Non-Regular Employment in the U.S.: A Profile

ABEL VALENZUELA JR.
PROFESSOR AND DIRECTOR
UCLA CENTER FOR THE STUDY OF URBAN POVERTY

PRESENTATION FOR JILPT SEMINAR ON NON-REGULAR EMPLOYMENT TOKYO, JAPAN

FEBRUARY 25, 2011

Presentation Objectives

- Broad Overview of Non-regular Employment in U.S.
- Characteristics of Non-regular Employment Regime
- Conclusion and Intervention Possibilities

Non-regular Employment in the U.S.

- Multiplicity of terms to describe and define non-regular employment, including:
 - Temporary, Part-time, Contingent, Non-standard, Flexible, Precarious, Short-term.
- Also difficult to define given shifts and reconfigurations of non-regular employment markets. The most used definition (U.S. Bureau of Labor Statistics) is: any non-normative work that does not involve a full-time wage and/or salary, and is structured as temporary.

Non-regular Employment in the U.S.

- Number of workers: 20-32% of workforce or 26-43 million (2005).
- Varied jobs; from well-compensated independent financial consultants to low skilled construction day laborers (casual workers)
- Part-time work represents largest percentage (13.2%), followed by independent contractors (7.4%), self-employed/entrepreneurs (4.4%).
- Other types of non-regular arrangements include on-call workers and day laborers, (2%), agency temps (1.0%), direct hire temps (2.1%), and contract company workers (.6%).

Non-regular Employment in the U.S.

Non-regular employment: a bifurcated market?

- Well compensated at the top
- Poorly paid, dangerous, and unstable at the bottom
- Men and Whites concentrated at the top, women, students, immigrants, and minorities concentrated at the bottom.
- Stability of employment is uneven at the top and the bottom.

Worker Characteristics

- Majority of workforce is white, aged 25 or older
- o Compared to regular employment, non-regular workers are likely to be young, female, Black, and Hispanic (Latino).
- Workers have lower incomes and fewer benefits.
- One in Five workers have family incomes less than \$20,000 (twice as high as regular workers)
- Only 13% had employer based health insurance

Regulations

All employers must abide by standard labor laws, including:

- \circ Minimum wage (\$7.25 or 580¥)
- OSHA Standards (Occupational Safety and Health Administration.
- Anti-discrimination laws (gender, race, disability, and sexual orientation.
- Workers are required to pay into social security insurance

Enforcement is uneven

- o Infractions on Part-time workers and independent contractors are harder to circumvent; reported and unreported abuses occur at the lower-end.
- Enforcement of labor laws are almost non-existent among the other nonregular employment arrangements.

Growth of Non-regular Employment

- Long history in the U.S., burgeoning since the mid-1970s.
- Economic Restructuring & Growth of Flexible labor.
- Industrial Policies
- Immigration & Supply of Labor
- Globalization

Non-regular Employment Arrangements

- Contingent Employment
- Part-time work
- Temporary staffing work
- Independent contracting

- Short-term and On-call employment
- Day labor
- Informality

Part-time Employment

80% of total non-regular workers.

Occupies an increasing share of workforce; 13% in the mid 1955, 18% in the 1990s.

Part-time: less than 35 hrs.

Bifurcated by race, gender, education, immigration status, and age.



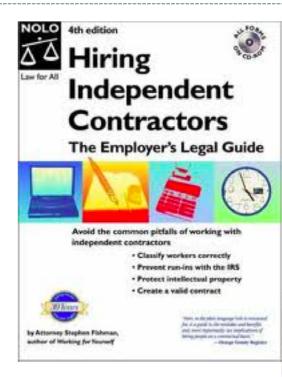




Independent Contracting

Shares characteristics with entrepreneurs, are self-employed, and are more likely to have family income above \$50,000.

Many have a graduate degree compared to other workers in nonregular employment.







Temporary Staffing Agencies

Mostly blue collar work, low end jobs.

Increasingly upgrading to include white collar, professional, technical, and specialized jobs

The low end is particularly pernicious, poorly paid, abusive, and explicitly located in poor, immigrant, and minority neighborhoods to draw on large, unemployed labor pool.







On-Call and Short-term Workers

Involves fixed-term contracts — usually short-term (1-3 weeks) and directly with employer & worker.

Seasonal employment

Project completion

Substitute Teaching

Catering, domestic work, and nursing.

Emergency clean up workers.



Day Labor and other Informal Workers

Primarily men, though women participate in other informal work arrangements.

Immigrant (legal and illegal) concentrated

Poorly paid, unregulated, and abuses are frequent.



Employment Outcomes

- Despite federal and state laws, inequality (earnings, abuses, injuries, permanence) between regular and non-regular employment is significant, with greater unequal outcomes at the lower-end of non-regular employment.
- Gender, race, immigration status, and age, are key characteristics that delineate uneven outcomes among workers in non-regular employment.
- Not all non-regular employment is poorly paid, but a significant portion is and the bottom end is especially bad in other ways (wages, abuses, turnover, mobility)
- Equal pay for equal work: yes in the better paid occupations, doesn't exist at the lower-end.

Concluding Points

- Despite a legal apparatus in place, abuses and illegal practices are frequent in nonregular employment.
- Federal intervention, aside from the legal apparatus, is minimal and rarely if ever targets the low-end of non-regular employment. Some Federal programs and \$ focus on Employment & Training, Workforce Development and Apprentice programs. Likely to disappear in the current austerity debate in Congress.
- Union organizing of non-regular employment is almost non-existent and to the
 extent that it occurs, it does not focus on the bottom-end of non-regular
 employment. Union density and power is increasingly diminishing True for the
 past four decades.

Concluding Points

- Innovative, community based, advocates and organizers are intervening where the State and Organized Workers (unions) will not. Success is uneven, limited, incremental, and extremely difficult to obtain. But victories, including state and local legislations are making a difference in some sectors of the non-regular employment market (domestic workers, day laborers, restaurant workers, taxi cab drivers).
- Worker Centers are increasingly staging important victories by organizing nonregular workers in "out-of-the-box" union models, emphasizing leadership training, capacity building, apprentice, and other supply-side interventions.
 Worker centers also serve as important community institutions to integrate marginal workers into better paying and stable jobs.