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## Controlling Day Labor: Government, Community, and Worker Responses

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Day labor, the occupation where men congregate on street corners, empty lots, or parking lots of home improvement stores to solicit temporary daily work is an increasingly large and visible market in Los Angeles (Valenzuela, 1999), throughout urban and rural California, and elsewhere in the United States. After first providing background information on day labor, including a discussion of how this market operates, I present several intervention strategies that primarily aim to control, diminish, or improve the work opportunities of these workers. I conclude with a discussion on how best to reconcile the real needs of employment for these workers and the residential, merchant, and government concern of men seeking work in public spaces.

#### Day Labor: Origins, Characteristics, and Work

Men and women gathering in public settings in search of work dates back to at least medieval times when the feudal city was originally a place of trade. With the decline of feudal estates, men were free to wander, some becoming migrants who usually stole, begged or used some ruse for living (Aydelotte, 1913). In England during the 1100s workers assembled at daily or weekly markets to be hired (Mund, 1948: 106). Statutes regulated the opening of public markets in merchant towns and required agricultural workers (foremen, plowmen, carters, shepherds, swineherds, dairymen, and mowers) to appear with tools to be hired in a "common place and not privately" (Mund, 1948: 96). The City of Worchester created an ordinance that required laborers to stand "at the grass-Cross on the workdays…ready to all personas such as would hire them to their certain labor, for reasonable sums, in the summer season at 5 a.m. and the winter season at 6 a.m."(Mund 1948: 100-101)

In the United States, as early as the late 1700s, Irishmen were indentured to the Potomac Company of Virginia to dig canals throughout the northeast towards the Midwest alongside free laborers and slaves. A casual labor force proved to be more financially viable than indentured servitude and slavery because they could be laid off in down times while servants had to be provided for with food and shelter. Casual wage laborers worked by the year, month and day

(Way, 1993). During the early to mid 1800s, day laborers recruited from construction crews worked for track repairmen of railroad companies. Casual laborers (often off from construction jobs) worked in a variety of unskilled positions (brakemen, track repairmen, stevedores at depots, emergency firemen, snow clearers, mechanic's assistants). Some of these workers were recent immigrants – Chinese and Mexicans in the west and Germans and Irish in the east (Licht 1983: 37, 42, 60). Between 1788 and 1830, Wilentz (1984) documents that day laborers found work along the waterfront and that more than half of New York City's male Irish workers were day laborers or cartmen and one- quarter of Irish women in the city worked as domestics. Martinez (1972) noted that in 1834 a "place was set aside on city streets [New York] where those seeking work could meet with those who wanted workers." This exchange worked for both men and women, with employment for women (primarily African American) concentrated in the domestic labor market sector.

In California, agricultural work was historically the principal form of day labor. Traditionally, agricultural workers (hobos, casual workers) were drawn from urban centers, including areas known as "skid row" or "wino row" (Harrington 1962; Wallace 1965; Hoch and Slayton 1989). As urban centers grew and agricultural work became less appealing and less accessible, skilled and unskilled urban workers became more common and gathering sites proliferated. Camarillo (1979:156) found that in Santa Barbara during the 1910s and 1920s, "a ready pool of Mexican surplus labor was always available to any contractor who merely went to the vicinity of lower State Street near Haley. Here the informal Mexican labor depot -- an area where unemployed Mexicanos desirous of work assembled -- provided the various contractors with all the labor they needed at low wages." Similarly, Romo (1975:81-82) found that labor recruiters would often visit the center of downtown Los Angeles near the plaza known as "Sonoratown" to hire day laborers between 1910 and 1914. He argues that a concentration of Mexican businesses, the Catholic Church, and inexpensive boarding houses attracted Mexican immigrants to this part of town in search of temporary employment. Then as in now, several economic and structural forces mediated the growth of this market. For example, the great depression was largely responsible for the flood of unemployed and homeless men filling skid rows (Wallace 1965) whom would then participate in casual labor. Post WWII and other important industrial growth periods also fueled day labor.

Currently, the largest immigrant wave in the history of the United States continues to fuel an evolving and growing labor market. The growth of day labor and other temporary or flexible employment niches such as domestic work (Hondagneu-Sotelo 1994; Rollins 1985; Romero 1992), paid "under the table", is partly related to significant immigration during the 1980s to areas such as New York, Miami, Chicago and Los Angeles. The growth of these occupations is also related to the expansion of global informal markets and the decline of formal economic activity regulated by the state (Castells and Portes 1989). It is also connected to the restructuring of the economy, particularly that related to formal economic activities and occupations related to part-time, temporary or contingent work (Sassen-Koob 1985; Carnoy, Castells, and Benner 1997; Tilly 1996; Belous 1989). Finally, self-employment and entrepreneurship is growing rapidly (Gartner and Shane 1995; Light and Rosenstein 1995), subcontracting prevails over union contracts in various industrial sectors, and the cash economy is expanding in the microeconomic realm, while barter is increasingly becoming a crucial feature of international exchange (Portes, Castells, and Benton 1989).

The growth and development of day labor in California and elsewhere has very real implications for thousands of workers and their employers. In its simplest form, day laborers provide a distinct service to employers who wish to forego traditional forms of hiring workers and prefer not to undertake time consuming and labor intensive tasks. The gains from hiring day laborers are clear -- day laborers are easy to find, plentiful, and relatively inexpensive to hire, and employers are devoid of liability and bureaucratic paper work. A subcontractor needing help to finish a project can easily hire a day laborer for several hours or several days to tidy up, remove debris, clean the site for inspection, or for other types of unskilled and skilled tasks. A job or project that would normally entail paying a non-day laborer at a higher rate is easily circumvented via this market. A homeowner wishing to move from one home to another or uproot a tree in his or her backyard need not hire an expensive contractor for this seemingly simple but labor intensive job -- the day labor market beckons this type of employer. Day laborers similarly benefit from this type of labor market.

Not lost are the concerns, real or exaggerated, of nearby residents, local merchants, city officials, and local police enforcement about a group of scruffy, mostly Spanish speaking, shabbily dressed, men aggressively seeking work in public. Driving by and making eye contact results in expectantly raised arms or solicitations for employment. Driving to a stop at a hiring site invites throngs of men currying your attention and hopefully your hire. It is not uncommon for men to pop their heads into a car window or even open a door and take a place in the car, hoping their ingenuity and aggressiveness will be rewarded with employment for the day. Residents frequently complain of devalued property rates, community "eye sores", and increased crime. Women complain of "catcalls" and lewd behavior. Merchants complain that day laborers drive away customers, while police are concerned with increased crime, petty theft, and traffic accidents as a result of employers stopping to shop for prospective employees.

Day laborers similarly complain of harassment by police, merchants, and nearby residents. They complain of rude merchants who prevent their patronage and access to bathrooms. They talk of rude passerby's and nearby residents who direct racial epithets and threats at their presence telling them to "go back" to where they came from or to go elsewhere. Day laborers point out, quite logically, that if demand for their labor did not exist, they would not frequent this labor market. They also have the Federal Court on their side when on September 15 a federal judge struck down as unconstitutional a Los Angeles County law that barred people from seeking work from drivers on county streets (see *Los Angeles Times*, Metro Section, September 16, 2000).

Day laborers have become a fixed part of the California landscape, waiting expectantly outside home improvement stores, rental truck outlets, and paint stores. They are also found on busy street corners, empty lots or at a handful of "official" city sanctioned hiring sites. Initially, day labor work conveys an image of desperate men making last ditch efforts at securing some type of employment in bottom-of-the-ladder jobs. Most of the men convening at day labor sites seem to be Spanish speaking, recently immigrated, and dressed for labor intensive and dirty jobs. Closer inspection of day laborers does little to dispel this notion.

### **Demographic Characteristics**<sup>1</sup>

Immigrant day laborers are almost entirely male, <sup>2</sup> predominantly Latino and immigrant, mostly recently arrived (less than five years), and overwhelmingly unauthorized to be in this country legally. Clearly, the overwhelming majority of day laborers are Latinos, with Mexicans comprising the single largest group. Mexican origin men make up 77 percent of this population, just shy of their proportion (80 percent) of all Latinos in Los Angeles County in 1990 (U.S. Census Bureau, 1991). A little over one percent of day laborers are either U.S. born or of a non-Latino background. More than half of day laborers have been in the United States for less than five years, and almost 30 percent immigrated to this country during the previous year. Surprisingly, almost one quarter (23.4 percent) of day laborers has been in the United States for more than eleven years, with ten percent having been here longer than twenty years. Even though this labor market is overwhelmingly immigrant, a dichotomy between recent arrivals (i.e., less than 1 year) and older immigrants (i.e., 11+ years) clearly exists.

#### [Table 1 about here]

Day laborers range in age from 18 to 71<sup>3</sup> and on average comprise a relatively young work force with a mean age of 34 and a median age of 33. Given the difficulty of day labor work, its seeming instability and competitiveness in securing jobs on a daily basis, it is surprising that almost 15 percent are over the age of 48 with several workers (almost 4 percent) on the verge of reaching and surpassing the U.S. official retirement age of 65. Consistent with their overall youthfulness, a large number (48 percent) of day laborers have never been married. However, combined, half (50 percent) of day laborers are married, living with a partner or separated. These data suggest that day laborers are supporting not only themselves but also contributing to a larger household.

#### [Table 2 about here]

The educational attainment of most day laborers is predictably low, more than half has less than six years of education, with about five percent having none. However, at the other end, more than one-third has between nine and twelve years of education – the equivalent of some college in countries such as Mexico, Guatemala, and El Salvador. Day laborers are not all uneducated and indeed, a significant number show modest to impressive human capital characteristics with regard to education. Further sifting through this data, we see that educational attainment by number of years may not necessarily mean degreed certificates. Indeed, most day laborers even those with many years of education were not degreed. The high school degreed rate for day laborers was woefully below the 1998 national rate for male Hispanics, which was 28.7 percent and the lowest of any major ethnic/racial group in the United States (U.S. Bureau of the Census, 1998). A significant number of day laborers did posses an adult school certificate suggesting that workers in this market are seeking U.S. based forms of human capital investment. It is difficult to assess the difference between educational attainment by number of years of schooling and highest degree obtained. On the one hand, the relatively high proportion of day laborers with more than 9 years of education (38.6 percent) belies their concentration in this market. On the other hand, their miserable degreed rates perhaps more adequately explain their participation in day labor work.

#### [Table 3 about here]

The demographic characteristics of day laborers provide a mixed story. Clearly day laborers are homogenous on several dimensions; race/ethnicity, nativity and legal status, and country-of-origin. On the other hand, day laborers are clearly diverse on key characteristics most likely to impact labor market opportunities outside of this market. For example, almost a quarter of day laborers have been in the United States for over 11 years, ten percent having been here for over 20 years. This finding alone puts serious doubt into perceptions that day labor work is primarily comprised of recent arrivals desperate for work. This is far from the truth. Similarly, day laborers are not primarily young workers or single men with few or no household responsibilities. Finally, even though most day laborers do not have U.S. based certificates or degrees, they do register modest rates of years of education. All together, these data suggest that day labor work may be a viable option for a significant number of immigrants. Why else would someone who has been in the United States for many years (11+), who supports someone other than himself, and who is relatively educated, stand expectantly at a street corner soliciting work on a daily basis?

Faced with few labor market options in the non-temporary economy, immigrants easily revert to bouts of unemployment or underemployment with many of them opting for survival by participating in the day labor market. Day labor work may very well provide workers with a temporary, albeit difficult, buffer from bouts of unemployment or lay-off. Or, as some of the demographic data suggest, day labor work may perhaps be comparable to other forms of low skill work, providing its participants with certain advantages. A closer analysis of this labor market and how the workers participating in it, provides a context for thinking of policy intervention strategies.

#### **Day Labor Work**

Capturing the nuances and day-to-day activities of day labor work is difficult under most circumstances. Over the years, obtaining temporary work even for blue collar, low skill workers has become easier (Cleeland, 1999). The proliferation of temporary agencies and the part-time labor market has made this market tremendously accessible for low skill workers to participate (Tilly, 1996 Henson, 1996). However, obtaining temporary work in the day labor market is difficult. Day laborers have to contend with cyclical variations related to weather and seasonal periods, the ups and downs of the construction or home improvement industry, and the uncertainty of being selected by prospective employers. In addition to these factors, day laborers must vigorously compete with other day labor prospects. At hiring sites, swarms of men aggressively point to themselves in their efforts to get noticed and thus hired. Sometimes, social order at a hiring site breaks down and fighting, arguments, or tousling breaks out as day laborers compete for jobs during low bouts of day labor activity or bad luck. For the most part however, social order is maintained, and day laborers sustain a modicum of informal orderliness in their search for temporary work. As mentioned earlier, day laborers must also contend with other difficult elements such as complaining merchants and residents, and harassment by local law enforcement. Finally, attempting to get hired in public, usually on sidewalks, parking lots, or streets is physically dangerous. Despite the difficulty of procuring temporary employment in this market, it is growing and day laborers continue to use this market on a daily basis. Ease of entry for participants and the ability to easily hire a temporary worker, partly drives this growth.

Day labor work is flexible and easy to enter. The day labor market is open to anyone, with the exception of women, wishing to work. Women, perhaps given the labor-intensive and manually difficult nature of day labor work or the overwhelming proportion of men in this type of work, shy away. Employers consistently select the most able-bodied and fit men for their jobs, often overlooking older, smaller, and thin workers. In a similar vein, employers in this market would also overlook women. However, any able bodied man willing to sell his labor in a public setting is able to do so at any of the many sites in Southern California. Documents are rarely asked for, a participation or "standing" fee is not required, and while many residents, merchants and police harass day laborers, the market is mostly left alone with few if any state or local regulations. Regulated (site officially sponsored by local municipalities, community-based organizations, or private industries) sites pose some barriers, but even at these sites, access is generally favorable.<sup>4</sup>

On the face of it, the day labor market seems especially fluid, with men entering in and out of temporary employment and permanent work or a combination of the both – men supplementing permanent employment with day labor work. The day labor market in Southern California acts as an extremely effective device for bringing together prospective employers and seekers of work. Data below provides telling evidence on how consistent and permanent this market is for immigrant men.

Day laborers likely transitions from day labor work to regular employment and underemployment in the formal labor market. Indeed, Table 4 suggests that this is the case for 10 percent of day laborers. A full 90 percent of all day laborers reported that they did not have a job other than seeking work as a day laborer. Those who only worked as day laborers looked for work an average of five days, with close to 70 percent looking for work at least four days out of the week. Of the 10 percent who did report that they had another job besides day laboring, the average amount of hours at this other job was almost 20, with almost 50 percent working more than 20 hours a week. Day laborers live full lives as workers. The key finding here is that ten percent of day laborers are underemployed and thus seek day labor work to supplement their meager wages. The other ninety percent try their luck and ingenuity at this labor market full-time.

Are most of the men who participate in this market only doing day labor work as a stepping stone to better employment opportunities or as a temporary holdover from a firing, layoff or other work interruption or underemployment? Table 4 provides a glimpse to this question. It suggest that while a large percentage of day laborers have been doing this type of work for less than one year, an almost equal number of workers have undertaken this line of work between two and five years implying a more consistent and thus stable work environment. A small minority (5 percent) of workers has been working as day laborers for over ten years. The data her show that for some (43 percent), day labor work may very well be a temporary respite from the formal labor market or a stepping stone to something better. For others, however, this market seems to offer permanent, steady work if we are to believe the data that shows their employment as day laborers for over six years, some over ten years.

#### [Table 4 about here]

Many factors may inhibit immigrant day laborers from participating in the non-day labor market. Determining which factors prevent day laborers from employment in the regular or formal labor market is important because it provides insight into the worker and their constraints to employment. More importantly, it suggests that underemployment and labor market disadvantage are primary factors that may induce day laborers to self-employment as temporary workers. As might be expected of unauthorized immigrants, lack of documents was the primary factor preventing day laborers from other types of employment. Several key labor market disadvantage factors where important as well. For example, low pay rate and unavailability of jobs was sited by almost twenty percent of all day laborers. Other labor market and human capital disadvantage factors were likewise listed.

#### [Table 5 about here]

Ease of entry, a large availability of eager and willing laborers, and a mostly permanent (full-time) day labor work force suggests that this market is more than just a mere supplement, or point of entry for this labor market. Certainly for some workers, this market is just that. But for a significant number of workers, the data suggests that this market may be providing an alternative to low skill employment in the formal market. Earnings in the day labor market are another factor possibly pushing immigrant men towards this type of employment prospect.

Wages and earnings of day laborers are mixed. On the one hand, the mean yearly income<sup>5</sup> is slightly above the poverty threshold for a single family in 1999. On the other hand, the mean<sup>6</sup> day labor hourly rate of \$6.91 seems promising, about \$1.75 higher than the federal minimum wage, about \$1.15 higher than the California State minimum wage, and slightly below the City of Los Angeles's Living Wage Ordinance.<sup>7</sup> At this rate, full-time, year round employment earns a day laborer about \$14,400, almost 175 percent above the federal poverty threshold for a single person. The discrepancy between mean yearly income and a calculated yearly income from the day labor hourly rate is deceiving because the higher rate assumes stability in the day labor market to generate this figure. Day labor work is highly unstable and the mean yearly income of \$8,489 more likely reflects actual earnings for this type of work because it captures cyclical variations of employment and hourly rates below and above \$6.91. Nevertheless, it is clear that day labor work pays. It is certainly comparable to other types of low skill and low pay jobs in the formal market, and it is about \$200 above the federal poverty threshold.

#### [Table 6 about here]

Other wage related reasons also likely push day laborers to this type of work. First, day laborers are usually paid daily and in cash. There are of course exceptions to this, but the expectation is that a day laborer is paid at the end of the workday (they are also usually provided lunch). Collecting your pay at the end of the workday is especially beneficial to working class and poor people who often have to survive on a daily basis. Having to wait for payroll processing or a consultant check, oftentimes takes a couple of weeks after a job is complete and

can be especially cumbersome and difficult to wait for if impoverished. Cash also circumvents having to open a bank account, a key attraction to many unauthorized immigrants who shy away from such institutions for lack of proper documents or general mistrust.

Second, day labor work is paid tax-free or "under the table" further increasing the gap between the state and federal and day labor minimum wage rate. In tax-free terms, \$6.91 is significantly higher than the federal minimum rate of \$5.15, about \$2.50 higher if you assume a 15% tax rate. Similarly, the estimated mean yearly income for day laborers (\$8,489) is about \$1,300 higher when tax-free. For a recently arrived immigrant or someone who has worked for minimum wage for many years, this difference is not insignificant.

Third, most day laborers negotiate their wages for all of their jobs. Being able to walk away from a job should not be underestimated, especially if the job pays poorly, is dangerous, or particularly filthy or difficult to do. Knowing the market value of skilled and unskilled jobs provides day laborers with a keen advantage over their employers, and non-day laborers. It allows day laborers to undercut the market rate at a significant discount, yet allows them to earn a rate significantly higher than similar work in Mexico or Central America and likewise higher than the U.S. minimum wage. Being able to negotiate a day's labor well is key to successful day laboring and a trait not lost to Latino immigrants who come from countries where bartering is commonplace.

#### Controlling Day Labor: Government, Local, and Community Responses

Clearly, day labor is a mixed bag when it comes to common perceptions of the workers, the work they perform, and the mechanisms that formulate their work environs. This type of work is clearly difficult, poorly paid, highly unstable, and undesirable. At the same time, many of the participants in this occupation are not uneducated, recent arrivals, or desperately seeking work. Key data suggest that many workers partake in this market for very rational economic decisions, including a non-day labor market that may be similarly unstable, less paid, and equally undesirable. Given both options, some workers may prefer day labor for reasons of flexibility, autonomy, better wages - albeit unstable, and diversity of jobs to be hired for. Because this market has historical precedence, because it is large and growing, and because it is more than a desperate, last ditch attempt at securing employment for workers, policy options to control it are similarly complex and not prone to an easy fix.

Three groups and their needs set the stage for intervention strategies, they are 1) the economic demands of workers and employers, 2) the commercial and aesthetic needs of residents, merchants, and passerby's, and 3) the civic, political and liability needs of local government officials and police enforcement. Mediating between the three and/or working to improve life opportunities for immigrants and workers are advocacy organizations, usually Civil Rights organizations or self-help agencies that aid disenfranchised groups. Together, these groups have fashioned uneven policy intervention strategies throughout California. Below, in an effort to broadly catalog these strategies, I present three models that currently guide what we do with regard to day labor. This provides a context from which to conclude this chapter with a discussion of policy options.

#### 1. Leave Day Labor Unchecked

Not usually discussed, as a reasonable intervention strategy is the policy of doing nothing. That is, leaving the solicitation of temporary work in public spaces legal and free from police surveillance and harassment may be an appropriate policy strategy. It is certainly consistent with laissez faire economics where the role of the state in regulating markets is minimized if not excluded. This strategy however may have costs.

Homeowners from across the state of California have complained about the presence of day laborers in public areas. As a result, some have organized to secure a city response or to come up with a reasonable solution. Extreme solutions such as an outright ban on this labor market activity are also frequently discussed. By not acting on residential concerns, city officials may risk future electoral votes, increased frustration with inadequate local governance, and perhaps spurring homeowners and local merchants to undertake vigilante actions on their own further complicating matters. On the other hand, leaving the day labor market unchecked may result in its disappearance during an economic downturn.

Leaving day laborers free of regulations to solicit temporary employment is not unprecedented either in this country or throughout the world. As described earlier in this chapter, historically, day labor has existed in this country for many years with and without regulations. The regulation of day labor in Japan is minimal or non-existent. However, informal practices and civic norms among day laborers in San'ya – a neighborhood inside Tokyoconcentrates this type of work solicitation to a geographic space, and informal regulations dictate hiring, hours of operation, and wages (Marr, Valenzuela, Kawachi, and Koike, 2000). Leaving day labor unchecked is practiced throughout the State of California. In fact, it is the primary, perhaps unwittingly, form of dealing with this issue.

#### 2. Outright Prohibition

In an effort to halt the solicitation of temporary work in open-air markets, some municipalities have prohibited day laborers from seeking employment in public settings. The prohibition is either explicit via a city ordinance or implicit through increased harassment of workers by local police enforcement. In Los Angeles County, which includes 88 incorporated cites, over 20 ordinances either outright prohibit day labor or severely limit their solicitation activities. These ordinances usually originate with residential and/or merchant complaints that day laborers are a public nuisance, eroding the customer base or driving property rates down through their loitering, public drinking and urination, and derogatory remarks to passerby's. In theory, prohibiting the public solicitation of temporary work is a popular and easy policy fix. Reality however dictates otherwise.

While most local officials, residents, and merchants would prefer an outright ban of day labor from their neighborhood or commercial district, such a policy might be difficult to enforce and control. Small and medium sized municipalities usually have small and medium sized police enforcement and few resources to deploy for banning day labor, especially when other more pertinent police duties have higher priority. Furthermore, banning public solicitation of work increases tension and misunderstanding among day laborers, who believe they have a

constitutional right to solicit work and local officials and residents who believe their right to ban day labor is reasonable and prudent.

Only recently, a federal district court found that language prohibiting workers from soliciting employment in public spaces was too broad and vague. As a result, the judge for the case (George H. King) struck down a popular law that had been passed by the County of Los Angeles in 1994. If upheld, this law would have made it a misdemeanor for day laborers to solicit employment in the County's unincorporated areas. Future lawsuits by MALDEF<sup>8</sup> seek to overturn similar prohibitions on the solicitation of work in open-air markets. Preventing workers from seeking work in a public setting is difficult to enforce and, according to the judge, violates constitutional freedoms related to free speech. How is one to distinguish for example, giving directions to a passing motorist or a prospective employer walking down the sidewalk from non-employers?

Economic rational also makes enforcement of this ordinance difficult to monitor. Many job seekers gravitate to well-known corners, streets and parking lots outside hardware and home supply stores where employers seek temporary help. In recent years, lawmakers, immigrant rights organizations, community based organizations, including church groups, and private industry have come together to create hiring sites where the workers can gather to solicit work. When hiring sites are created, informal and formal prohibitions of day labor from soliciting work outside of the "official" hiring sites are usually enforced. Such a ban is done to ensure a more successful hiring outcome at the hiring sites. The logic is simple. If workers do not locate at the "official" hiring depot, then employers will not utilize it, preferring instead to secure their temporary help in accustomed corners and streets. Furthermore, the non-participation of workers in "official" hiring sites undercuts the goals of those participating in designated hiring sites by inducing prospective employers to informal sites.

Prohibiting day labor may not be the most effective intervention strategy, but from a local community (residents, local officials, and merchants) perspective, it the most desirable. Between an outright ban and leaving day labor unchecked is a middle strategy - the creation of a geographic space where workers and employers can come together to trade labor for wages. Starting a day worker hiring site usually starts with trying to make peace and form coalitions of community members willing to work together toward solutions that will work for that particular community.

### 3. Create Hiring Sites

Over 12 years ago, Harbor City created the first day labor hiring site in Southern California at the Harbor City Regional Park. Located in an ideal intersection abutting a park lake with expansive black-top parking, prospective employers can easily drive through the Center, shop for workers, and contemplate the ensuing job while marveling at the picturesque scenery. Harbor City isn't alone in creating official gathering places where employers and workers can come together to exchange wages for labor. At least twelve other sites exist in the Southland stretching from Malibu's Labor Exchange on the west to the City of Pomona on the east. In between, official hiring sites exist in West Los Angeles, Hollywood, Brea, Glendale, West Covina and Alhambra. During the past year, several new sites have been created through

mutually beneficial partnerships. Creative collaborations among different players has been important to the development of official hiring sites.

For example, when the Harbor City hiring site was created, a coalition of concerned community residents, immigrant advocates, city officials, and day laborers were consulted. Together, a plan of action was created and the result was the area's first day labor hiring hall. The creation of this site was not without its problems. Many residents were skeptical that the site would work. They were unconvinced that employers and day laborers would following the one primary rule that either makes or breaks official hiring sites – that solicitation of day labor needs to be undertaken at the official hiring site. Employers who sought workers outside of this site usually did so because they wanted to undercut the wages at the official site, or did not know about the new site. Similarly, workers would need to be convinced that official hiring sites were in their best interest. This argument is not an easy sell especially when you consider that this market awards aggressiveness, deft wage bartering, and fluidity in movement as one seeks employers on a city bock.

Other types of innovative unions in the creation of hiring sites involve local police, city council members, church officials, and immigrant rights organizers. Local police are instrumental in convincing both employers and day laborers that their exchange needs to be undertaken at the official hiring site. Council members are similarly important in targeting city resources needed to facilitate a public or private space for a hiring site. Related, council members and other city officials have the clout and connections to leverage city resources, bypass zoning ordinances, confront city bureaucracies, urge merchant donations, and instigate local support for a hiring center. Immigrant rights organizations work closely with the day laborers to ensure support or prod along those who might doubt the goal of a hiring site. They also serve to mediate and promulgate the concerns and needs of the day laborers to city officials, residents, merchants and others. Other factors to consider are the difficulties in organizing a hiring site in one community based on a model from another community. Local nonprofit organizations may have the will to run centers, but funding needs to be made available through some mechanism to ensure the creation of locally based centers. Finally, day worker projects competing for municipal general funds have a difficult time securing funds because they must compete for with educational, local youth projects, and other resident community needs that are not controversial.

Official or regulated hiring sites are either financially sponsored by a city or municipality, a community-based organization, or a private entity such as a home improvement store. Regulated hiring sites offer prospective employers a variety of day laborers from which to choose. On average, more men convene at this site type than connected or unconnected hiring sites, probably because workers are provided with shelter, bathrooms, modest sources of food (e.g., coffee, pastries, fruit), tool exchanges and borrowing, and assistance with wage disputes. Employers can arrive at any time between 6:30 a.m. and 2 p.m. any day of the week (some hiring sites are closed on Sundays – though nearby connected or unconnected sites likely exist). Most of these sites have minimum wage standards and all wages are negotiable between worker and employer. In the Southland, there is no particular pattern to where the twelve regulated sites are located. However, six sites are located in six different city council districts and key institutional factors seem to guide their particular location. For example, all of the regulated sites, even

though nearby mixed industrial areas and residential neighborhoods, are located on empty lots, a freeway underpass, or storefront or municipal parking lots. Each of the six sites also receives modest financial support from the City of Los Angeles to hire staff to maintain them.

In practice, two regulated site types exists: those that offer open and unlimited access to anyone seeking work on the streets, and those that limit the number of men who can participate at their sites. *Open regulated sites* have few restrictions for participation. The rules that do exist are internally developed and serve to maintain order and fairness in securing jobs at the hiring site. The rules maintain order, set times of employment and the order of the hiring queue, and establish other regulations at the hiring site. Failure to abide by the rules results in expulsion or being barred from obtaining work that day at that hiring site. \*Limited regulated sites\* have restrictions that minimize participation. Private owners (i.e., home improvement stores) or municipalities usually control these sites. The regulations are varied, but most restrict the number of men (e.g., 40) who are allowed to participate in the hiring site on any given day. In addition, a modest fee, \$5 - \$15 per week or month, is charged for basic upkeep and maintenance of the site (fees are not charged at the open regulated sites described previously). Finally, most of these sites check for legal documentation. Limiting day laborers to those with documents is contrary to the supply of this market which is primarily undocumented (84 percent).

There are different ways to measure the success of official day labor hiring sites. One measure is the ability of these sites to keep workers and employers in one central location. This seems to be the primary concern of community residents, merchants and city officials. Another measure is the ability of these sites to dole out jobs by attracting prospective employers to shop their workers. Similarly, these sites have to attract workers to utilize the space and other amenities provided by official, city sanctioned gathering places. The results by these three measures across the twelve regulated sites are mixed. On the one hand, several sites have been very successful at corralling both workers and employers to undertake their exchange on their premises. Other sites have been less successful. Clearly, those sites that have existed for many years have a stronger track record and are generally deemed successful by community residents and local officials

#### **Conclusion: Policy Options**

Day labor is a growing and increasingly visible labor market, between 18,000 and 22,000 day laborers undertake this type of occupation on a daily basis (Valenzuela 1999). Spread across its geographic expanse, over 100 official and unofficial hiring sites exist in Los Angeles. The workers of this market undertake this form of employment for a number of complex reasons, perhaps the most important being that opportunities for employment clearly exist. Employers partake in this market for economic reasons as well – the supply and below market rates of this market make it attractive. In the middle of this supply and demand market are upset community residents, merchants, and city officials. Their positions on day labor are usually extreme favoring outright banishment. Currently, two prevailing policies drive intervention in this market; banishment and the creation of hiring sites. Leaving day labor unchecked, while a viable option, really is a form of inaction that doesn't merit further discussion.

The banning of day labor, similar to other bans (i.e., prostitution, drugs, production of illicit goods) is dubious if the goal is to make this occupation disappear. Historically day labor has existed since medieval times – it has certainly existed in the United States far beyond its current format. Banning this occupation will not make it disappear. Comparing day labor to other forms of "underground" economies is unfair on a number of different scales. Morally, it does not have the same stigma, as does prostitution or drug selling. Seeking legitimate work is an honorable undertaking, especially when most of the work doled out in this market is difficult, dirty, and dangerous – work that most native-born Americans would refuse to do. Nevertheless, prohibiting this type of economic exchange is usually the first response to control day labor. It is certainly the policy option of choice for everyone involved in this market with the exception of the workers and employers.

On the other hand, the creation of hiring sites seems to be gaining momentum as a middle ground for controlling day labor. Beyond Los Angeles, hiring sites are flourishing and sprouting in places like Northern California, San Diego, Austin, Houston, Maryland, Atlanta, and Long Island. A cursory review of national newspaper stories on day labor reveals the creation of hiring sites as a way to mediate the concerns of community residents and merchants and those of the workers and employers. Indeed, the regulation of day labor via official hiring sites is the more reasoned policy choice. Even residents and local merchants, after initial skepticism find that an official hiring site where workers and employers can come together is the better choice of either banning day labor or controlling their exchange in a safe, regulated environment off the street. In field notes on over seventy-five conversations with local merchants, residents, city officials, police officers, and employers the creation of official hiring sites was considered a positive, if not favored response to day labor. The alternative is increased harassment of workers, day laborers refusing to leave, and tensions between local residents, merchants, employers, and workers.

Besides these two obvious intervention strategies, other policy options related to day labor exist. In Los Angeles, a creative group of immigrant rights advocates have developed a day labor organizing model that places the concerns and day-to-day work and life realities of day laborers at center stage. For example, they acknowledge that day laborers are perhaps the poorest of urban workers and as a result, have additional problems that mitigate against their receiving help through government systems of assistance. Some of these problems include immigration status, English language, homelessness, a limited family safety net, mental health, and a complex judicial system. As a result, they argue, organizing workers is more humane and practical approach than passing ordinances that punish the poor worker or creating a hiring site that only concerns itself with securing employment for the participants. Creating a day worker project would include an employment-hiring site as part of a larger strategy to deal with other social, health, and economic issues that day laborers contend with on a daily basis.

A similar strategy, but one focused on a more "traditional" worker-organizing model is the creation of a day labor union. In this instance, traditional is only in reference to a union model with dues paying members. However, any type of union model for day laborers would by all accounts break from traditional union organizing. Day laborers do not have one boss but many during the course of a week, month or year. Of course, other factors exist that would stretch the definition of a union model if applied to day labor organizing. The point however is

organizing and in this context, a day labor union would for example advocate for the opening of more day labor centers. Besides hiring sites serving as a haven for laborers against exploitation and other dangers related to soliciting work on the streets, sites can proved the space for leadership training through popular education. By learning to operate and controlling the decisions in the day-to-day operation of a day labor center, day laborers learn important skills and democratic processes. A union could also serve the goal of mobilization to stop public antihiring ordinances or other types of legislative efforts to control or diminish day labor. A union could also serve as a conduit to fashioning legislation that protects the rights of workers to seek employment in public settings or workers who participate in underground economies. Finally, a union could aid in developing a structure for assisting workers in claiming unpaid wages by unscrupulous employers.

The presence of day labor in urban streets and corners presents a difficult problem for all involved. For policy makers, reconciling the real economic needs of workers and the demand for their labor must be considered within the context of community concerns and merchant complaints about an eroding customer base as a result of men congregating nearby. Immigration and the fact that most day laborers are unauthorized presents an additional political dimension to the controversy of this topic not discussed in this chapter. Nevertheless, day laborers are not leaving the United States any time soon, they are not leaving this occupation, and day labor, given its historical precedence, is unlikely to disappear. The creation of hiring sites, while not inexpensive and a perfect solution does provide a moderate middle ground response to a complex, visible, and time-honored tradition of seeking work.

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Table 1, Immigrant Day Laborers: Country of Origin, Recency of Arrival, and Nativity Status

Country of Origin (n=481)	Percentage
U.S.	1.3
Mexico	77.5
Central America <sup>a</sup>	20.1
Other <sup>b</sup>	1.1
Recency of Arrival (n=479)	
Less than 1 year	29.4
1 – 5 Years	22.9
6 – 10 Years	24.4
11 – 20 Years	13.4
20+ Years	10.0
Nativity and Legal Status (n=4	81)
Foreign-born	98.7
Unauthorized	84.0

<sup>&</sup>lt;sup>a</sup> Includes day laborers from El Salvador (7.2%), Honduras (2.9%), and Guatemala (10%). <sup>b</sup> Includes day laborers from Zimbabwe (.1%), Morocco (.3%), South Africa (.2%), Peru (.2%), and Columbia (.3%).

Table 2, Immigrant Day Laborers: Demographic Characteristics

<b>AGE</b> (n=479)	Percentage
18-27	37.9
28-37	28.4
38-47	20.1
48-57	10.2
58+	3.5
Median Age	33
Mean Age	34
Min Age	18
Max Age	71
Marital Status (n=480)	
Never Married	47.9
Married	37.3
Separated	4.8
Widowed	0.1
Divorced	2.0
Living w/Partner	7.8

Table 3, Immigrant Day Laborers: Human Capital Characteristics

Educational Attainment (n=481)		
No Education	5.1	
1-6 Years	51.5	
7-8 Years	4.9	
9-12 Years	34.4	
13+ Years	4.2	
Mean	7.0	
Years of Education $(N = 481)$		
Mean	7.0	
Median	6	
Standard Deviation	3.4	
Minimum	0	
Maximum	17	
<b>Highest Degree Obtained</b> $(N = 481)$		
None	79.5	
High School Diploma	14.3	
GED	.14	
Tech Degree/Certificate	1.7	
AA	1.4	
BA/BS	.78	
MA/MS	.23	
PHD/JD/MD	.18	
Adult School Certificate	21.6	

Table 4, Immigrant Day Laborers: Work Characteristics

	Percent
Hold Other Job? (n=481)	
Yes	9.9
No	90.1
Days Seeking Day Labor Work (n=454)	
< 3 days	42.1
4 days	5.7
5 days	11.3
6 days	24.6
7 days	16.4
Mean Number of Days Looked for Work	4.1
Hours Spent working at Other Job (n=45)	
< 10 hours	37.0
10-20 hours	15.8
20-30 hours	22.4
30+ hours	24.7
Mean Number of Hours	19.2
Tenure as Day Laborer (n=479)	
Less Than 1 Year	43.0
2 – 5 Years	31.0
6-10 Years	20.3
10 + Years	5.2

**Table 5, Barriers to Employment in the Formal Job Market** 

Barriers (n=419)	<u>Percent</u>
Lack of Documents	40.3
Lack of English Proficiency	21.3
Pay Rate is Too Low	9.2
Few Jobs Available	9.0
No Specific Job Skill to Market	3.4
Lack of Transportation/License	1.3
Too Old	2.6
Racial Discrimination	3.6
Employer Abuses	1.2
Other	8.0

Source: Valenzuela, DLS 1999

**Table 6, Immigrant Day Laborers: Earnings** 

Estimated Yearly Income Mean	\$8,489	
Median	\$7,200	
S.D.	\$5,064	
Monthly Wages		
January '99 (mean)	\$568	
Typical "Good" Month	\$1,069	
Typical "Bad" Month	\$341	
Hourly Wage		
Day Labor	\$6.91	
Federal	\$5.15	
State	\$5.75	
LALW	\$7.25	

<sup>1</sup>\_\_\_\_\_

<sup>&</sup>lt;sup>1</sup> The data for this section are drawn from the Day Labor Project, a multi-method research study on day labor work and life. Four research components comprise this study: (1) a random survey of day laborers (n=487) at eighty-seven different hiring sites, (2) forty-six in-depth interviews of day laborers, (3) twenty-nine in depth-interviews of their employers, and (4) ten ethnographic case studies of day labor hiring sites. For a more thorough description of this project and preliminary findings from the survey, see Valenzuela (1999).

<sup>&</sup>lt;sup>2</sup> While there are no explicit regulations barring women from participating in this market, I only encountered two women at one of the eighty-seven sites surveyed for this study.

<sup>&</sup>lt;sup>3</sup> Due to methodological and human subject constraints, we limited participants for our survey to age 18 and over. On several (perhaps a dozen) occasions we encountered day laborers below this age, they of course were not interviewed for our study.

<sup>&</sup>lt;sup>4</sup> Two types of regulated sites exist. The first, usually run by immigrant advocacy organizations (through city sponsorship), provide day laborers with shelter, bathrooms, self-help workshops, and a set of rules governing queuing, job allocation, wages, and site behavior. These sites are free and open to any worker wishing to undertake day labor work. The second type of regulated site, in some instances are also sponsored by cities, but mostly run by private, for profit, home improvement stores such as Home Base or Hone Depot. They however differ in key respects to the first type of regulated site by charging workers a monthly or weekly "standing" fee and only providing a space with modest shelter to seek employment. They offer no other services.

 $<sup>^{5}</sup>$  To determine a monthly and then a yearly income figure, we asked day laborers to recall what they might earn during a "good" month (i.e., summer) and during a "bad" month (i.e., winter). The mean rate of all the responses to this question was then tabulated for each type of month. The mean yearly income is then calculated by adding wages for 4 "good" months, 4 "bad" months, and 4 "average" months (average of good and bad months) = 12 months or 1 year.

<sup>&</sup>lt;sup>6</sup> One way to determine a minimum wage of sorts for day laborers is to ask them information regarding what economists call a reservation wage. A reservation wage is the lowest amount (usually per hour) a person is willing to work for. The mean reservation wage for day laborers under normal conditions was \$6.91 per hour. That is, on average day laborers refused to work at a rate lower than \$6.91 per hour, about two dollars higher than the present federal minimum wage. The reservation wage under low demand conditions (i.e., winter/rainy season, and/or consistently bad luck securing jobs) fell to \$6.21 per hour.

<sup>&</sup>lt;sup>8</sup> MALDEF refers to Mexican American Legal Defense and Education Fund. In a conversation with the lead regional counsel of MALDEF, Tom Saenz is preparing to initiate lawsuits against other municipalities which ban day labor solicitation.

<sup>&</sup>lt;sup>9</sup> In Los Angeles, two community-based organisations; the Coalition for Humane Immigrant Rights of Los Angeles (CHIRLA) and *Instituto de Educacion Popular del Sur de California* (IDEPSCA – Institute of Popular Education of Southern California) currently facilitate the day-to-day activities of six regulated hiring sites.

<sup>&</sup>lt;sup>10</sup> In Southern California, opportunities to work as a day labourer are plentiful. Over 95 hiring sites exist and range in type, size, and location. In the course of my research, I catalogued three types of hiring sites. The first type is *Connected*, which represents those sites "connected" to some specific industry such as painting (Dunn Edwards, Standard Brands), landscaping or gardening (nurseries), moving (U-haul, Ryder), and home improvement (Home Base, Home Depot). Forty-five connected sites were identified throughout Los Angeles and Orange County. Day labourers who convene at connected sights do so to work in a particular industry or trade. They either have a skill in that trade or are attempting to gain experience.

<sup>&</sup>lt;sup>11</sup> The second type of hiring site is *Un-connected*. This site type seemingly does not have any connection to a specific industry but may very well exist for other reasons such as foot or vehicular traffic, police co-operation, or historical reasons (i.e., a site that has existed for many years). Thirty one percent of our sample for the day labor survey was drawn from the thirty-four unconnected sites we identified in Southern California. These sites do not have a direct connection to a particular industry or trade. The workers at this site are hired by an assortment of employers to undertake a variety of tasks, most related to the construction trade, but many outside of this industry.

<sup>&</sup>lt;sup>12</sup> Community-based organisations who work with day labourers facilitate hiring through a participatory process whereby workers develop and enforce rules of conduct and procedures of hiring, and organisations provide social capital acquisition through English as a Second Language (ESL), citizenship, and health-related courses.