## ON THE CORNER:

Day Labor in the United States

Nik Theodore University of Illinois at Chicago Center for Urban Economic Development

Edwin Meléndez New School University Milano Graduate School of Management and Urban Policy

Ana Luz Gonzalez
UCLA
Center for the Study of Urban Poverty

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The report can be viewed or downloaded at <a href="http://www.sscnet.ucla.edu/issr/csup/index.php">http://www.sscnet.ucla.edu/issr/csup/index.php</a> or <a href="http://www.uic.edu/cuppa/uicued">http://www.uic.edu/cuppa/uicued</a>

# ON THE CORNER: Day Labor in the United States

## **Executive Summary**

This report profiles, for the first time, the national phenomenon of day labor in the United States. Men and women looking for employment in open-air markets by the side of the road, at busy intersections, in front of home improvement stores and in other public spaces are ubiquitous in cities across the nation. The circumstances that give rise to this labor market are complex and poorly understood. In this report, we analyze data from the National Day Labor Survey, the first systematic and scientific study of the day-labor sector and its workforce in the United States.

This portrait of day labor in the United States is based on a national survey of 2,660 day laborers. These workers were randomly selected at 264 hiring sites in 139 municipalities in 20 states and the District of Columbia. The sheer number of these sites, combined with their presence in every region in the country, reflects the enormous breadth of this labor market niche.

Our findings reveal that the day-labor market is rife with violations of workers' rights. Day laborers are regularly denied payment for their work, many are subjected to demonstrably hazardous job sites, and most endure insults and abuses by employers. The growth of day-labor hiring sites combined with rising levels of workers' rights violations is a national trend that warrants attention from policy makers at all levels of government.

In some cities, the rise of day labor has been accompanied by community tensions, in part because of inaccurate and unsubstantiated portrayals of these workers. The aim of this study is to provide sound empirical data on the day-labor phenomenon that can inform public discussions and provide the basis for thoughtful policy approaches to this complex issue. Below, we present some of the most important findings from the National Day Labor Survey.

## The Organization of Day Labor in the United States

- Day labor is a nationwide phenomenon. On any given day, approximately 117,600 workers are either looking for day-labor jobs or working as day laborers. The dimensions of the day-labor market are fluid; on a daily basis new workers enter this market while others leave it. Similarly, hiring sites diminish in size or disappear, while new ones emerge. The national count of the day-labor workforce represents a snapshot of this workforce in the United States. The largest concentration of day laborers is in the West (42 percent), followed by the East (23 percent), Southwest (18 percent), South (12 percent) and Midwest (4 percent).
- Day laborers search for work in different types of hiring sites. The vast majority (79 percent) of hiring sites are informal and include workers standing in front of businesses (24 percent), home improvement stores (22 percent), gas stations (10 percent) and on busy streets (8 percent). Most of these sites are near residential neighborhoods. One in five (21 percent) day laborers search for work at day-labor worker centers.

## **Day-Labor Work**

- Day laborers are primarily employed by homeowners/renters (49 percent) and construction contractors (43 percent). Their top five occupations include construction laborer, gardener and landscaper, painter, roofer, and drywall installer.
- Day laborers search for work on a full-time basis. The vast majority (83 percent) relies on day-labor work as their sole source of income. Seventy percent search for work five or more days a week, while 9 percent seek work only one or two days a week. Three-quarters (74 percent) of day laborers have worked in this market for less than three years, suggesting that many make the transition into jobs in other sectors of the economy.

## Wages and Earnings

• Day labor pays poorly. The median hourly wage for day laborers is \$10. However, employment is unstable and insecure, resulting in volatile monthly earnings. Median monthly earnings in July and August 2004 were \$700. Median earnings during peak periods (good months) are \$1,400, while in slow periods (bad months) median monthly earnings fall to just \$500. Even if day laborers have many more good months than bad months, it is unlikely that their annual earnings will exceed \$15,000, keeping them at or below the federal poverty threshold.

## **Workplace Safety and Employment Abuses**

- Day laborers regularly suffer employer abuse. Almost half of all day laborers experienced at least one instance of wage theft in the two months prior to being surveyed. In addition, 44 percent were denied food/water or breaks while on the job.
- Workplace injuries are common. One in five day laborers has suffered a work-related injury, and more than half of those who were injured in the past year did not receive medical care. More than two-thirds of injured day laborers have lost time from work.
- Merchants and police often unfairly target day laborers while they seek work. Almost one-fifth (19 percent) of all day laborers have been subjected to insults by merchants, and 15 percent have been refused services by local businesses. Day laborers also report being insulted (16 percent), arrested (9 percent) and cited (11 percent) by police while they search for employment.

## The Day-Labor Workforce

• Many day laborers support themselves and their family through this work. A significant number of day laborers are either married (36 percent) or living with a partner (7 percent), and almost two-thirds (63 percent) have children. Twenty-eight percent of the children of day laborers are U.S. citizens. Therefore, the need for day laborers to earn an income, in most cases, is made all the more urgent by the responsibility to support their family.

- Day laborers are active members of their communities. Half (52 percent) of all day laborers attend church regularly, one-fifth (22 percent) are involved in sports clubs and one-quarter (26 percent) participate in community worker centers.
- The day-labor workforce in the United States is predominantly immigrant and Latino. Most day laborers were born in Mexico (59 percent) and Central America (28 percent), but the third-largest group (7 percent) was born in the United States. Two-fifths (40 percent) of day laborers have lived in the United States for more than 6 years. Three-quarters (75 percent) of the day-labor workforce are undocumented migrants. About 11 percent of the undocumented day-labor workforce has a pending application for an adjustment of their immigration status.

#### **Worker Centers**

• Worker centers have emerged as the most comprehensive response to the challenges associated with the growth of day labor. Community organizations, municipal governments, faith-based organizations and other local stakeholders have created and operate day-labor worker centers to reduce workers' rights violations and to help communities address competing concerns over day labor. At the time of the study, 63 day-labor worker centers were operating in 17 states, and another 15 community-based organizations served, organized or advocated on behalf of day laborers. Since then, other cities have initiated the process of opening worker centers.

## **Policy Framework**

Day labor is a complex issue, and there is no single solution to the conflicts it has generated. A practical approach to many of the problems highlighted in this report is offered by worker centers. We recommend the creation of additional worker centers in cities across the country because we believe they can improve conditions dramatically in the day-labor market.

However, fully responding to the myriad problems, violations and abuses in the day-labor market also requires a broader policy approach that includes:

- improved worker protections.
- better enforcement of workplace safety conditions.
- increased access to legal services (to remedy rights violations).
- the implementation of workforce development strategies that can help day laborers make the transition from the informal economy into better jobs.
- realistic immigration reform, including normalizing the immigration status of undocumented migrants.

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#### **AUTHORS**

**Abel Valenzuela Jr.** is associate professor of Chicana/o studies and urban planning at UCLA. He also is the director of the Center for the Study of Urban Poverty. He has researched day labor for almost 10 years and has published numerous research articles, book chapters and technical reports on this topic.

**Nik Theodore** is the director of the Center for Urban Economic Development and assistant professor of urban planning and policy at the University of Illinois at Chicago. He has published numerous research articles and technical reports on low-wage work, including day labor in informal markets and the temporary staffing industry.

**Edwin Meléndez** is professor of Management and Urban Policy at the Milano Graduate School of Management and Urban Policy at the New School University. He has published books, research articles and reports on workforce development, poverty and Latinos in the labor market and day labor.

**Ana Luz Gonzalez** is a Ph.D. student in urban planning at UCLA. She was project coordinator for the National Day Labor Survey.

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# **ON THE CORNER:**Day Labor in the United States

## **Introduction: Day Labor in the United States**

Each morning, at hundreds of open-air hiring sites in cities throughout the United States, workers and employers meet to arrange employment for the day. These sites are *day-labor markets* where workers gather in the early morning hours, eagerly awaiting prospective employers to hire them to complete short-term clean-up, gardening, painting, demolition and other manual-labor projects. The day-labor site is a spot market where workers and employers meet to negotiate the terms of employment, including job tasks, wages and length of the work day. Daily assignments are mainly for work in the construction and landscaping industries, though day laborers are also hired as farm workers, cleaners and movers. Their employers are usually residential construction contractors and homeowners who need immediate help with work projects.

Day-labor sites tend to form near home improvement stores, at busy intersections, and in parks and other public spaces. Many hiring sites are quite large, with upwards of 75 workers assembling to search for work each day, and a few sites draw more than 200 job seekers on a typical workday. The number and size of hiring sites nationwide has increased dramatically in recent years, raising questions regarding the driving forces behind the growth of day-labor hiring sites in the United States, and what these sites mean for urban labor markets and the communities in which they are located.

The reasons behind the growth of day labor in the United States are many, and involve the complex interaction between the forces of labor supply and demand, patterns of industrial change, and increased migration flows to the United States. On the demand side of the labor market, there has been a push for greater labor market flexibility in all sectors of the U.S. economy, and the construction industry is no exception. Cost pressures in the industry have induced construction contractors to adopt alternative hiring practices, and many have increased their use of contingent workers who are hired on an as-needed basis. Of course, outside of its unionized segments, the construction industry has always employed a large share of on-call workers who are hired on short notice for short-term projects. The formation and growth of day-labor hiring sites is, in part, an outgrowth of the ongoing demand for contingent workers within the construction industry and allied activities such as landscaping and material hauling.

On the supply side of urban labor markets, workers are increasingly turning to day-labor hiring sites, and other sources of contingent work like temp agencies and labor brokers, following the deterioration of job opportunities in the local economy. Plant closings and mass layoffs continue to plague many cities, particularly old industrial centers, which have seen the widespread loss of manufacturing jobs and employment in ancillary industries. For many workers in cities with declining employment prospects,

day labor provides a chance to regain a foothold in the urban economy. For others, it is a first job in the United States and an opportunity to acquire work experience, skills and employer contacts. For still others, it represents an opportunity to earn an income when temporarily laid off from a job elsewhere in the economy. As a result of these and other factors, many workers have come to rely on day-labor hiring sites for job opportunities.

The growth of day-labor hiring sites is also related to changing patterns of immigration to the United States, particularly increased immigration flows outside of traditional port-of-entry cities like New York, Los Angeles and Chicago. New migratory circuits have developed in the South and parts of the East and Midwest, especially in small cities and towns with abundant employment opportunities, at least in low-wage occupations. There has been a dramatic increase in labor migration to these areas, and day-labor hiring sites have become one mechanism for organizing the supply of immigrant laborers for the construction industry and other sectors of the economy. Historically, U.S. employers have relied on immigrant labor to fill jobs in a range of occupations, and that demand has not abated. In fact, it has grown as cost pressures remake the terms of competition in a range of industries, pushing employers to find new strategies for remaining competitive. Industries as diverse as agricultural production, textile manufacturing, child care, restaurants, food processing and construction attempt to cope with cost pressures by hiring undocumented immigrants at low wage rates (see Hum, 2003; Nees, 2005; Sassen, 2005).

The proliferation of day-labor hiring sites in the United States has occurred within the context of these shifts in labor supply and demand, and signs point to the continued growth of day-labor work. However, like many other lower-wage occupations, day labor has been characterized by routine violations of workers' rights. Reports of the nonpayment of wages and workplace safety concerns, among others, suggest that the emergence of day labor is not an entirely benign phenomenon, particularly for its workforce. These issues have attracted attention from the media, policy makers and the general public. But informed public debate on the scope and significance of day labor has been hampered by the lack of accurate information about this labor market. This study seeks to address this shortcoming.

The findings presented in this report are based on the National Day Labor Survey. A random sample of day laborers was drawn from 264 hiring sites in 139 municipalities in 20 states and the District of Columbia. A total of 2,660 day laborers were surveyed during July and August 2004. Day laborers were asked a series of questions regarding their work experiences, demographic characteristics and issues related to day-labor work. The report is divided into four sections. **Section I** examines the organization of the day-labor market, highlighting the size of the market, its geographic distribution and the types of hiring sites that comprise this labor market. **Section II** describes the work of day laborers, including their job assignments, wages and earnings, and working conditions. This section also documents the incidence of workers' rights abuses and violations of basic labor standards that too often accompany day-labor work. **Section III** presents a demographic profile of the day laborers, including their personal characteristics and work

experiences. **Section IV** considers approaches to safeguarding workers' rights, normalizing the hiring of day laborers, and resolving many of the community tensions that have developed around this labor issue.

## Section I

## The Organization of the Day-Labor Market

On any given day, approximately 117,600 workers are either looking for day-labor jobs or employed as a day laborer. More than three-quarters of day laborers (79 percent) congregate at informal hiring sites that have formed in front of home improvement stores and gas stations, along busy thoroughfares and near expressway onramps, and in parks and other public spaces. The remaining 21 percent seek work through day-labor worker centers that operate formalized hiring halls where employers and workers arrange the terms of employment for the day.

The largest concentration of hiring sites and day laborers is in the West, while the Midwest is the region with the fewest number of sites and workers (Table 1). The size of individual day-labor hiring sites varies considerably. One-third of all sites are small sites (with 25 workers or less), 37 percent are medium sites (with 26 to 50 job seekers), 23 percent are large sites (with 51 to 100 job seekers) and 7 percent are very large sites (with more than 100 job seekers). The day-labor hiring site is a dynamic labor market whose size and dimensions change by the season, week, day and even hour. The daily flow of workers through a site can vary dramatically as workers leave the site once they receive a job assignment and new job seekers are drawn to the site in their search for employment.

An example of the hourly changes in the number of day laborers looking for work one morning at a large site in the Phoenix metropolitan area illustrates this point. Workers began gathering at the site before 6 a.m., and by 6:30 a.m. 32 job seekers were present. The number of available workers increased to 71 and 83 job seekers at 7:30 a.m. and 8:30 a.m., respectively, even as some workers left the site to work that day. Employers continued to select workers and by 9:30 a.m. the number of job seekers had fallen to 50. By 10:30 a.m., just 32 job seekers remained. Throughout the course of this morning, a similar process was replicated at each of the hundreds of other hiring sites across the country, as the number of available workers rose and fell depending on the strength of employer demand.

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<sup>&</sup>lt;sup>1</sup> The dimensions of the day-labor market are very fluid; on a daily basis new workers enter this market while others leave it. Similarly, some hiring sites diminish in size or disappear, while new ones emerge. The national count of the day-labor workforce represents a snapshot of this workforce in the United States. This snapshot does not consider workers who might enter or leave the market through the course of a year. Nor does it estimate the growth of the market from when the survey was taken (2004) and the printing of this report. Therefore, the number reported is likely to be higher if we were to replicate the survey today or if we were to adjust to measure workers who participate in this market during a one-year period. See Appendix for a description of the methodology used for generating this estimate.

<sup>&</sup>lt;sup>2</sup> These workforce estimates consider only the number of job seekers present at hiring sites on the day worker interviews were conducted (though additional counts were taken weeks prior to the fielding of the survey). Point-in-time counts were taken each hour for five hours. Therefore, these figures undercount the total size of the day-labor workforce since they do not account for workers who were hired prior to the time when the count was taken or workers who regularly use the hiring site but for some reason did not search for work on the day when we surveyed.

Table 1: Distribution of Day Laborers and Hiring Sites by Region

Region	Distribution of Workers	Percentage of Workers	Percentage of Hiring Sites
West	49,647	42	41
Midwest	5,059	4	3
Southeast	21,059	18	13
South	14,353	12	13
East	27,529	<u>23</u>	<u>30</u>
Total	117,647	99*	100

<sup>\*</sup>Total may differ from 100 percent due to rounding.

Source: National Day Labor Survey, 2004.

Hiring sites on the East Coast tend to be the largest in the country (Table 2). On average, 40 workers gather at these sites, while 36 workers gather at sites in the Midwest, and 32 workers gather at sites in the Southwest. The largest individual hiring sites are located in Langley Park, Md. (peak recorded workforce of 349 job seekers); Chicago (peak recorded workforce of 154 job seekers); Phoenix (peak recorded workforce of 138 job seekers); and San Francisco (peak recorded workforce of 133 job seekers). Large sites of this sort tend to have an extensive and shifting geography that often encompasses several blocks along the major thoroughfare where workers congregate. The radius might also extend several blocks from the epicenter of the hiring site as workers fan out in all directions in the hope of improving their chances of securing a job opportunity with an employer.

Table 2: Average Number of Job Seekers per Hiring Site, by Region

Region	Average Number of Job Seekers
West	29
Midwest	36
Southwest	32
South	25
East	40
Total	32

Source: National Day Labor Survey, 2004.

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<sup>&</sup>lt;sup>3</sup> These figures count only those job seekers present at the hiring site and do not include day laborers who have left the site to work that day. Other very large hiring sites exist. However, these sites were not included in our sample and therefore workforce counts were not taken. Some of these sites, such as one in Queens, New York and another in Palm Beach County, Florida, have numbers of available workers that exceed those recorded here.

Most day-labor sites operate year round, even in the East and Midwest where winter months bring frigid temperatures. During the spring and summer months, the size and number of markets swells as construction industry activity increases and with it, the demand for informally employed laborers. In addition to the daily fluctuations that are typical of day labor, some workers cycle through this labor market as they use the contacts developed with employers to secure longer-term assignments or to identify employment opportunities in the formal economy. When these jobs are concluded or if an unemployment spell occurs, workers return to the informal hiring sites to again search for employment.

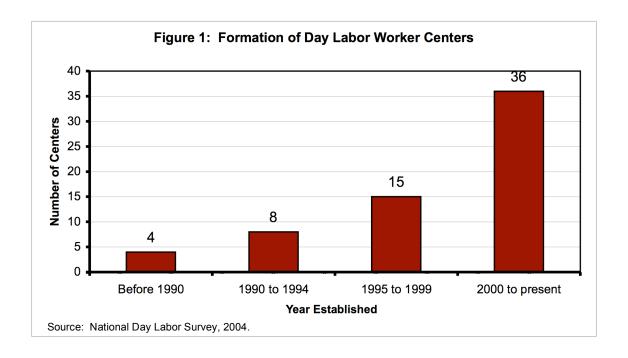
Fluctuations in the availability of work are endemic to the day-labor market. The day-labor workforce is an entirely contingent workforce; workers are hired only when employers need them and the duration of the employment "contract" (which consists of nothing more than a verbal agreement) is unsecured and open-ended. In other words, day laborers are entirely at-will employees and employers are in no way bound to honor promises of continuing employment, whether from one day to the next or from one hour to the next. In the following section of this report, we discuss the insecurity of day-labor employment, which explains many of the occupation's defining characteristics (such as the low annual earnings of day laborers).

The very existence of the day-labor market, and the proliferation of day-labor hiring sites across the United States, is driven by employer demand. Day-labor markets have formed to supply workers to the construction and landscaping industries, and to provide help to homeowners/renters with clean-up, moving and gardening projects. The length of any given assignment is usually short, about one day. But because such a large number of employers turn to informal hiring sites as a source of workers, most day laborers are able to string together enough assignments to allow them to earn a modest income.

## Formal Hiring Sites: Day-Labor Worker Centers

In addition to the hundreds of informal hiring sites that have proliferated across the United States, we identified 63 day-labor worker centers created by community organizations, municipal governments, faith-based organizations and other local stakeholders.

The creation of day-labor worker centers is a relatively recent phenomenon, with most having been established since 2000 (Figure 1). Centers typically are located near informal day-labor hiring sites, offering both workers and contractors an alternative to the unregulated sites found on street corners and in parking lots. Indeed, location can be a crucial determinant of a center's success, and these hiring sites frequently are established in areas where both workers and employers have ready access. Fifty-seven percent of centers are located along busy thoroughfares, 53 percent are located in predominantly residential areas and 18 percent are located near home improvement stores where day laborers often congregate.



Many worker centers were created through partnerships between community organizations, local governments, faith-based organizations and law-enforcement agencies. Other partners may include local businesses and labor unions. Typically, community organizations, municipal governments or faith-based organizations assume the responsibilities of lead partner, and each of the worker centers surveyed is operated by one of these entities. Community organizations operate 43 day-labor worker centers (68 percent), while city government agencies and church groups each operate 10 centers (16 percent, respectively).

Most day-labor worker centers provide fairly basic accommodations to workers and employers. All operate as hiring halls where employers and day laborers can arrange work for the day. Available amenities and services typically include restrooms, drinking water, places to sit, telephones, classrooms, outreach to employers and parking facilities. But even such simple provisions are a marked improvement over informal hiring sites. Moreover, they serve to establish a worker center's presence in the day-labor market. The primary purpose of day-labor worker centers is to regulate the day-labor market by intervening in the market and establishing rules governing the search for work and the hiring of laborers.

#### We find that most worker centers:

- 1. provide a defined space for workers to assemble, as well as a job-allocation system (either a lottery, list of available workers or some other selection mechanism) that imposes order or a hiring queue on the day-labor hiring process.
- 2. require job seekers and employers to register with center staff.
- 3. set minimum wage rates.

4. monitor labor standards, employer behavior and worker quality.

Through these core activities, worker centers are able to place a floor under conditions in the day-labor market. As we show later in the report, day labor is characterized by rampant violations of labor standards, particularly when hiring is arranged through the types of informal and unregulated sites that have proliferated in recent years. The next section of this report examines the types of jobs day laborers are hired to complete, as well as their wages and working conditions, calling attention to many of the violations of labor and employment laws that are all too common in this labor market.

# Section II Day-Labor Work

Day laborers are mainly employed by homeowners/renters (49 percent) who are looking for help with clean-up, moving and gardening projects, and by contractors (43 percent) for jobs in the construction and landscaping industries. They perform a variety of manual-labor jobs, most of which involve difficult and tedious physical labor. Top occupations include construction, moving and hauling, gardening and landscaping, and painting (Table 3). The fairly broad range of occupations performed by day laborers reflects a breadth of generalist (and some specialist) skills possessed by these workers. More than two-thirds of day laborers (69 percent) are hired repeatedly by the same employer, suggesting a pattern of satisfied employers and willing workers.

Table 3: Top Occupations and Employers of Day Laborers

	TOTAL (%)	West (%)	Midwest (%)	Southwest (%)	South (%)	East (%)
Occupation						
Construction laborer	90	92	92	88	92	88
Mover	83	87	75	81	86	79
Gardener/Landscaper	83	86	77	89	89	72
Painter	80	82	85	80	83	75
Roofer	66	67	81	67	67	62
House cleaner	64	62	67	72	67	60
Carpenter	56	54	69	55	67	55
Drywall installer	58	60	68	56	64	53
Farm worker	51	51	80	42	55	50
Dishwasher	39	38	53	32	51	39
Car washer	35	34	47	37	43	31
Electrician	21	24	20	18	25	16
Cook	17	18	27	7	22	16
Other	39	41	21	49	48	26
Type of Employer						
Contractor	43	40	41	41	46	50
Private individual	49	52	38	55	45	42
Company	6	4	20	3	9	7
Other day laborers	1	2	1	1	1	1

Source: National Day Labor Survey, 2004.

The vast majority (83 percent) of day laborers rely on day-labor work as their sole source of income. Seventy percent of day laborers search for work five or more days a week, while 9 percent seek work one or two days a week (Table 4), presumably on the weekend or when they have a day off from another job. The hourly wages and annual incomes of day laborers tend to be extremely volatile, and they are dependent on a range

of factors related to employer demand, the seasonality of various industries, worker qualifications and the ability of workers to negotiate a fair wage.

Table 4: Number of Days Seeking Work

Number of Days Seeking Work	Percentage of Day Laborers	
1	4	
2	6	
3	9	
4	7	
5	15	
6	25	
7	34	
Median (average)	6 days per week	

Source: National Day Labor Survey, 2004.

## Wages and Earnings

Survey respondents were asked to report their wages and earnings for each job worked during the week prior to when interviews were conducted. From these responses, it is possible to ascertain the wage profile of day-labor jobs (Figure 2). The median hourly wage of day-labor assignments is \$10. However, this figure masks wages at the low and high ends of the wage distribution. For example, at the low end, 1.4 percent of day-labor jobs pay less than the federal minimum wage of \$5.15 an hour, slightly more than 6 percent of assignments pay between the minimum wage and \$7 an hour, and 22 percent of assignments pay between \$7 and \$9.99 an hour. At the upper end of the wage distribution, 46 percent of day-labor jobs pay between \$10 and \$11.99 an hour, while one-quarter paid more than \$12. In cases where hourly wages above \$12 were earned, assignments tended to be highly skilled jobs, such as electrician and plumber.

Although the majority of day-labor assignments pays \$10 per hour or more, the monthly and yearly earnings of most day laborers place them among the working poor. The instability of work combined with occasionally low hourly wages results in low monthly earnings for most day laborers, even during peak periods when work is relatively plentiful (Table 5). In addition, workdays lost to job-related injuries and illness, and the underpayment of wages by some employers, contribute to the problem of low monthly earnings of day laborers.

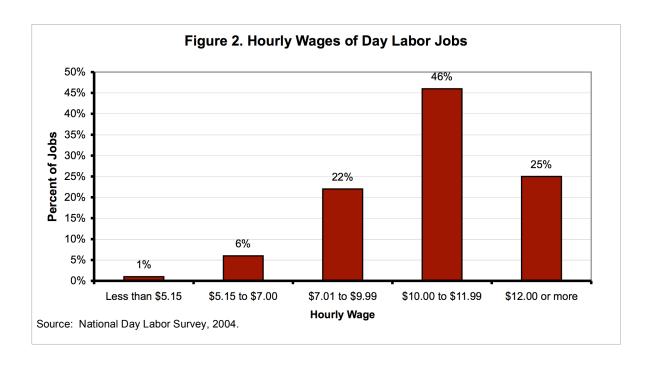


Table 5: Monthly Earnings of Day Laborers, Full-Time Workers

Earnings	June/July 2004	Good Month	<b>Bad Month</b>
\$400 or less	25 percent	4 percent	42 percent
\$401 to \$800	36 percent	16 percent	44 percent
\$801 to \$1,200	22 percent	26 percent	11 percent
\$1,201 to \$1,600	9 percent	21 percent	2 percent
More than \$1,601	7 percent	34 percent	1 percent
Median	\$700	\$1,400	\$500

Source: National Day Labor Survey, 2004.

Workers who search for day-labor jobs on a full-time basis (i.e., four or more days a week) had median monthly earnings in June/July 2004 of \$700. However, one-quarter of full-time day laborers earned \$400 or less in that month. Monthly earnings of just \$400 for one-quarter of full-time day laborers are disturbing given that summer months are considered the optimal time of the year to secure day-labor work. On the upper end of the earnings scale, 7 percent of day laborers earned more than \$1,600 in that month. The volatility of monthly earnings can best be observed by comparing the earnings distribution of day laborers' peak (i.e., good months) and slow (i.e., bad months) periods. The median earnings level in a good month rises to \$1,400. However, in a bad

month, median earnings fall to just 36 percent of peak-period levels, or \$500. Therefore, even in cases where day laborers have many more good months than bad months, it will be unlikely that their annual earnings will exceed \$15,000, keeping most workers in this market at or below the federal poverty threshold.

## Workplace Safety

Day laborers experience a high incidence of workplace injury. One in five day laborers has suffered an injury while on the job. Rates of work-related injury are highest in the Midwest where one-third of day laborers have been hurt on the job. Most day laborers are aware that their work is dangerous, but the pressing need for employment finds them returning to this market to search for work. About three-quarters of day laborers nationwide find their occupations to be dangerous, while in the Midwest, where roofing jobs are undertaken at significantly higher rates than in the other regions, an astounding 92 percent find their work to be dangerous.

Lost work time due to injury is common among the day-labor workforce. Two-thirds of day laborers have missed work following an injury (Table 6). The incidence of lost work time due to injury is highest in the Southwest and Midwest where 85 percent and 72 percent of workers have missed work, respectively. In many cases, work-related injuries can be severe, resulting in extended periods of time out of work. In the past year, 39 percent of injured day laborers have missed one week or less of work, another 39 percent have missed one to four weeks of work and 22 percent have missed more than one month of work (including 39 percent of day laborers in the Midwest). In addition, many day laborers continue to work despite having suffered an injury. In the past year, 68 percent of day laborers have worked while in pain, yet another indication of these workers' dire need for employment.

Several factors contribute to the exceedingly high rates of on-the-job injury among the day-labor workforce. These include exposure to hazardous conditions (including exposure to chemicals, dust and toxic emissions), use of faulty equipment (including poor scaffold construction and tools that are in poor condition), lack of protective gear and safety equipment, and lack of safety training (Buchanan, 2004; Mehta and Theodore, 2006; Walter et al., 2002). To a certain extent, day laborers face potentially dangerous because many are employed in the construction industry which itself has high rates of work-related injury. But the levels of on-the-job injury experienced by day laborers cannot solely be accounted for by the industry in which they are employed. The inescapable conclusions are that day laborers are hired to undertake some of the most dangerous jobs at a worksite and there is little, if any, meaningful enforcement of health and safety laws. Day laborers continue to endure unsafe working conditions, mainly because they fear that if they speak up, complain, or otherwise challenge these conditions, they will either be fired or not paid for their work (Mehta and Theodore, 2006).

**Table 6: Day Laborer Injuries** 

	Total (%)	West (%)	Midwest (%)	Southwest (%)	South (%)	East (%)
Share of day laborers that considers jobs dangerous	73	71	92	65	72	81
Share of day laborers that suffered a work-related injury	20	21	34	15	23	20
Share of day laborers that suffered an injury requiring medical attention	19	19	34	15	19	20
Share of injured workers that missed work due to injury	67	60	72	85	67	69
Number of work days by injured workers						
1 – 7 days	39	40	55	30	29	43
8 days – one month	39	40	7	47	47	36
30+ days	22	19	39	23	24	21
Mean number of days missed	33	26	35	32	41	39
Number of days working while in						
pain						
None	32	37	32	34	17	28
1-7 days	32	33	24	19	39	32
8 days – one month	25	17	27	35	38	28
More than one month	12	13	17	12	6	12
Mean number of days worked in pain	20	22	15	19	14	19

Source: National Day Labor Survey, 2004.

Among day laborers who have been injured on the job in the past year, more than half (54 percent) did not receive the medical care they needed for the injury, mainly because the worker could not afford health care or the employer refused to cover the worker under the company's workers' compensation insurance. It is likely that most of the work-related injuries suffered by day laborers that required medical attention should have been covered under workers' compensation policies. However, just 6 percent of injured day laborers had their medical expenses covered by their employer's workers' compensation insurance. In most cases, employers evade these costs (i.e., rising workers' compensation premiums), often by simply denying coverage to workers or by threatening workers with nonpayment of wages or other forms of retaliation should they attempt to file a claim.

## Employer Abuses and Violations of Labor Standards

Employer violations of day laborers' rights and violations of basic labor standards are an all too common occurrence in the day-labor market. Wage theft is the most typical abuse experienced by day laborers (Table 7). Nearly half of all day laborers (49 percent) have been completely denied payment by an employer for work they completed in the two months prior to being surveyed. Similarly, 48 percent have been underpaid by employers during the same time period. The nonpayment and underpayment of wages is a particular problem in the Midwest where 66 percent of day laborers were denied their wages in the two months prior to being surveyed, and 53 percent were underpaid. In fact, in every region of the country with the exception of the West (where the figure is still disturbingly high), at least half of day laborers have been denied their wages for work completed during the two months prior to being surveyed. Taken together, these figures reveal that wage theft is a routine aspect of day-labor work.

Wage theft is just one type of employer abuse endured by day laborers. During the two months prior to being surveyed, 44 percent of day laborers were denied food, water and breaks; 32 percent worked more hours than agreed to with the employer; 28 percent were insulted or threatened by the employer; and 27 percent were abandoned at the worksite by an employer. Finally, 18 percent of day laborers were subjected to violence by their employer during this time period (see also Valenzuela, 2006).

The above statistics on wage theft and other violations of basic labor standards indicate that the day-labor market is rife with employer abuse. These abuses further undermine the already-low earnings of day laborers, and they add to the instability and insecurity of day-labor work. Figures on employer abuse suggest that a significant segment of the employer base feels free to blatantly disregard U.S. labor laws and workers' rights. Yet these employers are able to continually hire day laborers because workers are in dire need of employment and because many day laborers believe that avenues for the enforcement of labor and employment laws are effectively closed to them. This belief is reinforced by the general climate of hostility that exists towards day laborers in many parts of the country.

Day laborers experience other hardships and abuses during their daily search for work, often drawing attention from law enforcement officials. We queried day laborers about their encounters with the police during the two months prior to the survey and 9 percent of them reported having been arrested when searching for work, 11 percent reported receiving police citations while at a hiring site, 15 percent reported having had their immigration status checked and 37 percent reported having been required by law enforcement officials to leave a hiring site. Private security guards also seek to disrupt day-labor hiring sites at or nearby the stores they patrol. Nine percent of day laborers have been insulted, harassed, or threatened by security guards in the two months prior to being surveyed. Harassment of day laborers by law enforcement and security personnel tends to be greatest in the Midwest.

Table 7: Day Labor Abuses, Selected Two-Month Period

	Total (%)	West (%)	Midwest	Southwest (%)	South (%)	East (%)
<b>Experienced at least one</b>						
instance of Employer Abuse						
Nonpayment of wages	49	44	66	52	50	54
Underpayment of wages	48	46	53	49	37	54
Worked extra hours	32	32	31	26	26	39
Abandoned	27	28	23	20	30	31
No Food/Breaks	44	46	41	37	41	46
Violence	18	17	27	15	9	25
Insulted	28	24	36	24	33	35
Experienced at least one						
instance of Merchant Abuse						
Insulted	19	19	21	23	19	16
Threats	9	10	10	9	10	6
Violence	4	4	4	4	4	4
Refused services	14	17	34	8	11	13
Called police	24	25	27	29	20	19
<b>Experienced at least one</b> instance of Police Abuse						
Insulted	16	15	11	19	25	11
Arrested	9	9	16	5	16	6
Cited	11	15	25	5	13	7
Confiscated papers	3	3	9	2	3	3
Forced to leave site	37	39	34	42	38	28
Immigration status check	15	17	27	14	12	12
Photographed/Video taped	13	17	24	11	8	10
Experienced at least one						
instance of Security Guard						
abuse						
Insulted, harassed, or threatened	9	12	12	8	6	7
Violence	4	4	7	2	4	4
Robbery	2	2	7	0.5	2	3
Called police or immigration authorities	12	15	6	9	7	8
Do not know where to report workplace abuses	70	70	56	75	67	69

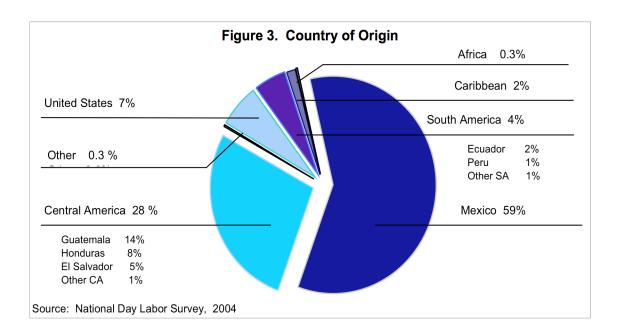
Source: National Day Labor Study, 2004.

Some local merchants and other businesses also attempt to deter day-labor activity by harassing workers, even though many others accommodate day laborers, largely because these workers contribute to business sales through their purchases of goods and services. Nearly one-quarter of day laborers had the police summoned by local merchants, 14 percent were refused services by local businesses, 19 percent were been insulted or verbally harassed by merchants and 9 percent were threatened by business owners in the two months prior to being surveyed.

## **Section IV**

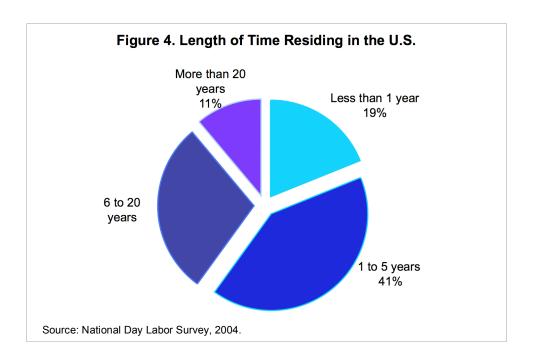
## The Characteristics of Day Laborers

The day-labor workforce in the United States is predominantly male (just 2 percent are female) and largely comprised of migrants from Mexico and Central America (Figure 3). More than half (59 percent) of day laborers were born in Mexico, 14 percent were born in Guatemala and 8 percent were born in Honduras. United Statesborn workers comprise 7 percent of the day-labor workforce, though in the southern region of the country, almost one in five day laborers was born in the United States. Three-quarters of the day-labor workforce are undocumented migrants. However, about 11 percent of the undocumented day-labor workforce has a pending application for an adjustment of their immigration status. It was not possible to determine how many of these workers may indeed be eligible for temporary or permanent immigration relief.



Overall, day laborers tend to be relatively recent immigrants. Almost one in five (19 percent) migrated to the United States less than one year before they were interviewed at a day-labor hiring site, while 40 percent has resided in the United States for one to five years (Figure 4). Less than one-third of day laborers (29 percent) has resided in the United States for between six and 20 years, and 11 percent has resided in the United States for more than two decades.

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The most common reason reported by day laborers for why they traveled to the cities and towns where they are now working as a day laborer is that they heard that job opportunities existed (46 percent). Although 90 percent of day laborers had held a job in their country of origin (just 15 percent were day laborers in their country of origin), many (29 percent) had been employed in the agricultural sector just prior to migrating to the United States. Throughout Mexico and Central America, this sector pays very low wages and has been undergoing a protracted period of industrial restructuring which has brought about mounting job losses across the region (Massey, Durand and Malone, 2002).

One-quarter of day laborers worked in the construction industry in their country of origin, and another 9 percent had been employed as factory workers. However, the construction and manufacturing sectors too have experienced widespread job losses throughout much of Latin America. Interviewer field notes confirm that immigrant day laborers usually reported having left their country of origin for economic reasons, and that they turn to day-labor hiring sites as a way to become integrated into the U.S. economy. More than three-quarters of the immigrant day-labor workforce (78 percent) learned about informal day-labor hiring sites after migrating to the United States. Contrary to frequent assertions by critics, day-labor work and formal and informal hiring sites is not the "magnet" that draws immigrants to this country.

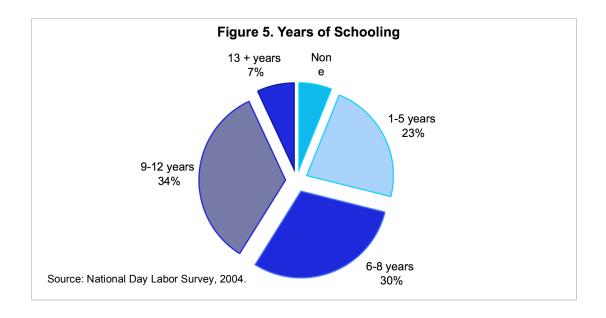
Many day laborers support themselves and their family through this work. A significant number of day laborers are either married (36 percent) or living with a partner (7 percent), and almost two-thirds (63 percent) have children. Twenty-nine percent of the children of day laborers are U.S. citizens born in the United States. Therefore, the need for day laborers to earn an income, in most cases, is made all the more urgent by the responsibility to support their family.

**Table 7: Day-Labor Worker Characteristics** 

Percentage
41
36
7
8
7
1
37
14
19
13
18
29

Source: National Day Labor Survey, 2004.

A small percentage of day laborers do not have any formal schooling (6 percent). The remainder of this workforce has been educated either in the United States or in their country of origin. Less than one-quarter of day laborers (22 percent) have five years or less of schooling, while 30 percent have six to eight years of schooling and 42 percent have nine or more years of schooling (Figure 5).



For many day laborers, work in this market is a brief transition in their careers, while for others it is long-term source of employment. A large share of the day-labor workforce (44 percent) has participated in this market for less than one year, 30 percent has been in this market for one to three years and 26 percent has been in this market for more than three years. These figures correspond to statistics on the tenure of day laborers in the United States. Short-term employment (less than one year) in this market suggests that a substantial share of day laborers are able to make the transition out of the day-labor market, presumably to better-paying, more stable employment. For 60 percent of day laborers, this work was the first occupation they had held in the United States, meaning that for many workers, day labor is the entry point into the U.S. labor market.

Most day laborers hope to make the transition out of this sector and into stable and better paying jobs. The overwhelming majority of day laborers (86 percent) are seeking regular, permanent employment. One in six (17 percent) day laborers currently has another job in addition to participating in the day-labor market, though most of these jobs are low paying. More than two-thirds of these jobs (68 percent) pay hourly wages of less than \$10, and nearly 80 percent are part-time. This likely reflects the need to supplement the low earnings generated by day labor. It also is possible that day laborers who are able to make the transition out of this labor market do so by holding multiple jobs before leaving the day-labor market entirely. For others, the more typical pattern may be to move in and out of standard employment arrangements in the mainstream economy and in and out of the day-labor market. More than half of day laborers (57 percent) have held a permanent job in the United States, mainly in the construction industry, restaurants and the manufacturing sector. For these workers, day labor may offer a source of income while they search for another permanent job elsewhere in the local economy.

The demographic characteristics of the day-labor workforce provide insights into the location of this labor market vis-à-vis the mainstream economy. A substantial segment of this workforce is marginalized and in a vulnerable position. Lacking legal immigration status yet in urgent need of earning an income to support themselves and their families, many day laborers find themselves exposed to the vagaries of a labor market that is rife with violations of basic labor standards. In many respects, then, the day-labor market bears a strong resemblance to the wider informal economy of which it is apart. Workers are paid in cash, employment is insecure, and government regulation of wages and working conditions is weak or nonexistent. At the same time, the day-labor market provides limited pathways for some workers to enter the formal, mainstream economy. Through their participation in day labor, many workers are able to accumulate experience, develop skills and enhance their job-search networks, thus improving their chances of leaving this market for more stable employment. Other workers use day labor as a buffer for eventualities like the temporary or permanent layoffs that are exceedingly common in the low-wage segments of the U.S. economy. In this respect, day labor is simultaneously the employment of last resort, a source of income following job loss, and a pathway back into the mainstream economy. For still others, day labor is perhaps the

best job that they can reasonably hope to obtain. Job opportunities in their country of origin have deteriorated badly and their qualifications place them near the bottom of the U.S. labor market providing limited choices for employment. Perhaps the best chance for these workers to escape poverty-level wages is to improve their qualifications through on-the-job training in the day-labor market, thereby increasing their job opportunities over the long run.

So the day-labor market is something of a paradox. On the one hand, it is characterized by routine violations of basic labor standards, the workforce endures the hardships associated with low earnings levels and public opinion in some parts of the country has turned against day laborers. On the other hand, employer demand for the services of day laborers is strong and growing, and a substantial share of the day-labor workforce has made the transition to other areas of the economy where they are employed as construction workers and factory production workers, among other occupations. Seen in the light of the findings of this study, day labor occupies an unusual position in the U.S. economy. It is, at the same time, both *disconnected* from the mainstream economy given the rampant violations of employment and workplace safety laws that are found in this labor market, and *connected* to the mainstream economy by virtue of the role it plays in a dominant industry (construction) and the pathways between employment in the day-labor market and jobs in other parts of the economy. The final section of this report considers approaches to placing a floor under wages and working conditions in the day-labor market.

#### Section IV

## **Worker Centers: Safeguarding Labor Rights in the Day-Labor Market**

As highlighted in this report, day labor is a nationwide phenomenon and it is growing. The sheer number of hiring sites, combined with their presence in every region in the country, reflects the enormous breadth of this labor market. The growth of daylabor hiring sites is a national trend that warrants attention from policy makers at all levels of government.

The top policy priority is clear: safeguarding, improving and enforcing labor standards in the day-labor market. Our findings reveal that the day-labor market is rife with violations of worker' rights (see also U.S. General Accounting Office, 2002). Day laborers regularly are denied payment for their work, many are subjected to demonstrably hazardous job sites, and most endure insults and abuses by employers. These employer practices prevail because the day-labor market is largely unregulated and because workers believe that they do not have an effective means of seeking recourse against abusive employers. This belief that formal legal channels through which wage theft and other illegal employer behavior can be challenged are closed to day laborers stems from the interaction between U.S. immigration law, employer practices and the economic deprivation of much of the day-labor workforce. The high incidence of labor rights violations is directly related to the status of most day laborers as undocumented immigrants, as well as to the economic marginalization of this workforce, and both of these factors have a profound effect on the day-to-day functioning of the market for day labor.

Day laborers are primarily workers who have migrated to the United States to search for work in response to economic hardships in their country of origin. With the need to immediately earn an income, they find themselves in a vulnerable position, are forced to accept most any job. The high incidence of wage theft, exposure to unsafe working conditions, and other worker abuses highlighted in our study indicate that employers often take advantage of day laborers' pressing need for work. Because most day laborers are working without immigration documents, exploitative employers are emboldened to withhold wage payments, abandon workers at job sites and subject workers to other abuses, including physical violence. Employers are often able to deter workers from contesting these violations by threatening to turn them over to federal immigration authorities. Even when employers do not make these threats overtly, day laborers, mindful of their status, are reluctant to seek recourse through government channels.

As a result, violations of basic labor standards have become a taken-for-granted feature of day-labor markets. One of the most important ways that workers in the informal economy take legal action against abusive employers is through workers' rights advocates employed by community-based organizations. However, a 2002 survey of day laborers in the New York metropolitan area found that only about 10 percent of day laborers have turned to community organizations to assist them in addressing workplace

concerns or in taking action against an abusive employer (Meléndez, Theodore and Valenzuela, 2006). This disconnect between day laborers and civil society organizations is exceedingly problematic for day laborers since nearly two-thirds reported that they do not know their rights as a worker or as an immigrant residing in the United States. Furthermore, 70 percent of day laborers nationwide do not even know where to report a workplace violation. As a result, abusive employers are often able to continue to violate workers' rights with impunity.

But this is changing. A growing cadre of day-labor worker centers has begun to challenge employment abuses in cities across the United States. There are at least 63 day-labor worker centers operating in 17 states, as well as another 15 community-based organizations that work closely with day laborers who seek work at informal hiring sites. Worker centers formalize day-labor employment by allowing workers to safely search for jobs and encouraging employers to hire day laborers from their premises. By monitoring working conditions and informing day laborers of their rights, worker centers serve, in the words of one director, as a "safe haven for workers to negotiate their job and not be on the street." In some cases these sites are no more than an enclosed, open-air venue with seats or benches. But many others are located in commercial buildings where they coordinate workers' rights activities, provide emergency services and sponsor community events. In short, they function as full-service community organizations.

## Restoring the Floor: Worker Centers as New Labor Market Institutions

Because they intervene effectively in the day-labor market, worker centers have emerged as the most comprehensive response to the workplace abuses that day laborers endure as well as to address community tensions that have arisen as a result of workers gathering near residential areas. Fundamental to their value is the ability of worker centers to intervene on both the demand and supply sides of the day-labor market. On the demand side, worker centers monitor the actions of employers, increase the transparency of the hiring process and provide an institutional foundation for holding employers accountable for workplace abuses. On the supply side, they organize and normalize the hiring of day laborers, monitor worker quality and provide opportunities for worker incorporation into the mainstream economy through employment assistance and, in some cases, skills training. The contributions of worker centers go beyond the day-labor market itself. In the communities in which day laborers work and live, these centers participate as key stakeholders in the resolution of neighborhood conflicts over day labor.

This portrait of worker centers may come as a surprise to those familiar with the negative attention received by worker centers in Herndon, Va.; Phoenix, Ariz.; and Farmingville, N.Y. Media accounts in those cities and others have misrepresented the functions and activities of worker centers by labeling them as "magnets" for undocumented immigration (even though 83 percent of day laborers learned of this market after migrating to the U.S.), as illegal gathering places, or as a waste of public resources. The ensuing controversy has obscured the important role of worker centers in establishing a floor under wages and working conditions in the day-labor market. Lost in the rancorous debate that is underway in some cities is that investment in day-labor

worker centers is a prudent, practical and fiscally responsible policy that communities across the United States should carefully consider. Indeed, the vast majority of worker centers were opened with little fanfare or controversy because various stakeholders, including day laborers, employers and community groups, came together to proffer thoughtful and pragmatic solutions to local concerns.

This leads to the question of how worker centers should be established, and how they can be linked to existing community institutions. The variety of existing models suggests that the worker center strategy can successfully be adapted to local conditions, and that these centers can be effective in a wide range of local contexts including operating in central business districts, residential neighborhoods and suburban locations. Many communities have entered negotiations with home improvement stores to support the opening of worker centers (e.g., Burbank, Calif.). Others have worked closely with city planning departments and elected officials to secure resources to create sanctioned hiring sites. The point is not that there is a single best-practice model or strategy for opening a worker center, but rather that the process should bring together day laborers, employers, merchants, residents and other community stakeholders, and the public sector to devise appropriate strategies. Above all, the creation of worker centers is a pragmatic solution. Day labor continues to grow in the United States, and implementing programs that can ensure that safeguards are in place to protect workers is now an urgent matter demanding attention.

From our observations and interviews of coordinators of worker centers across the United States, we have found that several key elements should be in place for a worker center to be effective. First, worker centers should be visible and centrally located near where day laborers search for jobs and where employers look for workers. Second, when worker centers are discussed as a local policy response, day laborers and employers should be involved in those conversations. Third, most worker centers operate on minimal budgets; efforts should be made to generate creative cost-sharing streams, that include public-sector resources, contributions from local businesses, private donations and foundation grants to ensure the sustainability of centers. Fourth, the creation of worker centers often occurs in conjunction with the passing of anti-day-labor solicitation ordinances that require workers to vacate open-air hiring sites in favor of workers centers. Such measures usually are enforced through aggressive policing. However, these policies are counterproductive; they ignore issues of labor demand, misallocate police resources as law enforcement officers are tasked to issue citations or arrest day laborers who are simply looking for work, and their main impact is to penalize day laborers who search for work in public spaces. Finally, expectations for worker centers must be realistic. We have observed that the most successful worker centers have existed for many years, and that the incubation period for employer, worker, merchant and resident buy-in should not be underestimated. Time and resources are necessary if worker centers are to develop the capacity to effectively intervene in the day-labor market.

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<sup>&</sup>lt;sup>4</sup> As part of our national study, we surveyed all 63 day-labor worker centers that were in operation in 2005, as well as 15 community-based organizations that work with day laborers. The findings from this component of our study will be released as a separate report.

## **Policy Recommendations**

Day labor is a complex issue, and there is no single solution to the conflicts it has generated. A practical approach to many of the problems highlighted in this report is offered by worker centers. We recommend the creation of additional worker centers in cities across the country because we believe they can dramatically and immediately improve conditions in the day-labor market.

While worker centers are an appropriate programmatic intervention at the local community level, fully responding to the myriad problems, violations and abuses in the day-labor market also requires a broader policy approach that includes:

## 1. Improving enforcement of labor and employment laws:

- All levels of government must ensure that the agencies charged with enforcing existing labor and employment laws are staffed appropriately and have the necessary resources to protect low-wage workers.
- Agencies responsible for enforcing labor and employment laws should hire bilingual staff and improve their capacity to serve low-wage immigrant workers by developing culturally and linguistically appropriate educational tools. Government agencies can develop partnerships with worker centers and other community organizations to plan and carry out such outreach and education efforts.
- There must be targeted enforcement by state and federal labor departments to ensure that all workers, regardless of immigration status, are getting paid for the work they have performed.
- Federal and state agencies charged with enforcing health and safety laws must prioritize targeted inspections and enforcement of high-risk workplaces for low-wage workers.
- Existing labor and employment laws must be amended to reflect the changing economic structure, which has resulted in an increased number of contingent workers being left without protection.

#### 2. Increasing the resources available to address labor conditions:

- Low-wage workers must have access to legal services that assist workers in redressing the plethora of labor violations.
- Access to legal services must not be restricted based on immigration status.
- There is a need for increased funding for community organizations and worker centers that assist workers in defending their labor and civil rights.

## 3. Expanding workforce development opportunities:

- Workforce development strategies that can help day laborers make the transition from the informal economy into better jobs must be implemented.
- Educational and training opportunities that assist low-wage workers who are limited-English proficient in acquiring the necessary skills to obtain better paying and stable jobs are needed.
- Government agencies and the private sector must develop workforce development strategies that undocumented immigrants can also access.

## 4. Enacting realistic immigration reform:

- Congress must enact realistic immigration reform that normalizes the immigration status of undocumented migrants.
- Criminalizing undocumented workers and deputizing local police officers as immigration enforcement agents is not a viable solution, and only diverts local resources away from the real reform that is need.
- Immigration reform must address the family visa backlog and provide a path to citizenship to the undocumented migrants currently working in the United States.

## **Appendix**

#### **Data Collection Procedures**

A survey of day laborers, a highly visible, yet largely unknown population requires creative research approaches. Three factors make the fielding of a survey challenging.

- 1. Day laborers are employed by many different employers for a variety of jobs ranging in length from several hours to several weeks. 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 economy. 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.
- 2. Hiring sites, while usually quite visible, are nevertheless difficult to keep track of in their totality. New sites emerge, old sites disappear and some sites are difficult to find.
- 3. Day labor may be a temporary occupation. Some day laborers may be doing this type of work as a temporary holdover from a layoff or firing. Alternatively, workers in this market may be holding part- or full-time employment in the formal labor market and undertaking day-labor work to supplement their wages. Others may be using day-labor work as a stepping stone to regular employment in the formal labor market. The point is that at any given time, who is and who is not a day laborer is fluid.

To address these issues we sought to identify as many day-labor sites as possible, develop a random sampling frame and employ a screening mechanism that would allow us to identify day laborers. Prior to implementing our survey we initially identified more than 500 sites in 46 Metropolitan Statistical Areas (MSAs).

## **Site Identification**

We spent five months (November 2003-March 2004) identifying hiring sites and day-labor populations in the cities in each of the MSAs selected in our sample. Several procedures were used to identify day-labor hiring sites. First, we contacted community-based organizations, advocacy groups, churches, home improvement stores, police departments, city planning departments and merchants, as well as conducted Internet searches (i.e., looked at newspapers, websites, articles) to identify as many sites as possible within each MSA. We identified more than half of the hiring sites using this method

Because our study's methodology required that we verify the presence of day laborers in each of MSA, we undertook a scouting exercise. We also needed to confirm our data sources, particularly in those MSAs in which we were not confident that day-labor sites exist. In May 2004, we sent nine researchers to "scout" all of the MSAs that had conflicting or "thin" information about day laborers in that region. As a result of this exercise, we were able to confirm our site identification research and eliminate those sites that did not have a day-labor population. We also identified new sites using a "referral" system that in many ways resembles snowball sampling. We approached day laborers at different sites and asked them where else they go to search for work and asked workers at those new sites the same question. This method led to the identification of additional sites. While in the field scouting, we took extensive notes, including the counts of day laborers at each site, time of day workers gather, surrounding stores, amount of foot and automobile traffic, and demographic information, and labor exchanges were witnessed.

### **Categories of Day-Labor Sites**

In examining the 264 sites in our sample, two basic site types emerged. The first type of site we call "informal" which represents those sites that are: (1) connected to some specific industry such as painting (Dun Edwards, Standard Brand), landscaping or gardening (nurseries), moving (U-haul) and home improvement stores (Home Depot, Home Base), or (2) do 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 has existed for many years). The second type we call "formal" which represents day-labor worker centers that are either administered by a city or county, or managed by a community-based or faith-based organization and provides a space where workers and employers can negotiate the terms of employment.

Day laborers were found in 221 informal sites and 43 formal sites in 139 cities and in 36 sampled MSAs throughout the United States (Table A).

Table A: Day Labor Sites

Type of Day-Labor Site	Number of Sites	Number of Respondents
Informal	221	2,214
Formal	43	446
Total	264	2,660

Source: National Day Labor Survey, 2004.

Each site varied in size. *Small* sites were defined as having 25 or fewer day laborers present. *Medium* sites consisted of 26 to 50 day laborers present, and sites that had between 51 to 100 day laborers were considered *large*. *Mega* sites had more than 100

day laborers present (Table B). These site sizes are based on an initial count. They were subsequently revised when the research teams visited each site to survey workers.

**Table B: Size of Sites** 

Size of Site	Frequency	%
Small Site (≤25)	129	49
Medium Site (26-50)	86	33
Large Site (51-100)	39	15
Mega Site (100+)	6	2
Other Identified <sup>5</sup>	4	2
Total	264	101

Source: National Day Labor Survey, 2004.

## Sampling Framework

The National Day Labor Survey adapted conventional survey sampling techniques, and supports statistical generalizations regarding:

- Day laborers found at the 264 sites in 36 sampled MSAs and throughout the United States on a typical day.
- Day laborers found at *all* sites in the 36 sampled MSAs and throughout the United States on a typical day.
- Persons in the 36 sampled MSAs and in the United States who seek work as day laborers.

Using information (i.e., field notes, counts of day laborers) from our site identification research carried out during November 2003-March 2004 and the scouting exercise in May 2004, we were able to establish "selection" counts for each site. Selection counts (a predetermined set of numbers) were based on the size (total number of day laborers) of the hiring sites prior to the survey conducted in July and August of 2004. Upon arrival at a given site a total count of all workers was taken at 6:30 in the morning. The count was repeated every hour until 10:30 a.m. and included day laborers that arrived after the initial count had been made. After all the workers had been counted the selection count was administered and potential survey participants were identified. Each worker who fell within the selection count (a random number) was approached and asked to participate in the survey.

<sup>&</sup>lt;sup>5</sup> There is no data for the number of workers at four sites. The surveys collected there had a minimum impact on the study.

To determine which areas we would survey at, a total of 48 MSAs were randomly selected for our sample. The variables used to determine the selection for our sample were: (1) Size of total population, and (2) size of Latino population. MSAs were divided into four strata:

- Stratum 1 = small total population (<295,000) and small Latino population (<13,000);
- Stratum 2 = small total population (<295,000) and large Latino population ( $\ge13,000$ );
- Stratum 3 = large total population ( $\geq$ 295,000) and small Latino population (<13,000); and
- Stratum 4 = large total population ( $\geq$ 295,000) and large Latino population ( $\geq$ 13,000).<sup>6</sup>

We planned to sample a total of 50 MSAs. In order to give a higher probability of selection to cities with a large total population and a large Latino population (Strata 4), where we expected day laborers to concentrate, we implemented a disproportionate stratified sampling frame. Therefore, we selected 30 MSAs from Stratum 4; 5 from Stratum 2; 5 from Stratum 3; and 10 from Stratum 1, giving us a total of 50 MSAs.

The sample was selected through a systematic random sampling process whereby all MSAs were put on a list, a random-number table was used to generate a starting place, and MSAs were selected according to a selection rate. To determine the selection rate, we divided the total number of MSAs within each stratum by the number of MSAs that were going to be selected from that stratum.<sup>7</sup> Thus if we selected a random number (12) we start at MSA number 12 and select every nth (selection rate) MSA moving down the list.<sup>8</sup>

In order to ensure probability of selection proportional to population size, we listed each MSA as many times as it is divisible by the smallest MSA. Thus, the total population of each MSA is divided by the total population of the smallest MSA within the same stratum. Then, depending on the number of times the MSA is divisible by this number, it was repeated in the list.

This selection gave us a total of 48 MSAs (two of the "mega" MSAs were repeated). Once we implemented the scouting exercise, we identified 13 MSAs that did

<sup>7</sup> If, for example, the total listing (including the repeated listings) was 300 and we expected to draw 30 MSAs from that strata, the  $n^{th}$  selection rate would be  $300/30 = \text{every } 10^{th} \text{ MSA}$  on the list was selected into the sample, after choosing a random starting point.

<sup>&</sup>lt;sup>6</sup> These categories were chosen on the basis of median figures for both variables (e.g., small population and Latino population).

<sup>&</sup>lt;sup>8</sup> Within each list, regions were listed in a "serpentine" fashion where we start from the Northeast and work our way to the Midwest, South, Southeast, and West in order to make the systematic random selection yield a more geographically representative sample.

not have a day-labor population. Thus, we were left with 35 MSAs that were confirmed having a day-labor population. In order to collect data on a representative number of worker centers, we included another 11 MSAs with worker centers but that were not selected as part of the random sample. The site count information from the randomly sampled MSAs was used to make the national estimate of day labor for all areas exclusive of the area represented by the supplemental group of 11 MSAs. The MSA day labor count for these 11 MSAs was added to the national day labor estimate based on randomly sampled MSAs to produce the total national day labor estimate.

Due to budget restrictions and time constraints we were unable to survey at all of the identified day-labor hiring sites in the 46 MSAs. Keeping with these limitations, we elected to visit all known sites except for some sites in Los Angeles, New York and Orange County. We used several criteria to select sites in these locations. These criteria included the location of the site in the greater metropolitan area and the number of workers (size) at the site and whether or not the site identified was informal or a worker center. Our goal was to obtain a geographically diverse number of hiring sites in all the 264 sites in the 46 MSAs throughout the United States.

A total of 2,660 surveys were completed. The majority of the interviews were administered in Spanish and all were conducted face to face. The survey was undertaken during a continuous seven-week period (the last week of June to mid-August 2004). Each interview included more than 100 questions including charts. The survey took about 35 minutes to complete. Participation in the survey was voluntary and respondents were given \$10 for answering our questionnaire.

#### **Estimate of the Day-Labor Population in the United States**

The number of persons included in the survey in each site is assumed to be less than 100 percent of the day-labor population accessing the day-labor market. The model developed assumes:

- 1. an individual does not use more than one site to access the market on a given day.
- 2. workers may secure multiple-day assignments and therefore might not return to the hiring site every day.
- 3. the number of workers observed in the survey count likely *underestimates* the day-labor population, because it only includes day laborers who were seeking employment at the time of the survey or were excluded for other reasons.
- 4. the number of sites identified are the only sites in each of the selected metropolitan areas, thus the estimates offer at best a lower bound since it is very likely that survey researchers missed a number of hiring sites because those sites were unknown to the day laborers interviewed and the key informants contacted during the site identification phase of the study.

Estimating a day-labor population relies on several simplifying assumptions. For most sites, we had counts prior to the day of the survey and during the day of the survey. First, we assume that if a worker was at the site when the interview was conducted that the worker did not work that day. We had a few surveys that were not completed because workers obtained work while interviewing them, but these surveys were excluded from the analysis. There is no data for the number of workers at four sites because the "counter" was unable to take a count of the site (the site might have been too big, the police may have disrupted the site, or some other problem was encountered) or the sheet was lost.

The total number of workers at the sites was 39,452, as indicated (Table D). It is important to note the variability of the site sizes. The number of workers at any given site is an overall indication of the labor pool of day laborers in the area.

Table D. Observed Average Number of Day Laborers at the Sites

		Average Workers at	Total Number of
Size of Site	Number of Sites	site	Workers
Small Site	129	16	9,273
Medium Site	86	35	14,181
Large Site	39	66	12,620
Mega Site	6	116	3,378
Others Identified	4	N/A	N/A
Total	264	33	39,452

Source: National Day Labor Survey, 2004.

To estimate the total population of day laborers in the United States we assume that for any given site, there are workers seeking work at the site when the interviews were conducted and workers that have secured worked for that day, and therefore are not observed at the site. The total day-labor population for site j is then the sum of those observed at the site (ODLj) and those not observed (NDLj) when the interviews were conducted:

$$TDLj = ODLj + NDLj$$

The ODLj is equal to those counted at the sites during the interviews, adjusted for the sampling stratification, or 39,452. NDLj is simply a function of the probability of not being at the site the day the interviews were conducted. To estimate this number, we used known parameters from the day laborers interviewed at the sites. We define NDLj as the inverse of the average days looking for work (DLWj) in a typical week for workers at site j, minus the average days employed in a typical week (DWWj), divided by the average days looking for work in a typical week:

$$NDL_j = 1/[DLW_j - DWW_j)/DLW_j)$$

These two coefficients are estimated from the survey data for each SMA.

The Total Day Labor estimate is adjusted with these site-specific parameters, then summed to produce an estimate for each MSA within each of the four population strata. The sum of MSA counts within each stratum is then inflated by the ratio of population in the sampled strata to the total strata population in order to estimate the number of day laborers in the entire set of MSAs (sampled and unsampled) within each stratum. These strata level counts are summed across the four sampling strata plus the counts for the 11 supplemental MSAs to produce the total estimate of day laborers for the nation.

Thus, based on these parameters, the day-labor population in the United States is estimated to be 117,647. Given the restrictive assumptions explained above, this figure is likely to underestimate the total day laborer population in the United States.

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