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Unauthorized Mexican Immigration, Day Labour and other Lower-wage Informal Employment in California

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Abstract

Marcelli E. A. (2004) Unauthorized Mexican immigration, day labour and other lower-wage informal employment in California, Reg. Studies 38, 1–13. Consistent with the marginalization but not the globalization hypothesis, this paper finds that the level of lower-wage informal employment in California during the 1990s fell from 17% to 14% of the labour force; informal workers were more likely to be male, younger, non-white, foreign-born, and employed in the Personal Service and Agriculture sectors; and a Californian was more likely to work informally if residing in a relatively less populous, lower-income region with a relatively high rate of home ownership. Although welfare use had a positive effect on the probability of working informally in 1990, thereafter it did not.

Marcelli E. A. (2004) L’immigration clandestine en Mexique, la main-d’oeuvre journalière, et d’autres catégories de travail informel à plus bas salaire en Californie, Reg. Studies 38, 1–13. En accord avec l’hypothèse de marginalisation mais non pas avec l’hypothèse de mondialisation, cet article trouve que le niveau de travail informel à plus bas salaire en Californie dans les années 1990 a baissé de 17% jusqu’à 14% de la population active; il s’est avéré que les travailleurs informels étaient masculins, plus jeunes, de couleur, étrangers, et employés dans les services aux particuliers ou dans l’agriculture; et il était plus probable qu’un Californien aurait un emploi informel s’il habitait une région moins peuplée, où le revenu était moins élevé, et où la propriété d’habitat était plus importante. Quoique le bien-être joue un rôle non-négligeable quant à la probabilité que l’on aurait un emploi informel en 1990, dorénavant ce ne fut plus le cas.

Marcelli E. A. (2004) Ungesetzliche Einwanderrung von Mexikanern, Tagelöhner und andere gering bezahlte, informale Arbeit in Kalifornien, Reg. Studies 38, 1–13. Im Einklang mit der Hypothese der Marginalisierung, doch nicht der Globalisierung, stellt dieser Aufsatz fest, daß das Ausmaß gering bezahlter informeller Arbeit in den neunziger Jahren in Kalifornien von 17% auf 14% der Arbeiterschaft gefallen ist; informelle Arbeiter waren meist männlichen Geschlechts, Nicht-Weiße, im Ausland geboren und als persönliche Dienstboten oder in der Landwirtschaft beschäftigt, und ein Kalifornier arbeitete meist ohne festes Anstellungsverhältnis, wenn er in einer relativ dünn besiedelten Region mit geringem Einkommen, doch relativ hohen Eigenheimrate wohnte. Obschon Inanspruchnahme der Wohlfahrtsdienste in den neunziger Jahren eine positive Wirkung auf die Wahrscheinlichkeit informeller Tätigkeit ausübte, war dies danach nicht mehr so.

Marcelli E. A. (2004) Inmigración mejicana no autorizada, trabajo diario, y otras formas de trabajo informal de baja remuneración en California, Reg. Studies 38, 1–13. Consistente con la hipótesis de marginación pero no con la de globalización, este artículo descubre que el nivel de empleo informal de baja remuneración en California descendió de un 17 a un 14 por ciento de la población laboral durante los años 90. Los trabajadores informales tendían a ser hombres, jóvenes, no blancos, extranjeros y tendían a estar empleados en los sectores del Servicio Doméstico y en la Agricultura; y era más probable que un Californiano trabajase informalmente si residía en una región relativamente menos poblada, con ingresos más bajos y con una proporción relativamente alta de propiedad de vivienda. Aunque el uso de protección social tuvo

efectos positivos en la probabilidad de trabajar informalmente en 1990, no fue así a partir de entonces.

Keywords:

Immigration | Informal work | Day labour | Welfare | Inmigración | Trabajo informal | Trabajo diario | Protección social

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Notes

This definition differs only slightly from the definition of informal employment by Portes et al., 1989, p. 12, which emphasizes employment not effectively regulated in a context where similar work is. In other words, whereas Williams and Windebank, 1998, focus on the behaviour of those engaged in informal work, Portes et al., 1989, emphasize state efforts to control it.

For example, California has a ‘Strike Force on the Underground Economy’ attempting to capture an estimated $3 billion (of an estimated $60 billion) in lost tax revenue from the state’s underground economy (California Department of Industrial Relations, 1994a).

For the US it ranged from 7% to 14%.

More indirect approaches employ aggregate non-monetary (e.g. industry or firm), monetary (e.g. cash-deposit ratio or high denomination note), or income/expenditure

data. More direct approaches, on the other hand, typically use participant observation or other ethnographic methods to investigate the nature of informal work.

There are some valid concerns with the predictive accuracy of this procedure. The percentage concordant pairs for the residency status prediction equations range from 83% to 85%. Thus, some of the individuals in the LAC-MIRSS sample are incorrectly classified by the demographic variables. The methodology further assumes that the predictive coefficients obtained from one year (e.g. 1994) and one geographical location (e.g. Los Angeles County) may be usefully applied to other years and other regions in California. This assumption is problematic only to the extent that factors explaining legal status among foreign-born Mexicans change over time and vary from region to region. However, recent work that has applied the coefficients generated from this survey to all non-citizen, non-Cuban Latinos has generated an estimated number all unauthorized Latino (Mexican plus all other non-Cuban Latino) immigrants that is less than 1% lower than that interpolated from aggregate-level estimates generated by the Immigration and Naturalization Service using a non-survey-based 'composite' methodology. Specifically, Marcelli, 1999, estimated that there were 146,838 unauthorized Latino immigrants in Los Angeles County in 1990, and the number interpolated from Warren's, 1994, composite (components-of-change and residual methods combined) estimate was 147,350. Thus, assuming it unlikely that both figures are inaccurate, I have some confidence that the estimated number and characteristics of unauthorized Latino immigrants generated by this survey-based estimation methodology are reasonable. And despite the limitations noted above, it appears that the legal status prediction equation generates believable estimates not only of unauthorized Mexican immigrants but also of unauthorized other Latino immigrants, two groups that constitute a large share of all unauthorized immigrants residing in California.

Importantly, it is not here being argued that violations of labour and other state regulations are limited to industries with a high immigrant presence (Gramlich, 1976; Ashenfelter and Smith, 1979).

A California Department of Industrial Relations, 1994b, survey conducted with the United States Department of Labour, for example, found that more than one-half of all garment manufacturers were paying below the minimum wage and 68% were in violation of federal and state overtime requirements. Importantly, such 'sweatshop' conditions are not limited to the garment industry (Waldinger and Lapp, 1993; Williams

and Windebank, 1994), and although the methodology used here unfortunately misses much higher-wage professional informal employment, it permits an estimate of lower-wage informal employment across all industry sectors in California.

Button, 1984, offers four regional explanatory factors: the availability of resources to work informally, the burden of working formally, isolation from formal markets, and the demand for goods and services produced informally.

It is not possible to predict legal status among foreign- born Mexicans from 1991 to 1993 because the March Current Population Survey does not include questions concerning country of birth until 1994. Consequently, estimates must be generated for 1990 from the 1990 Public Use Microdata Sample and from 1994 forward using the March Current Population Survey files.

Each parameter coefficient reported in Table 2 may be converted into a probability by multiplying it by the mean of the lower-wage informal employment dependent variable (18·5%) and one minus the mean. After this transformation, males are found to be 5% more likely to have worked informally than females, and an ethno- racial minority was about 7% more likely than a non- Latino white labour force participant on average. Similarly, one was 3% less likely to have worked informally in the mid-1990s than in 1990, and about 2% less likely in the late 1990s, at the mean of the dependent variable.

The 1997 passage of the Unpaid Wages Prohibition Act in New York is perhaps the most encouraging example of how a grassroots organizing campaign, in this case by immigrants who cannot vote in a wealthy conservative suburban area, can succeed in raising the pay standards of informal work (Gordon, 1999).

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