<sup>&</sup>lt;sup>14</sup>James P. Kraft, *Vegas at Odds: Labor Conflict in a Leisure Economy, 1960-1985* (Baltimore, MD: Johns Hopkins University Press, 2010), 61, 156, 168, 188.

<sup>15</sup>Kraft, Vegas at Odds, 61.

<sup>&</sup>lt;sup>16</sup>Hal Rothman, Neon Metropolis: How Las Vegas Started the Twenty-First Century (New York: Routledge, 2002), 78.

<sup>&</sup>lt;sup>17</sup>National Labor Relations Board, Decision and Order, Frontier Hotel & Casino, Cases 28–CA-10027,

<sup>28-</sup>CA-10425, 28-CA-10539, and 28-CA-10572, December 7, 1992, https://www.nlrb.gov/case/28-CA-010027.



FIGURE 2. The matriarch, Margaret Elardi. (Culinary Workers Union Local 226, Special Collections, University Libraries, University of Nevada, Las Vegas)



FIGURE 3. The man who started it all, Elmer "Al" Bramlet. (*Culinary Workers Union Local 226, Special Collections, University Libraries, University of Nevada, Las Vegas*)

Yet this new arrival on the strip was rooted in the old ways of doing business. Margaret Elardi, the family matriarch (Figure 2), had deep roots in Nevada. Her two sons, Tom and John, ran her casinos, but the real management power rested with her. In the public relations sphere she was notoriously shy, shunning photographs and interviews. In a documentary on the Frontier strike, *One Day Longer*, Frontier employees stated that she would fire people who, without consent, took her photograph. When Elardi created a scholarship for Nevada high school valedictorians to attend the University of Nevada, Las Vegas, she did not grant requested interviews. In 1999 *Forbes* published one of the few articles about her. According to the article, it was while Elardi was keeping the books for her husband's construction business in California that she shifted into gaming in 1967 with the purchase of the Pioneer Club in downtown Las Vegas. The Pioneer Club was a true "grind joint," with fewer than 200 slot machines, a handful of tables, and no frills. She sold it in 1983, but before that used the

<sup>&</sup>lt;sup>18</sup>One Day Longer: The Frontier Strike, Annie Williams, dir., 2000, https://www.youtube.com/watch?v=HdRUP89kqac, accessed May 9, 2023.

<sup>&</sup>lt;sup>19</sup>"Elardi Scholarship Fund Established," Las Vegas Review-Journal, October 31, 1984.

<sup>&</sup>lt;sup>20</sup>John Gorham, "Die with Your Boots On," Forbes, January 11, 1999.

profits to buy into a Laughlin, Nevada, casino in 1981, which she rebranded the Pioneer Hotel and Gambling Hall. While she made additions to the Laughlin property to bring regional travelers to Laughlin—a small hotel and a good restaurant—she managed to maintain a cash flow of 43 percent. This was almost double the industry standard in a legendarily cash-heavy business. Elardi sold the Laughlin properties in 1988 to buy into the Las Vegas Strip. When Howard Hughes's Summa Corporation sold off its assets, Elardi purchased the Frontier and the Silver Slipper. <sup>21</sup>

Historian Courtney Alexander summed it up aptly when she wrote that the Elardis wanted to run the Frontier as another "grind joint"—a stripped-down casino focused on slot machines with minimal non-gaming services and amenities.<sup>22</sup> They even tore down the historic, neighboring property they purchased, the Silver Slipper, and turned it into a parking lot.<sup>23</sup> Despite the addition of a small hotel and a decent restaurant, it was their modus operandi for the Pioneer Club in Laughlin.<sup>24</sup> The Elardis were also anti-union. While many casino owners would likely have preferred not to have a unionized workforce, the Elardis purchased the Frontier knowing they were buying a property whose employees were represented by the Culinary Union. They knew that having a unionized workforce meant higher labor costs which would reduce their profit margins. When the Elardis bought the Frontier, its contract with Culinary had been in effect for four years. As with the other casinos in Las Vegas, the contract would expire in 1989. The Elardis were very likely waiting for this moment to break the union's grip on the property.

In 1989, during early contract negotiations with the Culinary Union, the Elardis had every reason to expect that the union was too weak to meet the moment. In the 1960s and the 1970s the local was led by Elmer "Al" Bramlet (Figure 3).<sup>25</sup> He was the driving force behind the union's growth, and his negotiating prowess was based largely on his personal relationships with the families who owned and operated Las Vegas's casinos. He was the true strength of the union in Las Vegas.<sup>26</sup> His murder in 1977 shook the local to its core and union membership fell by thirty percent of its previous membership.<sup>27</sup> After his death, his successors failed to match his achievements. The first, Ben Schmoutey, was believed to have mob ties.<sup>28</sup> Questionable investments by the health and pension fund led to the fund being taken over by the national union.<sup>29</sup> Schmoutey was ultimately convicted in 1987 of fraud and racketeering for his misuse of the union's pension funds.<sup>30</sup> In 1981 Jeff McColl had succeeded Schmoutey, and was seen as less corrupt than his predecessor but was nowhere near as formidable at the negotiating table. In 1984, when it entered contract negotiations, the union was disorganized and under internal and external scrutiny. As union leader John Wilhelm said in a 2022 retrospective on the Frontier Strike, 1984 "was demoralizing" for the Culinary Union.<sup>31</sup>

<sup>&</sup>lt;sup>21</sup>Gorham, "Die With Your Boots On."

<sup>&</sup>lt;sup>22</sup>Courtney Alexander, "Rise to Power: The Recent History of the Culinary Union in Las Vegas," in Hal K. Rothman and Mike Davis, eds., *The Grit Beneath the Glitter: Tales from the Real Las Vegas* (Berkeley: University of California Press, 2002), 160.

<sup>&</sup>lt;sup>23</sup>"Workers, Patrons Bid Final Farewell to Slipper," Las Vegas Review-Journal, December 13, 1988.

<sup>&</sup>lt;sup>24</sup>One Day Longer.

<sup>&</sup>lt;sup>25</sup>Kraft, Vegas at Odds, 56.

<sup>&</sup>lt;sup>26</sup>Alexander, "Rise to Power," 178.

<sup>&</sup>lt;sup>27</sup>"The Culinary Union | American Experience | PBS," accessed February 27, 2023, https://www.pbs.org/wgbh/americanexperience/features/lasvegas-union/.

<sup>&</sup>lt;sup>28</sup>"Former Culinary President Hays Dies at 84," Las Vegas Sun, March 11, 1998.

<sup>&</sup>lt;sup>29</sup>Kraft, Vegas at Odds, 164.

<sup>&</sup>lt;sup>30</sup>Phil Vine, "Former Union Chief Gets Five Years," Las Vegas Review-Journal, August 7, 1987.

<sup>&</sup>lt;sup>31</sup>John W. Wilhelm was a national organizer for local unions in the United States and Canada for almost two decades. He served as president of UNITE HERE from 2004 to 2012 and as president of HERE from 1998 to 2012. Culinary Union, Frontier Strike 30th: Panel, 2022, accessed May 10, 2023, https://www.youtube.com/watch?v=NcJfgyYLkWg.

In the wake of the recessions, the first one in 1980 and the second from 1981 to 1982, corporate casino owners attempted to break the union. Several of the casinos downtown and on the Strip were not profitable. According to a Nevada Resort Association (NRA) report, 10 of 19 downtown casinos reported pre-tax losses for fiscal year 1984, and 17 of 33 Strip casinos did so as well. Casinos, particularly those run by corporations like Howard Hughes's Summa Corporation, were looking to cut costs and labor. They knew union labor was more expensive than non-union. The casinos were also looking for greater control over the workplace. Culinary contracts not only included wages and benefits, but job descriptions and work conditions. According to historian James Kraft, the NRA believed that:

NRA members must also have greater control over the workplace than current contracts permitted. Work rules previously negotiated with unions were too costly and restrictive. Rules that guaranteed forty-hour workweeks for all workers and precluded part-time hiring must be eliminated. There were also too many paid holidays, and minute job classifications that needed to be broadened in order to increase flexibility in the assignment of tasks to workers and thereby increase productivity. Workers saying "that is not my job" when asked to take on new responsibilities was to become a thing of the past. Employers needed their workers to accept new tasks without pushback.<sup>34</sup>

Leadership instability at the Culinary Union, along with transitions in casino ownership from local families to corporations, suggested to the NRA that they could gain major concessions in their 1984 contract negotiations. The most recent strike in Las Vegas had been in 1976. It involved all the major unions-Teamsters, Operating Engineers, Culinary and Bartenders, and Musician and Stagehand-striking at the same time. Casinos had no other choice than to close their doors until the strike ended. The 1976 strike cost the gaming industry between twenty and twenty-six million dollars.35 In 1980 the NRA managed to avoid a strike, but it also split the contract renewals for the Teamsters and the Operating Engineers from Culinary and the Musician and Stagehand unions. The Teamsters and the Operating Engineers would renew their contract in three years, while the other unions would renew in four years. This, combined with a 1976 concession of a 10-day block on sympathy strikes, meant that the Culinary Union could not immediately support the Teamsters in their contentious negotiations with the NRA in 1983. When the Teamsters struck the casinos in 1983 during their negotiations with the NRA, Culinary did not move to support the strike, nor did they launch sympathy strikes, even after the 10-day window. This most probably led to the lack of support from the Teamsters in 1984. The union solidarity of 1976 in Las Vegas was no more.

When negotiations opened in 1984, the NRA made several changes to their strategy. Rather than negotiate a master agreement with the union, the NRA said individual contracts with each casino and company must be negotiated. In addition, the NRA members sought wage and pension freezes, greater freedom from union job classifications, lower standards for work conditions that they claimed hurt efficiency, two-tiered wage systems that allowed them to

 $<sup>^{32}</sup>$ "Profitability Trends in NV," n.d., Nevada Resort Association, MS-00815, Box 08, Special Collections and Archives, University Libraries, University of Nevada, Las Vegas.

<sup>33</sup>Kraft, Vegas at Odds, 165.

<sup>34</sup>Kraft, Vegas at Odds, 173.

<sup>35</sup>Kraft, Vegas at Odds, 157.

pay newer employees lower wages, and restraints on sympathy strikes.<sup>36</sup> Almost across the board these were all important gains the union had won in 1980 and before. Negotiations between the NRA and the Culinary Union went nowhere, and when the 1980 contract expired on April 2, 1984, the union went on strike against the NRA casinos.

The strike was large, loud, and messy. Despite the push by the corporate casinos, the independent family-run casinos generally decided to renew their union contracts. By the time of the strike, eighteen independent casinos, including Binion's Horseshoe and the Barbary Coast, had signed contracts with the union, and picketing ceased at these establishments.<sup>37</sup> Still nearly 20,000 workers were on strike at over twenty resorts between downtown and the Strip.<sup>38</sup> Almost immediately, the police joined the fray, arresting picketers who crowded driveways for struck properties, attacked vehicles, and threatened guests.<sup>39</sup> In the first three days of the strike, more than 100 striking workers were arrested on a variety of charges, from obstructing traffic to inciting riot and possession of explosives.<sup>40</sup> After a month that number approached 700.<sup>41</sup>

While the 1976 strike shut down nearly all of the targeted casinos, in 1984 casino executives believed that they could keep their doors open. Rather than close their doors and accept millions of dollars in losses, the casinos slashed room rates, cut services, and used non-union employees to fill the staffing gaps. <sup>42</sup> They also hired replacement workers, something unthinkable only a few years prior. The practice marked an obvious change in the labor relations climate from just a few years earlier. The failed PATCO strike and the ongoing Phelps-Dodge strike revealed that companies could employ effective tactics to keep their businesses operating in the face of a strike. Moreover, the NLRB was unresponsive, and the courts were more likely to side with businesses. Union-busting had become a legitimate way for businesses to deal with organized labor. Also, labor organizations nationally and locally had lost the power to halt the replacement of striking workers.

The NRA's plan of forcing the union to negotiate with each property separately had mixed results. Admittedly, it required the union to divide its resources as it sought to deal with each of the various properties, but it also offered each property the opportunity or the temptation to settle the strike separately. Two weeks into the strike, Hilton broke ranks with the NRA and negotiated its own contract.<sup>43</sup> The union tactics that brought Hilton to the table included a national campaign targeting Hilton properties with picketers, banks that financed Hilton endeavors with picketers, and encouraging investors to divest their Hilton shares.<sup>44</sup> The Culinary Union was beginning to develop an effective strategy to deal with the new generation of corporate casino ownership.

While the Hilton settlement led to agreements with Caesars Palace and with the Gaughan resorts (El Cortez and the Western, both downtown) others, including the Boyd Group, held fast. <sup>45</sup> It had started as a family-run casino that became corporate in order to have greater access

<sup>36</sup>Kraft, Vegas at Odds, 175.

<sup>&</sup>lt;sup>37</sup>John Glisch, "No Progress Reported in Strike," Las Vegas Review-Journal, April 3, 1984.

<sup>&</sup>lt;sup>38</sup>John Glisch, "LV Culinary Workers Strike," Las Vegas Review-Journal, April 2, 1984.

<sup>&</sup>lt;sup>39</sup>Glisch, "No Progress Reported in Strike."

<sup>&</sup>lt;sup>40</sup>"Las Vegas, Nev., Police Arrest More Pickets In Strike at Big Hotels," Wall Street Journal, April 5, 1984.

<sup>&</sup>lt;sup>41</sup>"Talks at 2 Casinos Break Off After 5 Settlements," New York Times, May 6, 1984.

<sup>&</sup>lt;sup>42</sup>Kraft, Vegas at Odds, 181.

<sup>&</sup>lt;sup>43</sup>John Glisch and Carol Ching, "Unions, Resorts Plan Talks," Las Vegas Review-Journal, April 19, 1984.

<sup>44</sup>Kraft, Vegas at Odds, 186.

<sup>&</sup>lt;sup>45</sup>"Talks at 2 Casinos Break Off After 5 Settlements."

to financial resources for expansion and development.<sup>46</sup> The strike convinced the Group that it should discard the Culinary Union. A week into the strike, they notified striking workers at the California and Sam's Town that they would be replaced if they did not return to work. The MGM, Marina, Four Queens, and Union Plaza followed suit, but in May of 1984 they both joined with other NRA members and signed contracts. By June, only the Four Queens, Sam's Town, California, Holiday International, Holiday Inn South, and Marina were still without a contract and under the union's strike mandate. In the end, these businesses successfully removed the union from their properties, decertifying it in NLRB votes.<sup>47</sup>

While the union did stave off the worst of the NRA rollbacks by obtaining wage and pension increases, it agreed not to enter into sympathy strikes until ninety days had passed from the initiation of the strike. These actions further fractured union solidarity when Culinary and Bartenders did not support the Musician and Stagehand union. The smaller Musician and Stagehand union ended up ending their strike and taking the best terms they could get after the larger unions left them alone on the picket line. In the end, despite renewed contracts for the Culinary Union, the strike could not be considered a win. Unions conceded ground on most of their negotiations, broke solidarity with the other major unions, and due to "me too" clauses that set the terms for all of the different contacts to the same standard, the union could not keep any gains they made in individual contracts. Further, the loss of six casinos was a deep wound to the Culinary Union and provided a roadmap to any property that wanted to continue the fight in the next round of negotiations in 1989. Wilhelm later commented on the defeat:

"The local's settlement of [the 1984 strike] was frustrating to the members as well as incomplete and messy; the union was decertified by six casinos, four other casino hotels which had settled refused to comply with the agreed-upon terms, and the local's only response was NLRB and court proceedings with, of course, no result."<sup>48</sup>

The 1984 strike was a nadir for the Culinary Union. Now several casino operators, including Hilton, Caesars, and Steve Wynn could at least speculate about a future without organized labor. Wynn, in particular, was building the Mirage, a casino that would revolutionize the Strip. He made no secret of his intention to open as a non-union property.

In 1987 the Culinary Union changed direction under the new leadership of secretary-treasurer Jim Arnold (Figure 4). Knowing that the contracts would expire in two years, and with the weak position of the union, Arnold made the decision to reach out to the parent union, HERE, for support.<sup>49</sup> HERE sent some of its more experienced organizers and negotiators, who included Wilhelm, Donald D. Taylor, and Richard McCracken.<sup>50</sup> As experienced organizers, Wilhelm and Taylor started rebuilding the leadership in the rank and file, making sure each casino had shop stewards to help represent the union and its benefits to the membership. McCracken was a labor lawyer with a great deal of experience in Nevada. He had absolutely no faith in the NLRB to resolve anything in a timely fashion, and no compunction about using public opinion to help bring businesses to the bargaining table.<sup>51</sup>

<sup>&</sup>lt;sup>46</sup>Alexander, "Rise to Power," 152.

<sup>&</sup>lt;sup>47</sup>Kraft, Vegas at Odds, 197; Rothman, Neon Metropolis, 78.

<sup>&</sup>lt;sup>48</sup>Getman, Restoring the Power of Unions, 84.

<sup>&</sup>lt;sup>49</sup>Alexander, "Rise to Power," 150.

<sup>&</sup>lt;sup>50</sup>Getman, Restoring the Power of Unions, 84.

<sup>&</sup>lt;sup>51</sup>McCracken, oral history interview.



FIGURE 4. The election of Jim Arnold (left) in 1987 would prove pivotal to changing the union's fortunes. (*Culinary Workers Union Local 226, Special Collections, University Libraries, University of Nevada, Las Vegas*)

McCracken had spent the last several years assisting unions to implement broader campaigns against businesses beyond the immediate impact of a strike. He worked with the Food and Allied Services Trade (FAST) union on a campaign against Beverly Health Enterprises, a company that ran nursing homes across the country. In that campaign, McCracken helped FAST bring legal pressure on the parent organization by reporting violations of local regulations and laws, publishing inspection reports, and even opposing licensing for new operations. The effort was successful at organizing all of Beverly's locations. His efforts were part of what HERE, the Culinary's parent union, would develop into a "comprehensive campaign." As Getman noted, these comprehensive tactics became necessary and effective once it was understood that their business opponents and their labor relations teams were interested in only one result—the defeat of all of labor's demands and requests.

Labor's comprehensive strategy also explains why Wilhelm and Taylor added corporate research teams to the union's staff. The analysts on these teams were dedicated to learning about the casinos, operators, and corporations that the union faced. The research was not simply opposition research; the union also looked for ways in which they could partner with the industry. Bill Granfield, an organizer sent by HERE to Las Vegas, recalled:

<sup>&</sup>lt;sup>52</sup>Getman, Restoring the Power of Unions, 81.

<sup>&</sup>lt;sup>53</sup>Getman, Restoring the Power of Unions, 81.

The gaming industry was very worried about certain federal tax initiatives that were being talked about, and they didn't have a prayer about doing anything about it because they were in two states at that time, Nevada and New Jersey. So here's a federal tax thing and they've got a maximum of four senators. So John gets together with Ed Hanley. Maybe HERE could be helpful on this tax question. And that might open the doors to real communications with the industry. And no one else was speaking about that. It emerged that we had a way of both applying pressure and being helpful to the industry.<sup>54</sup>

McCracken was also responsible for the card check tactic that the Culinary Union would use to great effect as the Mirage Era got underway. Card check was a way for the union to avoid NLRB elections, which could be lengthy, messy, and often subject to appeals. Instead, properties would agree that workers could be represented by the union when a majority of workers signed union authorization cards. In exchange, the property would not be targeted with economically damaging organizing efforts. The first contract to include this language was Wynn's Mirage. This was a notable victory because Wynn, who also owned the Golden Nugget, had famously said he would never allow the union into the Mirage after negotiating with them in 1984 for his downtown property. With the Mirage leading the way, card check majority proved a successful path to unionization throughout the 1990s as resort after resort opened as union properties on the Strip.

In addition, Wilhelm, Taylor, and others focused on building structure and authority into the rank-and-file membership. The existing organizing leadership under Bramlet deteriorated significantly in the decade following his murder. Taylor noted that by 1987, "It [the Culinary Union] was very much a business union in the sense of they didn't have rank-and-file committees. Shop stewards were just used to sort of fix problems, but not having a real say." The new leaders set out to build the union from the ground up. They revamped the shop stewards at each property, turning them from patronage positions to ones of organizing power by teaching workers to lead and organize from within. <sup>58</sup>

In 1989 these changes within the union—in attitude, tactics, and organizing—proved valuable as the union entered contract negotiations. Most of the casinos had signed a new contract. Among those who did not was Binion's, the strongest of the independent family-owned casinos on the Strip. Others included those organized by the Boyd Group: Michael Gaughan's Barbary Coast, Jackie Gaughan's casinos (the El Cortez and the Western), and the Elardis' Frontier. The Culinary Union, operating strategically, struck Binion's in 1990. The strike persisted for over nine months before Binion's, and the rest of the Downtown Four, agreed to a new contract. The only holdouts after the Binion strike were the Barbary Coast

<sup>&</sup>lt;sup>54</sup>Getman, Restoring the Power of Unions, 85.

<sup>&</sup>lt;sup>55</sup>Alexander, "Rise to Power," 179.

 $<sup>^{56}</sup>$ John Wilhelm, oral history interview. Interview by Claytee White, August 12 and August 27, 2014, OH\_02150\_book, transcript, Oral History Research Center, Special Collections and Archives, University Libraries, University of Nevada, Las Vegas, http://n2t.net/ark:/62930/d1mp4zq8q.

<sup>&</sup>lt;sup>57</sup>D. Taylor, oral history interview. Interview by Claytee White, July 25, 2014, OH\_02118\_book, transcript, Oral History Research Center, Special Collections and Archives, University Libraries, University of Nevada, Las Vegas, http://n2t.net/ark:/62930/d14q7ts83.

<sup>58</sup>Wilhelm, oral history interview.

<sup>&</sup>lt;sup>59</sup>Alexander, "Rise to Power," 155.

<sup>60</sup>Culinary Union, Frontier Strike 30th: Panel.

(a Strip property owned and operated by Michael Gaughan) and the Frontier (run by the Elardis).<sup>61</sup> Gaughan would later settle with the union in 1993, leaving the Elardi family alone as a holdout against a contract and unionization.<sup>62</sup>

The Elardis' anti-union behavior dominated its operations from the moment they took ownership of the property. By the time of the strike, the Elardis had operated the property for three years. The workers were unhappy under the new ownership and claimed the Elardis had violated the labor agreement 63 different ways. 63 This complaint likely referred to the 63 rule changes to job classifications, work environments, and hiring and firing.<sup>64</sup> A 1994 Congressional Oversight Hearing, focused on the Frontier Strike, lends context to this complaint. One striking employee, Ray Turner, testified that, "Early on after [the takeover], the Elardis made it clear that they wanted to do things differently. They wanted to bust the Union and slash our wages and benefits. They were prepared to do anything to get that done no matter how many laws they had to break and how many people they had to hurt."65 At the same hearing, Gloria Hernandez, another striking Frontier employee, said, "The Elardis have always treated their employees at the Frontier horribly. They never demonstrated any respect for us, and they broke the law in an effort to destroy our Union. For example, one day they simply took our pension away; they have refused to pay us as much as the Union hotels and they do not want to give us the Union health plan for ourselves and our families."66 By the time of this hearing, the Elardis were appealing the NLRB's ruling that the strike was a legal action over unfair work practices.<sup>67</sup>

In 1989 the Elardi family declared that they were a family-owned and -operated casino with a fraction of the rooms and amenities offered by other Strip properties, and therefore they should not be under the same contract as other Strip casinos. When compared to the Mirage, that stance was understandable, but the union did not buy the argument. A strike-era flyer from those years published by the Culinary Union stated that the Elardis wanted to pay workers almost a dollar per hour less than what workers at the other Strip properties received, cut off the pension, end the 40-hour workweek, end seniority, cut overtime pay, institute at-will firing, cut off access to union representation, and, in addition, any benefits granted to workers were at the Elardis' discretion. In other words, the Elardis wanted a non-union property.<sup>68</sup> The family showed their determination when they cut pay and ended contributions to the pension, health, and welfare funds even before the workers voted to strike. 69 They claimed that the union was still corrupt and under the influence of the mob. 70 After more than two years of failed negotiations with the Elardis, and the end of a successful strike against Binion's in 1990, workers voted for a strike against the Frontier on September 19, 1991. The vote passed by an overwhelming majority. At 6 a.m. on September 21, a total of 550 workers out of 800 at the Frontier walked off the job.71

<sup>61</sup> Alexander, "Rise to Power," 158.

<sup>62</sup> Alexander, "Rise to Power," 163.

<sup>&</sup>lt;sup>63</sup>One Day Longer.

<sup>&</sup>lt;sup>64</sup>National Labor Relations Board, Decision and Order.

<sup>&</sup>lt;sup>65</sup>Oversight Hearing on Labor Relations.

<sup>&</sup>lt;sup>66</sup>Oversight Hearing on Labor Relations.

<sup>&</sup>lt;sup>67</sup>National Labor Relations Board, Decision and Order.

<sup>&</sup>lt;sup>68</sup> "Untitled Union Mailer," n.d., MS-00895, Box 07, Document, Johnny LaVoie Papers on the Culinary Workers Union Local 226, Special Collections and Archives, University Libraries, University of Nevada, Las Vegas.

<sup>&</sup>lt;sup>69</sup>National Labor Relations Board, Decision and Order.

<sup>&</sup>lt;sup>70</sup>Palermo, "Frontier Strike Aims to Destroy the Elardis."

<sup>71</sup> One Day Longer.



Figure 5. Jim Arnold was arrested for civil disobedience during the Frontier strike. (*Culinary Workers Union Local 226, Special Collections, University Libraries, University of Nevada, Las Vegas*)

The Culinary Union approached the Frontier strike as a must-win contest. The union had successfully regrouped from its 1984 losses, convinced Steve Wynn to open the Mirage as a union property, and had brought the last of the 1984 holdouts to the table to negotiate contracts. It knew, however, that larger challenges awaited and that Kirk Kerkorian's not-yet-finished MGM Grand property was not willing to be a union property with its projected opening in 1993. If the Frontier strike failed and this newest Kerkorian property opened without the Culinary Union, it would cripple the union just as it went into contract negotiations in 1994 with representatives of both the old and new guard. A failure would also harm the union's efforts to bolster the rank and file's belief in it as a reliable partner (Figure 5).

To help support the striking Frontier workers, the union took a vote of its membership to double dues for the next six months to help pay the Frontier strikers \$200 a week to be on the picket line. The proposal passed.<sup>73</sup> With the strike still going on at the end of six months, the rank and file again voted to extend the extra dues, but now it would be in effect until the strike ended.<sup>74</sup> It was a sign of how much workers resented the cutbacks made by the Elardi family. By some accounts, the striking workers made more on the picket line than they would

<sup>&</sup>lt;sup>72</sup>McCracken, oral history interview.

<sup>&</sup>lt;sup>73</sup>Getman, Restoring the Power of Unions, 87.

<sup>&</sup>lt;sup>74</sup>One Day Longer.

have when earning the wages the family offered.<sup>75</sup> It was a tribute to the strength of the union that the general membership willingly gave open-ended support to the Frontier strikers.

The Frontier strike strained relations and isolated the Elardis from other casino owners. In the opening stages of the strike, the Elardis put ads in the *Los Angeles Times* conflating the strike against the Frontier as a strike against the entire Strip. The ads angered and turned many in the casino community against the Elardi family. The move also reduced their already little-to-no political influence in Las Vegas, indicated by the lack of mass arrests of strikers as had occurred in the 1984 strike. During the strike, Strip properties like the Stardust hired Frontier workers, knowing that they would finish their shift and then work the picket line. Food trucks from Circus Circus and the Sahara fed striking workers. The strike also highlighted the Elardis' secrecy. Throughout the strike, Margaret Elardi's son, Tom, served as the face of the family in the media. Tom Elardi made little effort to engage with the local press to improve the family's image. Meanwhile, the Culinary Union made a concerted effort to give the strike a high profile locally and nationally, using rallies and staging media events with visiting politicians so frequently that rallies lost their media appeal during the strike's long duration. After three years, a strike rally was no longer news.

Two months into the strike, the Culinary Union organized nearly 12,000 workers in southern Nevada to march in solidarity with the Frontier strikers. Next, the union prepared a march from Las Vegas to Los Angeles, over 300 miles through sparsely populated steppe desert and mountains, to keep attention on the strike and gain support for a U.S. Senate bill to stop the practice of employers refusing to hire back striking workers. The following year, the union reprised its march with help from the AFL-CIO—this time with 20,000 union members from across the country. As the strike dragged on, prominent politicians and labor leaders came to Las Vegas to offer their support, including organized labor leader Richard Trumka and national political leader Jesse Jackson.

The strike became an important talking point for local politicians. Usually, the refrain was that it was bad for business and shattered the fantasies around tourist attractions to Las Vegas. An underlying message, or even threat, was present in the suggestion that government intervention might be considered in the public interest. As John Wilhelm testified to Congress in 1994, gaming was fifty percent of the state's revenue. All In May 1992, several Nevada legislators held a press conference to try to convince the Elardis and the union to settle the strike, making clear that the details of the settlement were up to the parties. The effort failed, and the Elardis reportedly offered no response to the appeal. Before the strike's first anniversary—already marking it as the longest labor dispute in the city's history—Nevada governor Bob Miller attempted to "make sure the parties were talking." His efforts amounted to little. The Culinary Union was happy to talk publicly, but the parties were too far apart. The disagreement included

<sup>&</sup>lt;sup>75</sup>Maribel Estrada Calderón, "The Frontier of the Labor Movement: Latinas and the Longest Strike in Twentieth-Century Las Vegas" (M.A. thesis, University of Nevada, Las Vegas, 2021), 40.

<sup>&</sup>lt;sup>76</sup>Alexander, "Rise to Power," 161.

<sup>&</sup>lt;sup>77</sup>One Day Longer.

<sup>&</sup>lt;sup>78</sup>One Day Longer; Alexander, "Rise to Power," 161.

<sup>&</sup>lt;sup>79</sup>Aaron D. Cohen, "Frontier Strike Becoming 'Trench Warfare'," Las Vegas Business Press, June 5, 1995.

<sup>80</sup> Alexander, "Rise to Power," 162.

<sup>81</sup>One Day Longer.

<sup>82</sup> Alexander, "Rise to Power," 162.

<sup>83</sup>One Day Longer.

<sup>&</sup>lt;sup>84</sup>Oversight Hearing on Labor Relations.

<sup>85</sup> Jeff Burbank, "Governor on Sidelines in Hotel Strike," Las Vegas Review-Journal, May 19, 1992.

every major point of the contract, including wages, working conditions, job categories, and health and pension contributions. Furthermore, the Elardis demanded confidential data on the union's health plan. Re The union provided health insurance directly to its members. They would negotiate rates with providers for services provided for union members. The data was confidential for insurance providers. Tom Elardi stated that he wanted that information to see if he could purchase coverage at a better price. The union refused, saying that to provide this information would damage its ability to provide coverage for its members.

By April 1993, the standoff hardened between the Frontier and the Culinary Union. On the picket line strikers attacked two tourists, guests at the Frontier. While the picket line was known to be a rowdy place, the incident was notable not only for the violence—both tourists were assaulted by strikers—but also for being captured on camera and broadcast nationwide. The Frontier used the footage to its advantage. While the union alleged that the tourists picked a fight by hurling racial slurs at the strikers, the video evidence indicated that it was the strikers who struck the first blows. Following the incident, Jim Arnold apologized on behalf of the union, pulled the offenders off the strike line, and agreed to help pay for police patrols to keep tourists safe. Six of the seven strikers involved surrendered to police and pled guilty.

The next month, Clark County commissioners sent a letter co-signed by Tom Elardi to urge HERE president Ed Hanley to negotiate a settlement to the strike. The county commissioners and Tom Elardi hoped that Hanley would negotiate where the local union would not, particularly in creating a second tier of hotels that would pay less than top-tier Strip resorts like the Mirage and the upcoming MGM Grand. <sup>91</sup> Tom Elardi even went a step further, publicly saying he would only negotiate with Hanley. <sup>92</sup>

Meanwhile, Governor Miller hired Sam Kagel, a lawyer with a fifty-year history in mediation and arbitration, to compile a factfinder report on the dispute. Tom Elardi insinuated that the governor had implied that the Frontier's gaming license could be at risk if his family did not cooperate with the recommendations in the report. Since the Congressional Oversight Hearing in October of 1993 was, in part, about the push by Nevada's representatives in Congress to support legislation allowing for states to revoke business licenses of those employers who violated labor laws, that question was very much on the table. Already, Frontier's alleged violations were under appeal with the NLRB. Kagel's findings are not public, but a summary released by the governor's office in 1994 stated that the negotiations were being sabotaged by the Frontier. Kagel's own memoir went further. During the twenty-eight fact-finding and mediation sessions between Tom Elardi and John Wilhelm, almost all of the issues had been settled except the Elardis' position that opposed allowing strikers to return to their jobs after the settlement of the strike. The provision had long been a common part of union contracts after the conclusion of legal strikes.

<sup>86</sup> Jeff Burbank, "Frontier Strike Talks Hit Another Delay," Las Vegas Review-Journal, July 30, 1992.

<sup>&</sup>lt;sup>87</sup>Jeff Burbank, "Health Care Plan to be Focus When Frontier Management, Unions Meet," Las Vegas Review-Journal, May 19, 1992.

<sup>88</sup> Caren Benjamin, "Frontier Owner Says Guards' Hands Tied," Las Vegas Review-Journal, October 31, 1997.

<sup>&</sup>lt;sup>89</sup>Jeff Burbank, "Union Apologizes for Beatings," Las Vegas Review-Journal, May 1, 1993.

<sup>90</sup> Jeff Burbank, "Significant Dates in Two-Year History of Frontier Strike," Las Vegas Review-Journal, September 19, 1993.

<sup>&</sup>lt;sup>91</sup>Jeff Burbank, "Labor Leader Urged in Talks," Las Vegas Review-Journal, May 14, 1993.

<sup>92</sup>Ed Vogel, "Frontier Adversaries Invite Mediator, Las Vegas Review-Journal, May 25, 1993.

<sup>93</sup>Vogel, "Frontier Adversaries Invite Mediator."

<sup>&</sup>lt;sup>94</sup>Oversight Hearing on Labor Relations.

<sup>95</sup> Jeff Burbank, "Arbitrator Now Needed, Governor Says," Las Vegas Review-Journal, March 3, 1994.

Since the NLRB had declared the Frontier strike legal, the striking workers should have been allowed to return without retaliation. The Elardis refused, stating that some of the strikers had engaged in misconduct and therefore should not be reinstated. The union demanded the names and the specific offenses committed. While the Frontier supplied over one hundred names, they failed to provide any specifics on the misbehaviors or any videotapes of the misconduct. Without evidence and without even the specific offenses, the union would not cede ground on the return-to-work rights of their members. Hence, the negotiations broke down again.<sup>96</sup>

In 1994, public officials tried again to bring the now three-year-old strike to an end. U.S. Representative Jim Bilbray and Nevada's U.S. Senators Harry Reid and Richard Bryan attempted to sway the Frontier and the union to enter negotiations again. This time, the union pushed back, asking for binding arbitration. The Elardis did not respond. 97 From the available record, it is clear that the Elardis were holding out for a non-union operation. The declaration by the NLRB that the strike was against unfair labor practices made it impossible for the Elardis to do what Boyd and others had done in 1984—hire non-union replacement workers, wait out the strike for a year, and then have the replacement workers vote to decertify the union. 98 Their best hope was to outlast the union. Appealing the NLRB decision would take years that the union would have to spend using their limited resources striking the Frontier or agreeing to the Elardis' terms. It appears that the Elardis felt they could outlast the union. If so, the calculation was very savvy. In 1994, according to McCracken, the guest room attendants at the then-San Remo hotel, located just off the Strip, began to organize and sought assistance from the Culinary Union to gain recognition and a contract. The local turned them down because they did not have the combined resources for the Frontier, the MGM Grand organizing drive, and the San Remo.99

The strike continued to drag on with no progress because there was little evidence that it was damaging the Frontier's bottom line. <sup>100</sup> The best evidence that the Frontier may have been struggling comes from an unverified anecdote. In a 2014 interview with the oral history project at the University of Nevada, Las Vegas, Jan Jones, who was mayor of Las Vegas during the strike, mentioned that at one point during the strike Margaret Elardi attempted to sell the Frontier to Bill Bennett, who had recently left Circus Circus and was looking to buy into another casino. When asked if the casino was profitable, Elardi stated that they earned \$70 million per year EBITDA (Earnings Before Interest, Taxes, Depreciation, and Amortization). EBITDA is a common value used to determine profitability. When Bennett asked for substantiation, Elardi refused to provide it. <sup>101</sup>

Because the Elardis privately owned Unbelievable, Inc., the holding company for the Frontier, there is no public data available on their financial status. However, if this story is accurate, it likely would have taken place in 1994 or 1995, after Bennett left Circus Circus, but before he bought the Sahara. And if that EBITDA number is accurate, it supported the idea

 $<sup>^{96}</sup>$ Sam Kagel, "Sam Kagel – Labor File: 1909 to the Present," 2003, 137, https://naarb.org/interviews/SAMKA-GELMEMOIR.pdf.

<sup>&</sup>quot;Marian Green, "Culinary Union Seeks Arbitration to End Strike at Frontier," Las Vegas-Review Journal, April 27, 1994.

\*Jeff Burbank, "Frontier Strike Termed 'siege' Likely to Go On," Las Vegas Review-Journal, May 2, 1993.

<sup>99</sup>McCracken, oral history interview.

<sup>100</sup>Cohen, "Frontier Strike Becoming 'Trench Warfare'."

<sup>&</sup>lt;sup>101</sup>Jan Jones Blackhurst, oral history interview, September 19, 2014, OH\_02166, audio recording, University of Nevada, Las Vegas, University Libraries, Special Collections and Archives, https://scholars.law.unlv.edu/glj/vol8/iss1/5/.

that the Elardi family had sufficient means to outlast the strike. It also supported the idea that, although they may have been able to afford to pay union wages and benefits, they chose not to bear the costs. They refused to give up the comfortable profit margins they had become accustomed to in Laughlin. For comparison, Mirage, in 1994, reported operating income of \$55.4 million in their public filings for that property alone in the 3rd quarter. In the same filing, the Golden Nugget, downtown, reported just over \$10 million in that same quarter. Operating income is calculated after expenses (such as depreciation and amortization, which EBITDA includes), so while it should be smaller than EBITDA for the same income, this is a quarterly number compared to a yearly one. Assuming those numbers held for the year, that meant the Elardis were likely earning less than other Strip properties and needed a better contract to keep the property profitable at the level they expected.

A review of the Culinary contract for Mirage employees covering 1989 to 1994—the same contract the Elardis were fighting—helps provide a rough calculation of the cost for them to employ union workers. With over 500 employees on strike across the property, no single wage rate applies, but given the range of daily wages listed, a rough estimate of \$85 per employee per day is valid for this purpose. In addition, the contract specified that the employer had to pay \$0.45 per hour worked toward the employee pension fund and \$1.89 per hour worked for the Health and Welfare fund. Assuming a 40-hour workweek for all 550 employees, and 52 weeks a year, the cost of unionized labor for the entire striking workforce would, in this model, cost more than \$14.8 million per year. Again, this is a rough estimate of the cost of the contract. Without the cost of existing employees, how much this differed from actual labor costs is unknown. But with \$70 million EBITDA, unionized labor costs would put a sizeable dent in the Elardis' profits.

After another round of failed negotiations, this time between Tom Elardi and Ed Hanley directly, the strike hit the five-year mark. <sup>104</sup> The union vowed to outlast the Elardis, saying the strike would go one day longer than the Elardis owned the Frontier. Despite the anecdote from the oral history edited by Jones, the Elardis publicly refused to entertain the idea of selling out. This stalemate continued until 1995, when a security chief for the Frontier became a whistle-blower. Wayne Legare alleged that the Elardi family had repeatedly engaged in unethical and illegal behavior to break the strike. Legare's allegations were specific and alleged that John Elardi was in charge of a spying operation known as the "900 Room" which started with the strike in 1991. <sup>105</sup> Tactics included turning on the sprinklers as the picket line went by to soak them, and videotaping the strikers and using that monitoring to portray their actions in the worst possible light. The Elardis also allegedly hired someone to smuggle documents related to the strike and the negotiations out of the union headquarters. <sup>106</sup> Legare even alleged that John Elardi asked him to lie to the grand jury investigation into the 1993 beating of Frontier visitors. <sup>107</sup> Other former employees of the 900 Room operation alleged that hotel guests and

 $<sup>^{102\</sup>prime\prime}$ Mirage Resorts, Inc, 10-Q, 1994-11-14," accessed December 27, 2023, https://www.incjournal.com/cik/4224/6/1994/Z\_E7zVM6xvBG3wd.shtml.

<sup>&</sup>lt;sup>103</sup> Collective Bargaining Agreement Between The Mirage and Local Joint Executive Board of Las Vegas, Culinary Workers Union, Local No. 226, and Bartenders Union, Local No. 165" (Culinary Union, 1989), MS-00659, Box 02: Series 1, University of Nevada, Las Vegas, Special Collections and Archives.

<sup>104</sup>Green, "Culinary Union Seeks Arbitration to End Strike at Frontier."

<sup>105&</sup>quot;Frontier Spying, Dirty Tricks Charged," Las Vegas Sun, December 11, 1996.

<sup>106&</sup>quot;Frontier Co-Owner Admits to Spy Center," Las Vegas Sun, April 19, 1997.

<sup>107&</sup>quot;Frontier Spying, Dirty Tricks Charged."



FIGURE 6. The Frontier strike was one of the longest-lasting strikes in American history, beginning in 1991 and ending in 1998 when the Elardis sold the property to Phil Ruffin. (*Culinary Workers Union Local 226, Special Collections, University Libraries, University of Nevada, Las Vegas*)

employees were spied upon. <sup>108</sup> The spying allegations implicated Tom Elardi and his smaller Strip casino, Casino Royale. <sup>109</sup> While some of the actions were not particularly egregious, others created more troubles for the Elardis. Both state and federal agencies began to investigate the family and their operations. <sup>110</sup> In 1997, John Elardi did admit to running the spying operation at the Frontier. <sup>111</sup> Staring the investigations in the face, the Elardis announced the sale of the Frontier to businessman Phil Ruffin in 1997. <sup>112</sup>

The strike officially ended on February 1, 1998, after Phil Ruffin took ownership of the Frontier. Ruffin agreed to settle the strike by signing the Strip contract without any public qualms. He even agreed to settling some of the NLRB fines, which included providing striking workers with back pay and pension contributions. In all, the Frontier strike lasted six years, four months, and ten days, and ended with a full victory for the Culinary Union (FIGURE 6).

<sup>&</sup>lt;sup>108</sup>Jeff German, "Ex-Guard: Frontier Monitored Rooms," Las Vegas Sun, January 9, 1997.

<sup>&</sup>lt;sup>109</sup>Jeff German, "Spying Alleged at Casino Royale," Las Vegas Sun, December 26, 1996.

<sup>&</sup>lt;sup>110</sup>One Day Longer.

<sup>111&</sup>quot;Frontier Co-Owner Admits to Spy Center."

<sup>&</sup>lt;sup>112</sup>Dave Berns, "Strike's End in Sight," *Las Vegas Review-Journal*, October 29, 1997; Jeff German, "Mystery Figure Could Unravel Frontier Secrets," *Las Vegas Sun*, April 12, 1997.

<sup>&</sup>lt;sup>113</sup>David Littlejohn, *The Real Las Vegas: Life Beyond the Strip* (New York: Oxford University Press, 1999), 183.

Despite their failure, the Elardis made a strategically correct decision, at least in the short run, to break the union in 1989. In that year, Las Vegas was in flux, reinventing itself as an entertainment destination run by corporations. Family-owned and -operated casinos were becoming relics, and Las Vegas was not kind to relics who overstayed their time. Gaming, in particular, is always vulnerable to the next trend. Casinos that do not keep up are sold to the next developer and their destruction is turned into a minor spectacle. Chips and dice bearing an obsolete logo are sometimes all that remains. The Elardis saw that family operations needed an advantage to survive. While little fiscal data is available to evaluate their operations, what information is available opens up speculation that the Elardis may have been able to afford the union wages and benefits, but it would have meant a significant cut into their profits. Meanwhile, the Culinary Union was rebuilding itself from a tumultuous decade following the demise of Al Bramlet, federal investigations, corrupt leadership, and the loss of six casinos for the union in the wake of the contract negotiations in 1984. Defeats in 1984 demonstrated that unions could be driven out by operators willing to push hard enough, and the Elardis seized the opportunity. All in all the strike was the right strike for both the Culinary Union and the Elardi family.

The problem was that the Elardis were the wrong group of people to pick this fight. They had little support from their fellow casino owners and the resort community, especially after the Elardis attempted to drag other properties into their fight. Margaret Elardi's aversion to publicity all but ceded the media to the union, giving it greater control over the public narrative of the strike. To this day, virtually no information is available from the Elardi family on the strike, their actions, or their motivations. Ultimately, their questionable business practices, as portrayed in the press and elsewhere, discredited their stand against the union. In their defeat they sold out, at least in part, to avoid the investigations prompted by the insider whistleblower's information.

Fortunately for the future of the Culinary Union in Las Vegas, it recovered its footing in time to meet the challenges presented by the new era of mega corporate casinos. In 1987 it was on the brink of failure. The local knew that it had problems, and Jim Arnold made the right move to ask for help from HERE. John Wilhelm and Richard McCracken ensured the future success of the Culinary Union in Las Vegas. Their assistance put into place the foundation for building the grassroots leadership that was needed to strengthen the local, build its solidarity, and establish and organize leadership pipelines. With their aid, Culinary rebuilt itself from the ground up in the run-up to the 1989 contract negotiations. It recruited leaders from the membership and built an internal command structure. Returning the shop steward positions to fierce union advocates helped to not only strengthen the union at existing properties, but it also helped to strengthen faith in the union itself. "A union willing to fight for its members is a union its members would fight for" became the by-words of their rebuilding efforts. It also allowed the union to develop leadership that reflected its membership. In 1990, by the time of the Frontier strike, the emerging leadership had already weathered the Binion's strike with a successful negotiation to its end in 1989. The new leaders also reflected the changing demographics of the union, which included Hispanic women, notably strike leader Geoconda Argüello Kline and striker Mirna Preciado. Kline went on to become secretary-treasurer of the local. Preciado became a director of organizing for the Culinary Union. Another striker, Maggie Carlton, was elected to the Nevada Legislature during the strike.<sup>114</sup>

<sup>114</sup> Calderón, "The Frontier of the Labor Movement," 9, 54.

Not only did Culinary meet the moment, but it laid the groundwork for a future of the de facto union shop in Las Vegas, despite Nevada's status as a Right-to-Work state since the early 1950s. During the Frontier Strike, the union successfully negotiated for card check with the Mirage and other casinos. As noted earlier, card check, as per agreement with the property owners, gave union recognition to the Culinary Union as the bargaining agent as soon as the number of employees who were members of the union reached a majority. This let the union bypass formal NLRB elections. As Wilhelm cites in a 30th anniversary retrospective of the strike, the provision let the union organize a dozen properties on the Strip during the strike, including Bellagio, Mandalay Bay, and Luxor. <sup>115</sup> In 1993, the union launched a state-of-the-art training school, the Culinary Academy, to train workers in the best skills possible. <sup>116</sup> It wanted its workers to become valuable and worth the premium salaries it demanded from employers. According to Wilhelm, who went on to be president of HERE in 1998, those efforts helped Wynn justify signing the contract for the Mirage to open as a union property. <sup>117</sup>

The Culinary Union correctly identified the Frontier strike as an existential threat and leveraged all its resources to win. Solidarity became key to help the funding of the weekly benefit paid to the strikers on the picket line. Not one worker crossed the line during the entirety of the strike. Its newly formed ranks of shop stewards helped to lead the strike and to organize other resorts. Borrowing freely from its parent organization, HERE, to keep the strike going, the Culinary Union deployed its limited assets to the best effect and leveraged the Elardis' inept communications with the media to defeat them in the realm of public opinion. In the end, the strike succeeded where so many others had failed.

The strike against the Elardi family highlighted the importance of HERE's role in drawing up a comprehensive strike campaign and its advice not to rely on the NLRB or the courts to arbitrate in favor of the union. As the Frontier strike showed, even when the NLRB rules in a union's favor, appeals of NLRB rulings can take years to settle. Instead, the strategy should be to target the business itself, its shareholders, its creditors, and its lenders. The Frontier strike also taught that the media should never be ceded to the other side. Even when the local media declined to cover every rally and visiting notable during the later years of the strike, an effort should be made to keep the strike on the media's radar for it to pick up when something newsworthy occurred—for example, when Wayne Legare turned whistleblower.

Above all, the Culinary Union's success can be attributed to its tenacious organizing efforts at the shop level before the strike. If, as McCracken said, unions are about contract enforcement, union organization is critical to giving unions the power to defend and enforce. Underlying these words, of course, is the power of "the strike" to achieve results, agreements, contracts. A union that wants to succeed needs to organize so that it can identify leaders on the shop floor and enhance their leadership skills. These leaders will reflect the membership and will be strong advocates for the union throughout their careers. It also takes skilled organization to choose realistic objectives and reject the unachievable. In 1989, Culinary was willing to cede ground on job description and combined job categories in order to get the Mirage contract that included the important card-check provision. The card-check milestone essentially offered a way around, or a defense against, Nevada's Right-to-Work law should its comprehensive prohibitions of a union shop ever be cited in using the law against the union

<sup>&</sup>lt;sup>115</sup>Culinary Union, Frontier Strike 30th: Panel.

<sup>&</sup>lt;sup>116</sup>Culinary Union Local 226, "Culinary Academy of Las Vegas," accessed April 28, 2023, https://www.culinaryunion226.org/members/benefits/culinary-academy-of-las-vegas.

<sup>117</sup>Wilhelm, oral history interview.

town that Las Vegas had become. At the same time, in the power structure of a community, an organized and motivated union membership can, and does, sway elections. The resulting political power gives unions the ability to defend the interests of their workers in any future struggles with management. In the redounding successes of the Culinary Union in Las Vegas, it took organizing to convince a demoralized, shrunken membership that the union, from the shop steward to the secretary-treasurer, would fight for them from the first day to the last, as demonstrated in the Frontier strike. Giving up was not an option in what can be seen as the right strike for the union in Las Vegas as the twentieth century closed.