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Working on the Margins: Immigrant Day Labor Characteristics and Prospects for Employment

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This article presents for the first time findings from the Day Labor Survey. Drawing upon 481 randomly surveyed immigrant day workers at 87 hiring sites throughout Southern California, I examine key demographic, social, and labor market characteristics of this burgeoning informal market. The findings suggest that not all day laborers are desperate, bottom of the barrel, recently arrived job seekers. Day laborers are diverse in family structure, recency of arrival, tenure in day work, and human capital. Earnings among day laborers are mixed; hourly rates are higher than federal or state minimum wage ceilings, however this advantage is clearly offset by unstable work patterns. These findings suggest that for a significant number of immigrant day laborers, work in this informal market may be an alternative to work in the low-skill, formal labor market.

Day labor work is a burgeoning market in immigrant filled cities and regions (Gearty, 1999; McQuiston, 1999; Visser, 1999). In Southern California, between 15,000 and 20,000 day laborers, spread over 100 hiring sites, exist (Valenzuela, 1999). This market is almost entirely comprised of men, mostly immigrants, who wait patiently on street corners, empty lots, or home- improvement stores every morning to informally exchange labor for the day for individually negotiated wages. The contemporary origins of this informal labor market activity and other occupations such as domestic work (Hondagneu-Sotelo 1994; Rollins 1985; Romero 1992), paid "under the table" are related to global economic activities and large-scale immigration to areas such as New York, Miami, Chicago and Los Angeles. The expansion of global informal markets and the decline of formal economic activity regulated by the state (Castells and Portes 1989) have also contributed significantly to the growth of these informal occupations. The restructuring of the economy, particularly that related to formal economic activities and occupations related to part-time or contingent work (Sassen-Koob 1985; Carnoy, Castells, and Benner 1997; Tilly 1996; Belous 1989) also help explain the growth of day labor work. Finally, we know that self-employment and entrepreneurship is growing rapidly (Gartner and Shane 1995; Light & 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).

In Los Angeles, home to the largest unauthorized (Immigration and Naturalization Service, 1999) immigrant population in the United States and second only to New York City in destination of intended residence for legal newcomers, the day labor market is an extremely effective device for bringing together

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prospective employers and seekers of work. For many workers, day labor is a chance to gain a foothold in the urban economy. For others, it is a first job in the United States, or a last chance at securing some type of employment. For still others, it represents an opportunity to earn some income when temporarily laid off from a job in the formal economy, or a viable alternative to wage employment in a formal economy that pays poorly and requires legal documentation. As a result of these and other factors, many workers and employers rely on this type of labor exchange.

Employers of day laborers similarly benefit from this market. The facile nature in hiring a day laborer, almost instantaneously, to help you with a household improvement job or repair activity is an important attraction for homeowners and other individuals who hire day laborers. For similar reasons, this market is also extremely attractive to construction subcontractors who aim to replace a regular employee who has called in sick or has been fired. Besides basic supply and demand factors, day laborers are a pliable labor force than can be used to undertake tasks not easily or willingly performed by workers in the general economy. Finally, the cost of hiring day laborers makes this market extremely attractive and suites employers and homeowners hoping to cut labor costs.

Despite mostly negative media coverage,[1] we know very little about day labor work, the workers who participate in this market, and the employers who seek this type of labor. In fact, with the exception of Malpica (1996) and Quesada (1999), scholars have neglected to scientifically investigate this urban labor market. Malpica's ethnography is important because it provides important insight into two labor sites and provides a look at how the day labor market might be organized on a day-to-day basis. Malpica finds little formal organization among day laborers but nevertheless argues that their labor market is considerably structured, mostly through unwritten regulations and informal activities. Quesada adds little to the little that we know about day laborers. Through an ethnography of a hiring site in San Francisco, Quesada attempts to understand why Central Americans, albeit, day laborers, are in the U.S. and the suffering and exhaustion embedded in their transnational context. With the exception of a few published pieces that explore day labor work in rural or agricultural Mexico (Vanackere 1988), historical South American identity (Townsend 1997), and contemporary Japan (Fowler 1996; Marr 1997; Giamo 1995; Gill 1994), this labor market, particularly as it functions in the United States, remains unexplored.

This article presents for the first time findings from the Day Labor Survey (DLS).[2] The DLS provides a unique window from which to better understand day labor work and life. This article, drawing upon 481 randomly surveyed immigrant day workers at 87 hiring sites provides a background for understanding the workers of this market and their prospects for employment. I first discuss why day labor exists by drawing upon two theoretical models, then I describe the research methods and data collection procedures, and then examine key demographic, social, and labor market characteristics of this informal labor exchange. I conclude by discussing the implications of these findings for immigrant day laborers.

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[11] The press has mostly devoted its coverage on day laborers to describing their work risks and exploitive conditions surrounding this type of work (see for example, Reyes 1991; Mozingo 1997; Rosenblatt 1997). In addition, some of the press coverage has focused on residential complaints and conflict over the proliferation of worker sites throughout residential communities in Los Angeles (see for example Lozano 1992; Schnaufer 1993; Aubry 1993).

[2] The day labor survey is part of a larger comprehensive study on day labor work and life. The overall research project is comprised of four major data collection efforts. The first is the survey presented in this article. Comprised of over 200 questions, it is the first survey of day laborers in the United States. The second component of this study is 45 in-depth interviews of day laborers – oral histories that give us key information about the workers themselves, stories that are impossible to capture through traditional survey methods. Third are 25 in-depth interviews with employers of day laborers. These interviews will provide important information on the demand side of this market. Finally, 10 case studies of different hiring sites were undertaken.

Labor Market Disadvantage and Day Labor

Two inter-related models help explain day labor work within contemporary labor market frameworks, they are labor market disadvantage (Light, 1979; Min, 1988) and informality (Portes, Castells, and Benton 1989). Both models also partly explain the origins of this labor exchange. Day labor work is similarly connected to broader global economic activities and large-scale immigration to cities, which have had a profound effect on labor markets in regions such as New York (Waldinger, 1996) and Los Angeles (Waldinger and Bozorgmehr, 1996; Clark, 1998).

Large scale immigration to cities, global economic restructuring, and the decline of formal economic activities regulated by the state explain the growth of informal labor markets. In their introduction to their important text on the informal economy, Castells and Portes (1989:12) first explain what the informal economy is not. They then demonstrate alternative or informal income-generating activities characterized by one central feature: "it is unregulated by the institutions of society, in a legal and social environment." As a result of the absence of institutional regulations, different work processes are ignored, changed, or amended. For example, labor may be clandestine, undeclared, paid below the minimum wage, or employed under circumstances that society's norms would not otherwise allow. The conditions under which we work also fall under the control of institutional regulations and involve land-use zoning, safety standards, hazardous or toxic dumping in the work place, and other health-related work issues. Informal employment often does not adhere to institutional regulations of these types. Several immigrant-concentrated occupations, including the garment industry, piecework, street vendors, domestic help and day labor fit this definition.

Labor disadvantage theory explains the unequal participation in entrepreneurship or self-employment. The theory asserts that disadvantage (e.g., unemployment, business cycles) in the general labor market encourages self-employment independent of the resources of those disadvantaged. That is, high unemployment or underemployment would be sufficient enough to seek alternative income generating tasks, self-employment being the alternative of choice. General disadvantage however, does not impact all employees equally. As a result, Light and Rosenstein (1995) differentiate general disadvantage from resource disadvantage and labor market disadvantage. The former occurring when, as a result of some current or past historical experience, such as slavery, their members enter the labor market with fewer resources (human capital, strong work ethic, good diets, reliable health, contact networks, self-confidence) than other groups. In contrast, labor market disadvantage arises when groups receive below-expected returns on their human capital for reasons unrelated to productivity (e.g., racial, gender, or nativity discrimination).

Disadvantage theory explains self-employment or day labor work as a mobility ladder or as a survivalist strategy. It is also within this context that the informal economy – at least in how it pertains to the self-employed – is usually discussed in North America. Light and Rosenstein (1995) separate survivalist entrepreneurs into two types: *value entrepreneurs* and *disadvantaged entrepreneurs*. Value entrepreneurs choose self-employment rather than low-wage jobs for a number of different reasons having in part to do with, as the title suggests, their values. For example, Bates (1987) argues that women comprise a large number of value entrepreneurs because many of them are attracted to the benefits of self-employment such as the ability to juggle home and work more flexibly than regular wage employment. Others prefer the entrepreneur's independence, social status, life-style, or self-concept to what a low wage job offers them (Light and Rosenstein 1995). Gold (1992) documents that some of the attraction of entrepreneurship for Vietnamese is the "ability to provide them with a level of independence, prestige, and flexibility unavailable under other conditions of employment." Value entrepreneurs select self-employment for reasons that include non-monetary considerations such as those described above.

On the other hand, disadvantaged (survivalists) entrepreneurs primarily undertake self-employment because, as a result of labor market disadvantage, they earn higher returns on their human capital in self-employment than in wage and salary employment (Light, 1979; Min, 1988; Lee, 1999). As a result of labor force disadvantage such as physical disability, ethnoracial discrimination, unrecognized educational credentials, exclusion from referral networks, undocumented status, little to no work experience, or any other unfair labor market attribute, disadvantaged entrepreneurs prefer self-employment to regular wage work.

Given few alternatives, immigrants with low levels of human and other capital (social, cultural, financial) confronting a difficult and competitive labor market may very well opt for survivalist entrepreneurship or self-employment, day labor work being a clear option. It is an option, perhaps not viable in the sense that one escapes destitution, but an option that affords one a modicum of survival as I show later in this article. In Los Angeles and other immigrant dense cities, we see this quite frequently in the informal and fringe commodity market where street vendors, day laborers, and domestics are plentiful. At the very least, survivalist entrepreneurs produce goods and services that enhance themselves and their community's wealth – the alternative being unemployed (Light and Rosenstein, 1995).

Similarly, day laborers, given the option to toil under extreme hardship in the general wage economy under conditions of minimum wage, repetitive and arduous tasks, constant supervision, and few options for mobility prefer day labor work for reasons of value. As I show later in this article, the day labor market on the other hand, provides flexibility, wage rates on average higher than state or federal minimum wage, a diversity of jobs and tasks, opportunities for mobility, and the extremely powerful and underrated act of turning down a job or negotiating a fair wage for a day's labor.

Research Description

Any scientific study of day laborers, a highly mobile, highly visible, yet largely unknown population requires creative research approaches. In addition, other unique factors come into play when attempting to study mostly Spanish-speaking men attempting, seemingly haphazardly, to secure employment for the day or week in an open and public space. Despite their ubiquity, day laborers are not a population that is easily defined. This in turn makes them a difficult population to research.

Four methodological challenges pose serious obstacles to any scientific study of this population. First, Day labor work is not an easily defined occupational category making research on this population with existing surveys impossible. For example, day labor does not exist in the Standard Occupational Classifications (SOC) or the Standard Industrial Classifications (SIC) used by the United States Bureau of the Census and other government agencies that monitor labor statistics, such as the Department of Labor. Second, Day laborers work for different employers for many different types of jobs. These jobs range in length from several hours to several days and, if a worker is lucky, sometimes several weeks. Likewise, the jobs that day laborers undertake are varied. As a result, the status of a worker in the day labor market constantly fluctuates from looking for work (as a day laborer) to working in the formal or informal market (employed) to working as a drywaller, painter, masonist, or landscaper. This means that hiring sites, depending on the season, the current demand for day labor work, and the time of day may not provide the most accurate count of day laborers. Third, hiring sites, while quite visible to most, are nevertheless difficult to keep track of in their totality. New sites emerge, old sites disappear, and some sites are difficult to find. Any attempt at calculating a total population of day laborers (based on a total count of hiring sites) would at the very least require a total or a close approximation of the total number of hiring sites in a given region. Finally, day labor work may be a temporary occupation, a full-time endeavor, or a supplement to full-time employment in the formal market. As a result, at any given time, who is and who is not a day laborer is very fluid.

To address these issues, I decided to identify as many day labor sites as possible, develop a random sampling frame, and employ a screening mechanism that would allow identification of day laborers. Site identification proved to be quite fruitful; to our knowledge, we identified all known sites in Los Angeles and Orange Counties.[3] Even though we did not survey at all of the known hiring sites, we are statistically confident that our results are representative of all day laborers in the Los Angeles and Orange County metropolitan area.

In total, we identified ninety-seven hiring sites, surveying at eighty-seven.[4] Three types of hiring sites exist. The first type I call *Connected* which represents those sites "connected" to some specific industry such as painting (Dunn Edwards, Standard Brands), landscaping or gardening (nurseries), moving (U-haul), and home improvement (Home Base, Home Depot). The second type of site that I have identified I call, for lack of a better term, *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 cooperation, or historical reasons (i.e., site that has existed for many years). Finally, there is a third category of sites I designate as *Regulated*. Regulated sites are those that are formal hiring sites either controlled by a city (e.g., North Hollywood, Los Angeles) or a community-based organization. In Southern California, regulated (hiring) sites vary widely. They include sites that offer only partial shelter to sites that have a broader mission such as training and educating day laborers in a host of skills (e.g., English, citizenship, health) and labor market issues (e.g., rights, claims, occupational safety). We randomly surveyed 260 workers at forty-five connected sites, 150 workers at thirty-four un-connected sites, and 71 workers at eight regulated sites for a total of 481 completed surveys.

All but 10 surveys were administered in Spanish; each survey was done face-to-face with an interviewer and a respondent. The survey was undertaken during a continuous six-week period (February 2 – March 16, 1999) in which no days were missed due to inclement weather or for other reasons. Our refusal rate (day laborers unwilling to participate in the survey) was very low (.06) particularly in light of what most survey experts regard as a difficult population to approach and convince to participate in a major research study. This rate is useful only in measuring how well the interviewers performed and/or whether the nature of the survey was off-putting to potential respondents.

Finally, because the possibility of missing work for the day as a result of partaking in our survey was real, we offered an incentive of $25 for each worker's participation. Of course, we also hoped that the modest monetary incentive would compel reluctant day laborers to participate in our study. Twenty five dollars for a little more than an hour of their time, even if they didn't get hired for the day, was a reasonable payment. In many instances, we observed that those who did participate in our study were still able to secure employment for the day.

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[3] It is difficult to truly know if we identified each and every hiring site in Los Angeles and Orange County. We certainly undertook several research methods to accomplish site identification. We used a "referral" system that in many ways resembles snowball sampling (Biernacki & Waldorf, 1981; Van Meter, 1990; Watters & Beirnaki, 1989), or rather snowball identification. We approached day laborers at different sites and asked them where else they go to hire themselves out and if they knew of other sites. We then visited the newly identified sites and asked the workers at those sites the same question. We then charted the sites we had identified on a large wall map of Los Angeles and Orange County. By visualizing gaps (large geographic areas) where day labor sites had not been identified, we were able to map possible areas where sites logically might be expected to exist. After identifying several large areas on our wall map, we drove through several communities in the early morning looking for day laborers. To our great satisfaction, we were able to identify another ten sites. Finally, we identified (e.g., Yellow pages) all Home Base, Home Depot, and other types of hardware/home improvement/painting stores where day laborers might likely gather and then verified a day labor presence or absence by visiting each of these potential sites.

[4] Site identification was undertaken six months prior to survey implementation. As a result, ten of the sites that we had previously identified six months earlier had disappeared when we actually undertook the survey.

Below, I present key demographic, social, and labor market findings from this unique survey. Please note that the small number of missing responses, as is customary, have been omitted from the tabulated data. In addition, all data findings are weighted to represent the overall day labor population in Los Angeles and Orange County.

Day Laborers

Immigrant day laborers are almost entirely male,[5] 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, 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[a]	20.1	
Other[b]	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=481)		
Foreign-born	98.7	
Unauthorized	84.0	

Source: Valenzuela, Day Labor Survey, 1999.
[a] Includes day laborers from El Salvador (7.2%), Honduras (2.9%), and Guatemala (10%).
[b] Includes day laborers from Zimbabwe (.1%), Morocco (.3%), South Africa (.2%), Peru (.2%), and Columbia (.3%).

[5] 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.

Day laborers range in age from 18 to 71[6] 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, Immigrant Day Laborers: Demographic Characteristics

Age (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

Source: Valenzuela, Day Labor Survey, 1999

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

[6] 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.

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, 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
Highest Degree Obtained (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

Source: Valenzuela, Day Labor Survey, 1999

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, perhaps in their country-of-origin, stand expectantly at a street corner soliciting work on a daily basis?

Faced with few labor market options in the formal 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 not yet discussed. A closer analysis of this labor market and how the workers participating in it, provides a glimpse as to why day labor work may be an alternative employment prospect to other forms of low skill work.

Day Labor Work

Capturing the nuances and day-to-day activities of day labor work is difficult under most circumstances. A survey of day labor that queries about the structure of this market and its day- to-day activities provides a baseline framework of this economic exchange activity. 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, it is not uncommon to see a swarm of men around a car aggressively pointing 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 orderliness in their search for temporary work. 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. 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.[7]

[7] 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.

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, data in Table 4 suggests that this is the case for 10 percent of day laborers. A full 90 percent of all day laborers surveyed in this study 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, 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

Source: Valenzuela, Day Labor Survey, 1999

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, Barriers to Employment in the Formal Job Market

Barriers (n=419)	**Percent**
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

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.

Earnings

Wages and earnings of day laborers are mixed. On the one hand, the mean yearly income[8] is slightly above the poverty threshold for a single family in 1999. On the other hand, the mean[9] 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.[10] 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, 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

Source: Valenzuela, Day Labor Survey, 1999

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

[8] 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.

[9] 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.

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.

Conclusion

Three findings emerge from this paper supporting the notion that day labor workers are not entirely desperate, recently arrived, bottom of the barrel job seekers. First, day laborers are diverse with regard to family structure, recency of arrival, tenure in day labor work, and human capital. On some characteristics, they are clearly homogeneous (e.g., nativity and legal status). For a significant number of day laborers, their having to support more than themselves, their having been in the United States and worked in this market for many years, and their relatively modest levels of human capital suggest that day labor work may be a viable alternative for some segment of this population. Second, even though most day laborers have worked in this market for less than one year, a full quarter have done so for more than six years. Ninety percent of all respondents only worked as day laborers full-time. In a region as big as Southern California with numerous job opportunities for immigrants and low skill workers in general, day labor work is an option. Third, even though day labor work on average earns a worker poverty level earnings for the year tax free, hourly wages, yearly earnings, and other factors suggest that this type of work pays at rates higher than minimum wage, the prevailing wage for low skill jobs in the formal market. As a result, day labor work competes favorably, if not better, than other low skill and immigrant concentrated occupations.

Several other factors also suggest why day labor may be preferred to other types of jobs in the both the formal and informal labor markets. Day labor work affords workers a diversity of jobs and work experiences, where else can you learn or receive experience in roofing, dry wall, landscaping, and painting in the same week or month. Learning these trades provide prospects for future employment outside of day labor and certainly within this market. Day labor work is flexible, you seek work when you want or need it. Similarly, you are not punished for arriving late at a hiring site or for not showing up. A penalty of no work exists for poor work seeking behavior, but even good behavior does not guarantee work on a consistent basis. The point here is that prospects for employment in day labor work exist on a

daily basis to whomever seeks it, temporarily offsetting unemployment, underemployment or an upcoming rent check or other bill. Day work allows workers to choose jobs they like, forsaking those that are paid poorly or are particularly arduous. A day laborer can easily walk away from a job without fear of reprisal or firing, only losing that day's wages and perhaps a reputation. Reputation may be important for future job prospects in this market, but as described earlier, many hiring sites and employers exist in Southern California making reputation almost valueless. Finally, day laborers do not have a boss in the typical sense. Depending on the length of a job or the frequency in which day laborers secure work with the same employer, day laborers have a new boss for each new job. As a result, problems with supervisors can be resolved quickly and the cost may be low for a day laborer walking away from a dispute. For these reasons and the data presented in this article, day labor employment prospects may be better than what this type of work generally suggests – desperate, last ditch efforts at seeking employment.

Taken together, the data throw into question whether day labor work is primarily a value entrepreneur or a disadvantaged (survivalist) self-employed worker. At best, the findings in this article suggest that day laborers are both. For a majority of day laborers, given their few options in the paid, low-skill, formal labor market, they resort to this type of work merely to survive – they are desperate and have run out of options. On the other hand, for a significant number of workers, who likewise have few options in the low-skill formal labor market, findings in this article show that their participation in this market is somewhat optional, in part driven by values and attributes not necessarily related to wages or yearly earnings. This isn't to suggest that they are doing well or not having a difficult time surviving, but rather that in the larger scheme of disadvantage and low skill work, day labor offers options and attributes not easily obtained elsewhere.

The findings presented in the preceding pages paint a complex picture of day labor characteristics and employment. These findings describe, for the first time, day laborers and their experiences and prospects as workers selling their labor in a public setting. The richness of the Day Labor Survey will allow for more detailed analysis and more conclusive generalizations and findings in future publications. More importantly, through the use of multi-methods such as in-depth interviews and case studies, the findings presented in this and subsequent articles will allow us to tease out some of the nuances and particulars not easily explained or described through conventional quantitative survey data. Nevertheless, the data presented in this article represent an original first look at a highly visible though relatively unknown labor market.

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