

SEIGMA: Economic and Fiscal Research

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UMDI's Mission and Vision

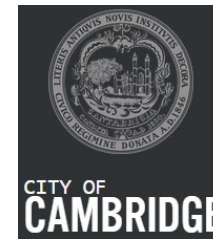
Organizational Mission:

- Our mission is to advance equity and social justice, foster healthy communities, and support inclusive economies that alleviate poverty and promote opportunity. In collaboration with partner organizations and clients, we carry out our mission through research, education and training, capacity building, and direct services to strengthen our collective impact.

Economic and Public Policy Research (EPPR)

- Signature unit at UMDI
- 23 professional researchers in the space of economics, public policy, sociology, planning, business, and related disciplines
- A leading provider of unbiased analyses of economic, demographic, and other public policy issues

EPPR's Major Clients



Project Background: SEIGMA

- Since 2013, UMDI has monitored and reported on the economic and fiscal impacts of expanded gaming in Massachusetts as part of the SEIGMA team
- Through a variety of data collection activities, we observe and report on conditions at the Commonwealth's three casinos: Encore Boston Harbor, MGM Springfield and Plainridge Park Casino.
- Annual work includes :
 - Construction impacts
 - Economic impact topics
 - Lottery revenues
 - Real estate impacts
 - COVID-19 impacts
 - New employee survey

Assessment of Job Quality at Massachusetts Casinos, 2022

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Research Background: Job Quality at Massachusetts Casinos

- An appeal of expanded gambling in Massachusetts was that the casinos would serve as a major source of new jobs.
- Recent economic and demographic shifts, including the impacts of the COVID-19 pandemic, have led to a more robust conversation around job quality.
- The extent to which a major employer can serve as a driver of economic development depends on job quality: how much jobs pay, how stable they are, and whether they empower workers to develop their careers and move into better paying jobs, either within or outside of the organization.
- In this context, we leverage the rich payroll data provided by the casinos to study patterns in hiring, compensation, mobility, and turnover at the Commonwealth's casinos.

Project Background: Data Collection

- Examples of data collected for SEIGMA:
 - Operator data: Administrative data related to employees and vendor spending
 - Patron survey: Survey data collected from patrons who visited the casinos
 - New employee survey: Survey data collected from new hires at the casinos

Studying Casino Job Quality

- The purpose of this study is to understand casino jobs in terms of common work quality measures such as mobility, retention, and living wages.
- We used casino payroll data, which we had previously used to analyze the broader economic impacts of the casinos.
- Measures of job quality were selected from a broader list of job quality metrics from the Brookings Institution.
- Future studies of job quality could be supplemented by more qualitative data, including interviews with casino management, employees, and unions.

Summary of Findings

The research team analyzed payroll data across three broad areas:

- **Worker demographics:** The three casinos employed approximately 5,000 employees, the majority of which are people of color, men, full-time, and hourly.
- **Compensation:** Thirty-nine percent of workers across the casinos make at or above the living wage for their respective cost of living, but there is a large difference across individual casinos.
- **Retention and career prospects:** Compared to the Accommodations and Food Services Industry as a whole, turnover rates at casinos are surprisingly low (28.6% vs 115%). Very few workers were promoted in 2022 across the industry (2.0%).

Casino Workforce: Composition and Characteristics



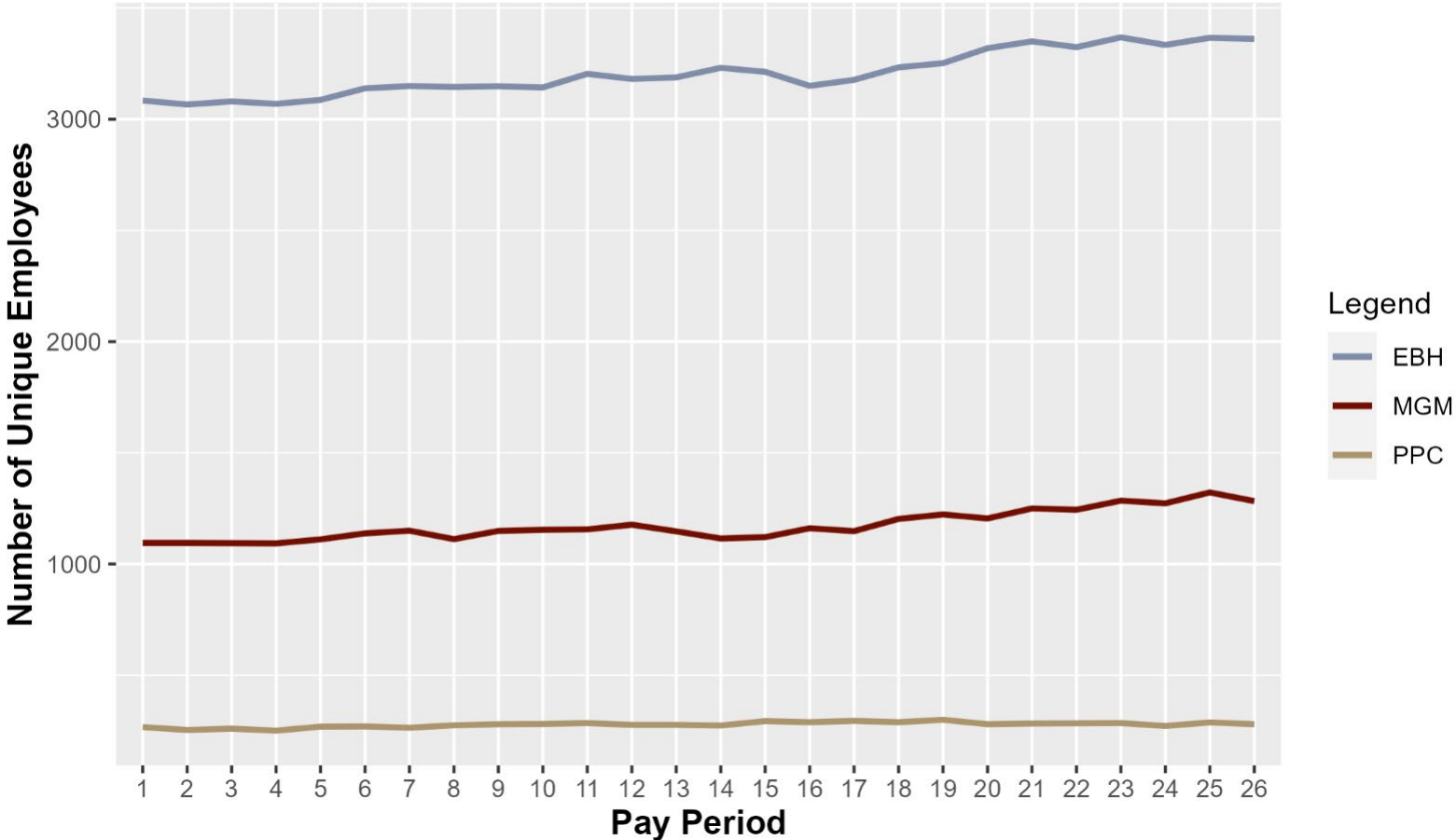
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Workforce composition

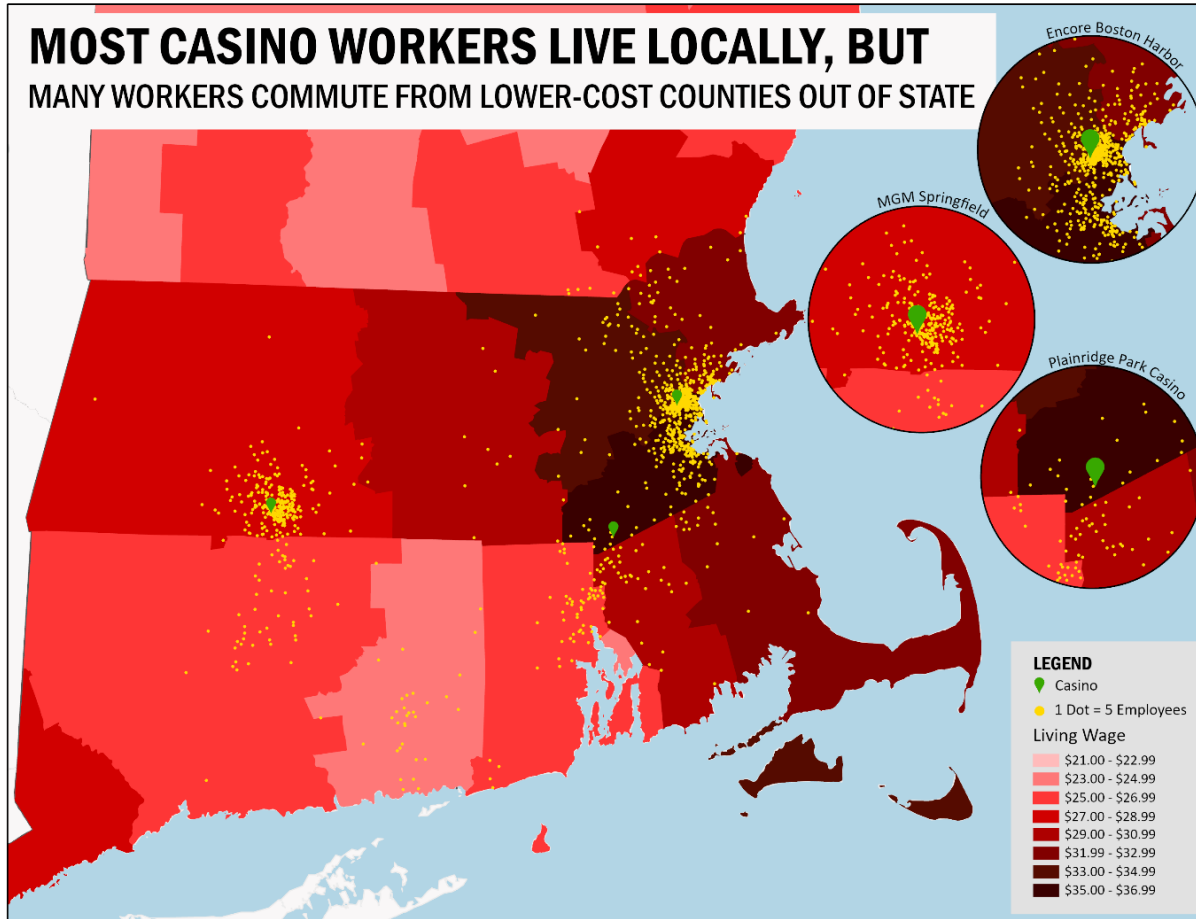
- The casino industry is made up mostly of workers who are people of color (52.3%), though white workers are the largest racial group (32.6%).
- Workers are mostly men (55.7%), full-time (67.6%), and hourly (87.1%), though there are major demographic nuances across the three casinos.
- The largest division by share of employees is Gaming & Recreation (37.9%), and most workers are at the junior staff level (45.5%).
- Of the 6,601 employed in the industry, 39.1 percent make a living wage or higher with the median hourly wage at \$28.31.

Casino workforce remained stable through 2022

Number of Employees by Pay Period



Where do casino employees live?



Esri, TomTom, Garmin, FAO, NOAA, USGS, EPA, NPS, USFWS. Basemap and Layout designed by Kazmiera Breest, 2023.

When calculating living wages, we used the employee's county of residence, where available. Where that data was missing or outdated, we used the county where the casino was located.

Recruitment and hiring

Casinos are meeting or exceeding their hiring goals for minorities, veterans, and local workers, while hiring for women continues to fall short.

	EBH			MGM			PPC		
	Goal	Actual	✓	Goal	Actual	✓	Goal	Actual	✓
Minority Workers	40%	76.4%	✓	50%	57.3%	✓	15%	23.5%	✓
Veteran Workers	3%	2.4%		2%	4.9%	✓	2%	4.8%	✓
Women Workers	50%	44.8%		50%	42.6%		50%	42.0%	
Local Workers	75%*	89.5%	✓	35%**	39.6%	✓	35%***	31.2%	

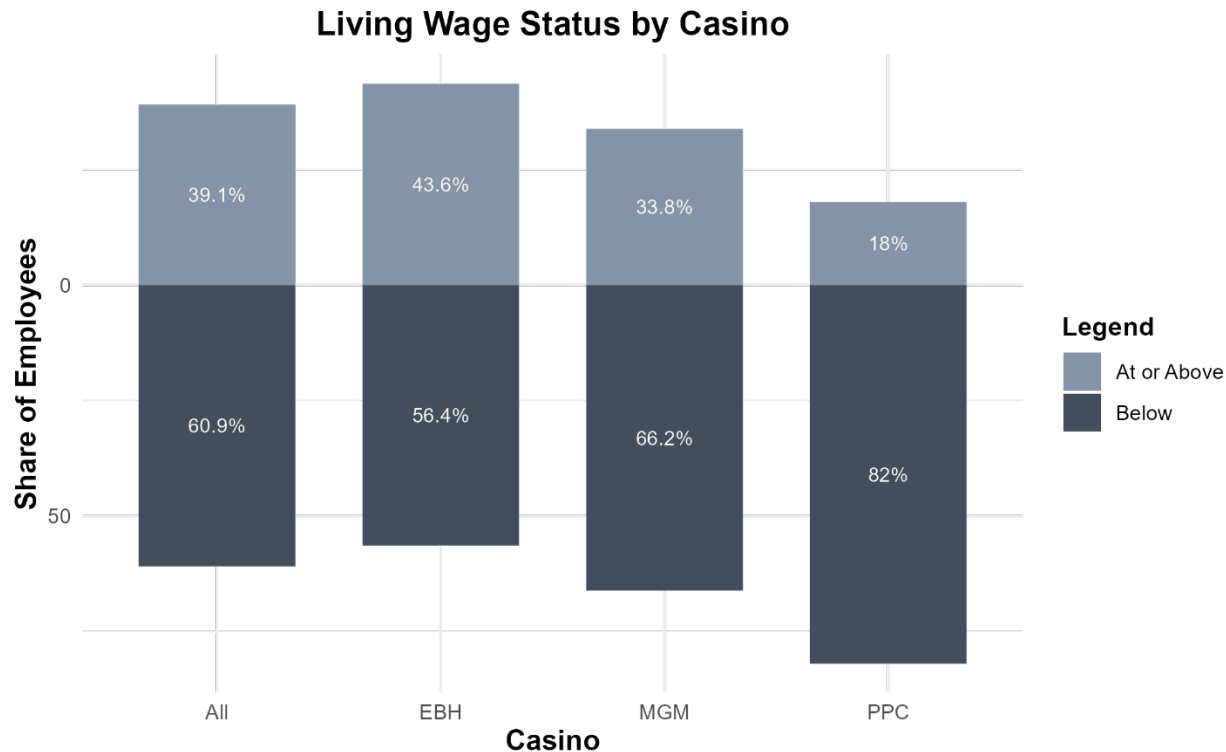
Casino Job Quality



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Most casino employees do not earn a living wage

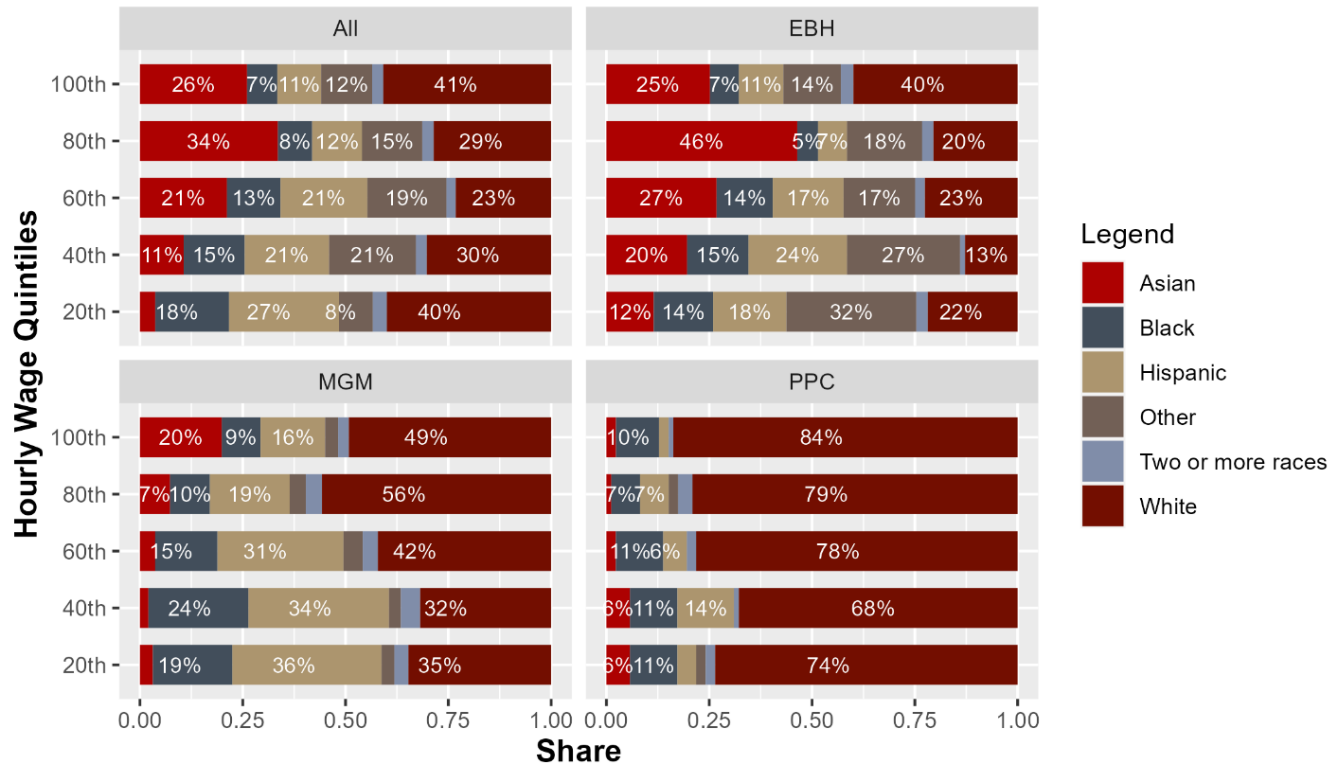
The average casino wages is \$28.31/hour, higher than most service industry jobs. Still, most casino employees earn less than a living wage in their county of residence, according to MIT's living wage calculator.



Racial disparities exist in casino worker earnings

While trends vary between casinos, workers of color tend to be more heavily represented in the lower wage quintiles than in the higher ones, with the exception of Asian workers.

Hourly Wage Quintiles by Race



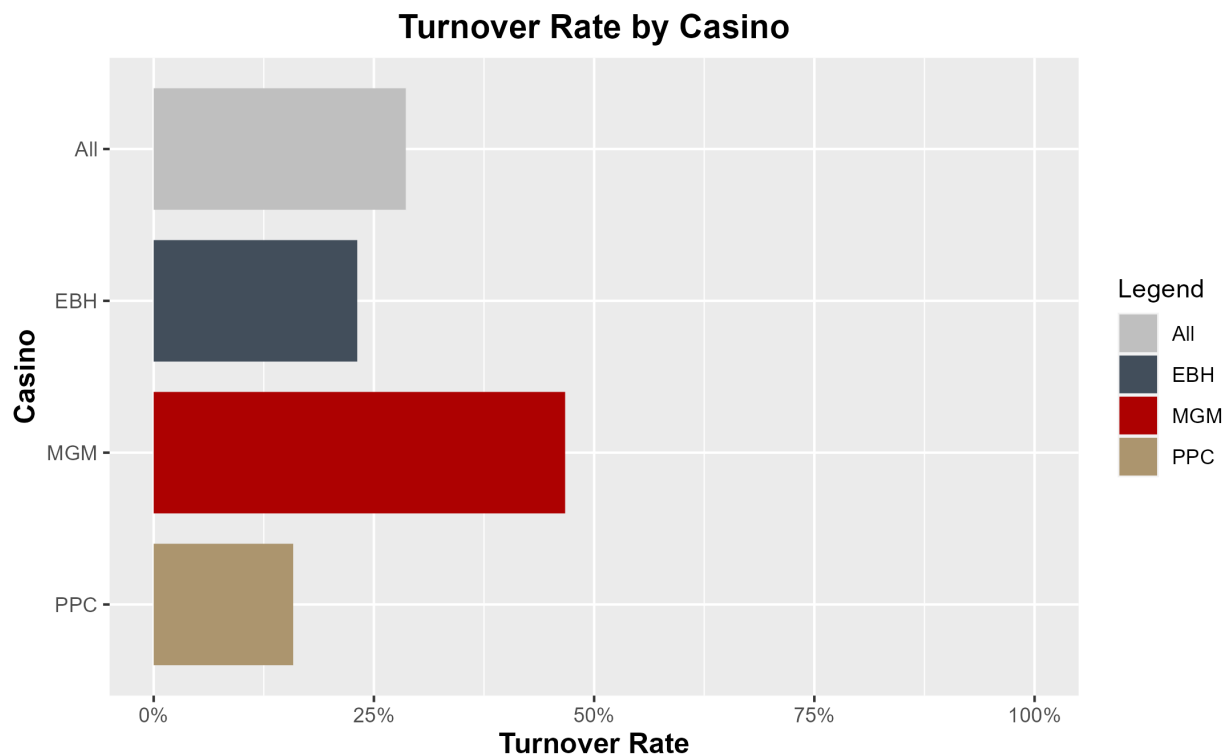
Retention and Career Prospects



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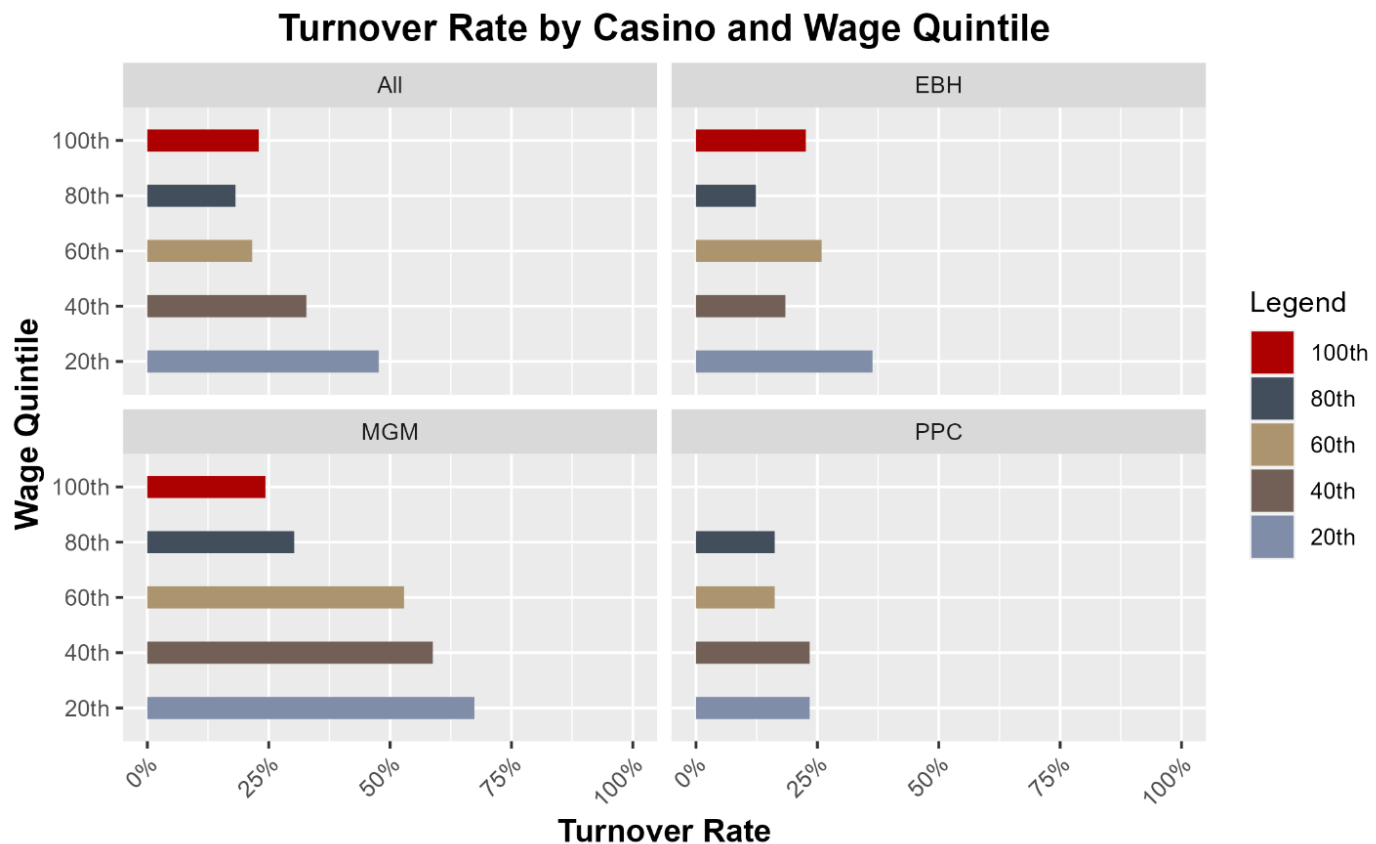
Casino turnover rates are lower than other service industry jobs

Establishments in the Accommodation and Food Services industry tend to have higher turnover rates than average (115 percent vs. 54 percent in the overall job market) due to seasonal changes in patronage or hours of operation.



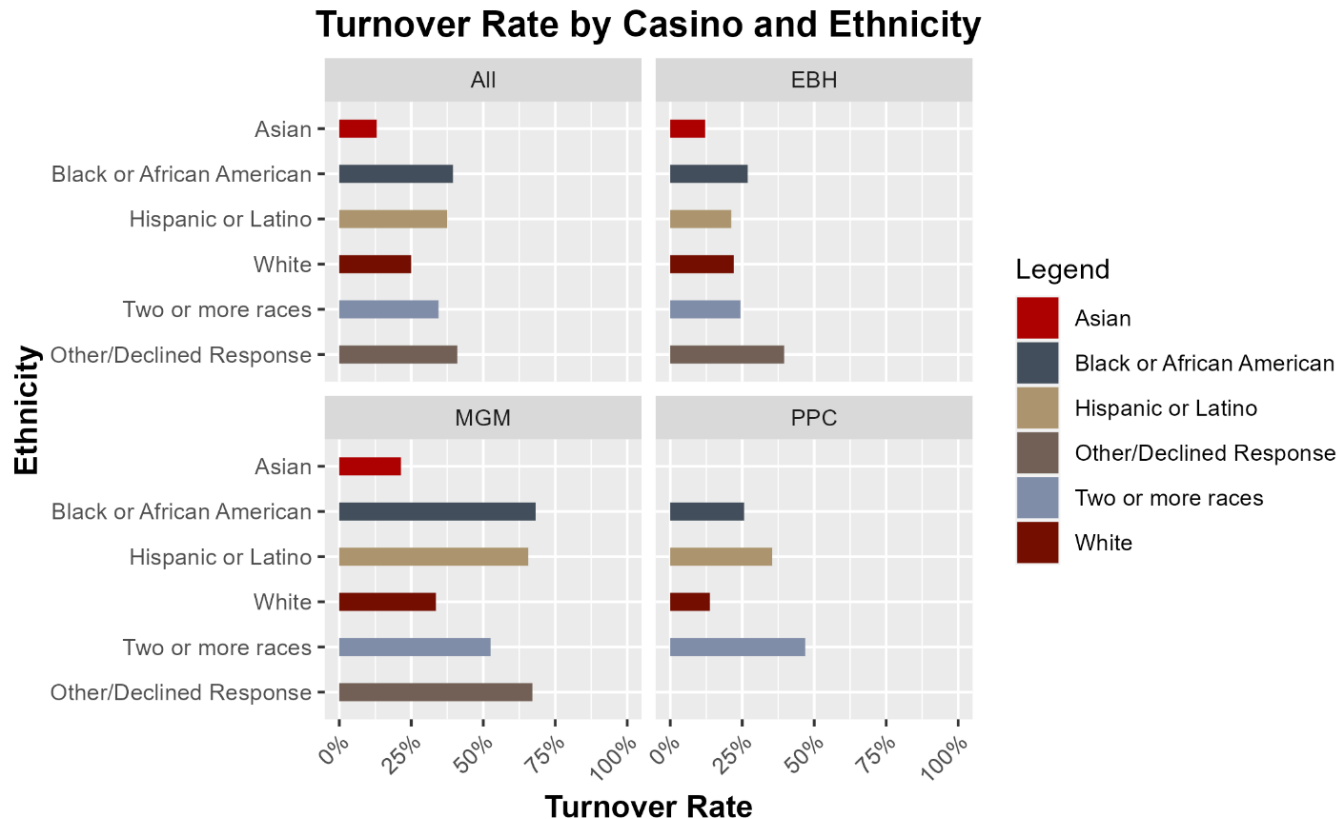
Turnover tends to be higher for lower-wage jobs within the casinos

The extent of this discrepancy varies between casinos



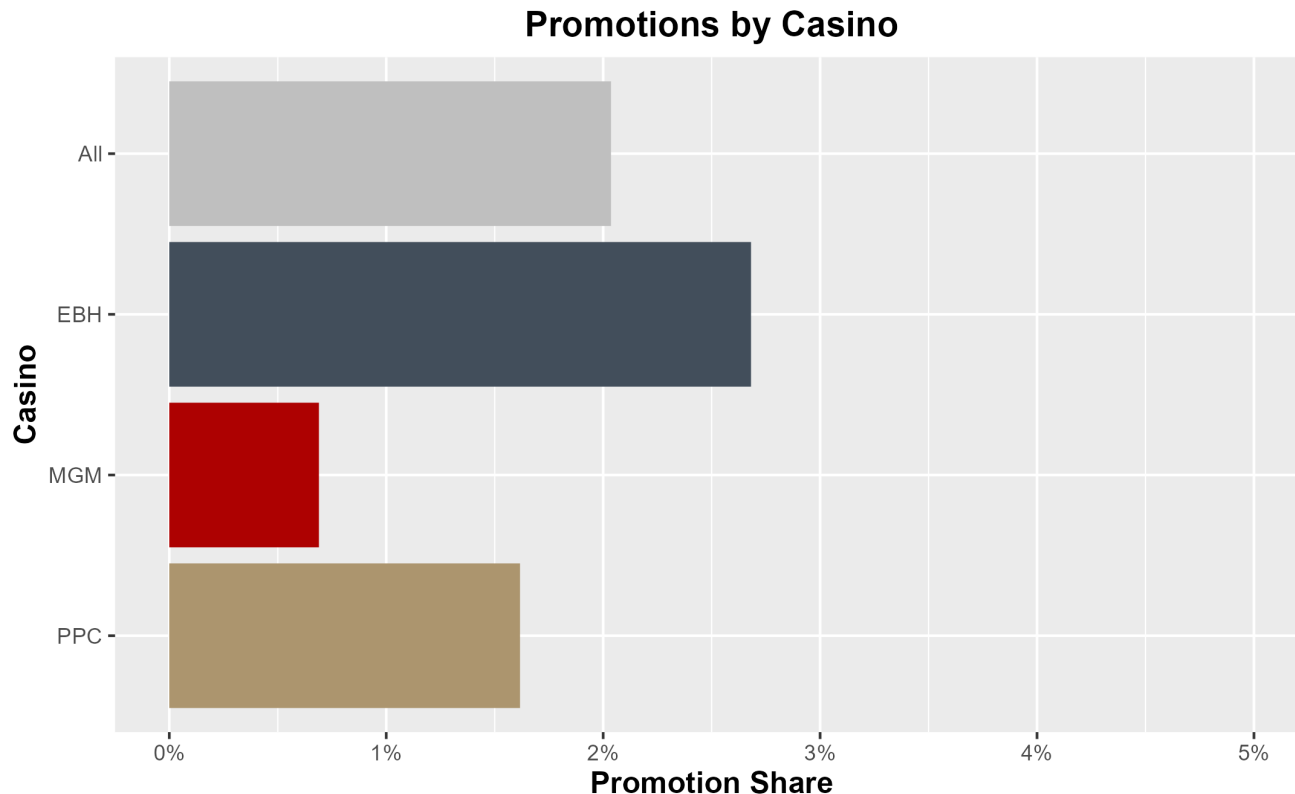
Turnover tends also vary by race and ethnicity

Some of this variation might be explained by racial differences in wages/types of work



Two percent of casino employees received a promotion in 2022

We calculated promotions by counting employees whose job title and wage changed over the course of the year



Conclusion



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Recap

- Casinos have largely met their goals in terms of hiring a diverse workforce.
- Casino jobs tend to pay better than similar service-industry jobs, but less than a living wage in the region
- Casino turnover rates are lower than similar turnover rates
- Racial and ethnic discrepancies are present in wages and turnover rates

Next Steps

- This sort of analysis could be replicated in future years
- Future work might benefit from more qualitative analysis, such as interviews with casino HR professionals, workers, former workers, labor representatives, etc.
- These data will continue to be used in other ways to deliver new analyses for the MGC

Thank You!
Questions?

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