

FLSA and the Reorganization of Work

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Some possible measures of change in work

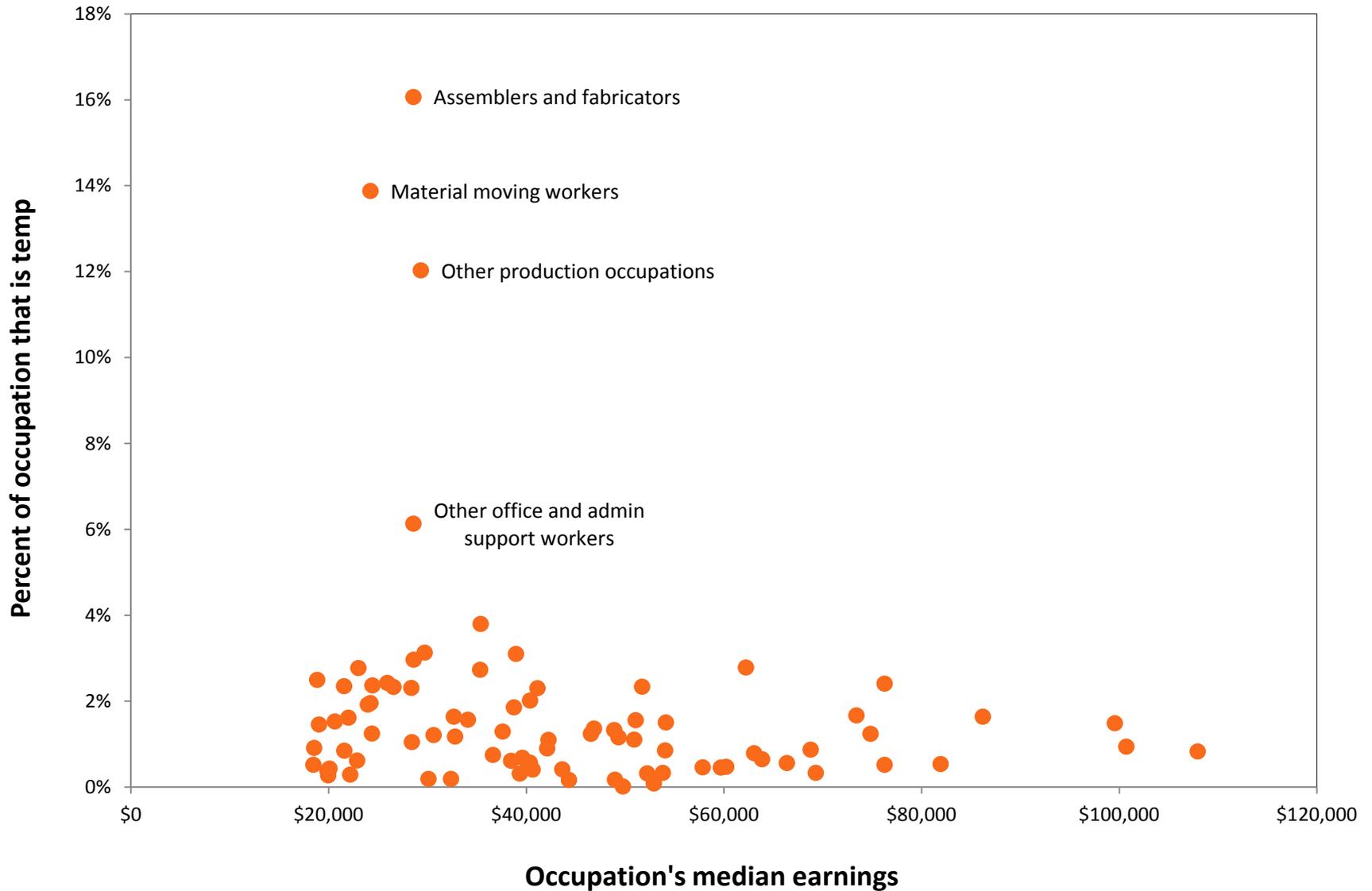
- ▶ Temp work
- ▶ Part-time work
- ▶ Independent contractors
- ▶ Subcontracting
- ▶ Misclassification
- ▶ Job instability

Temp agency work

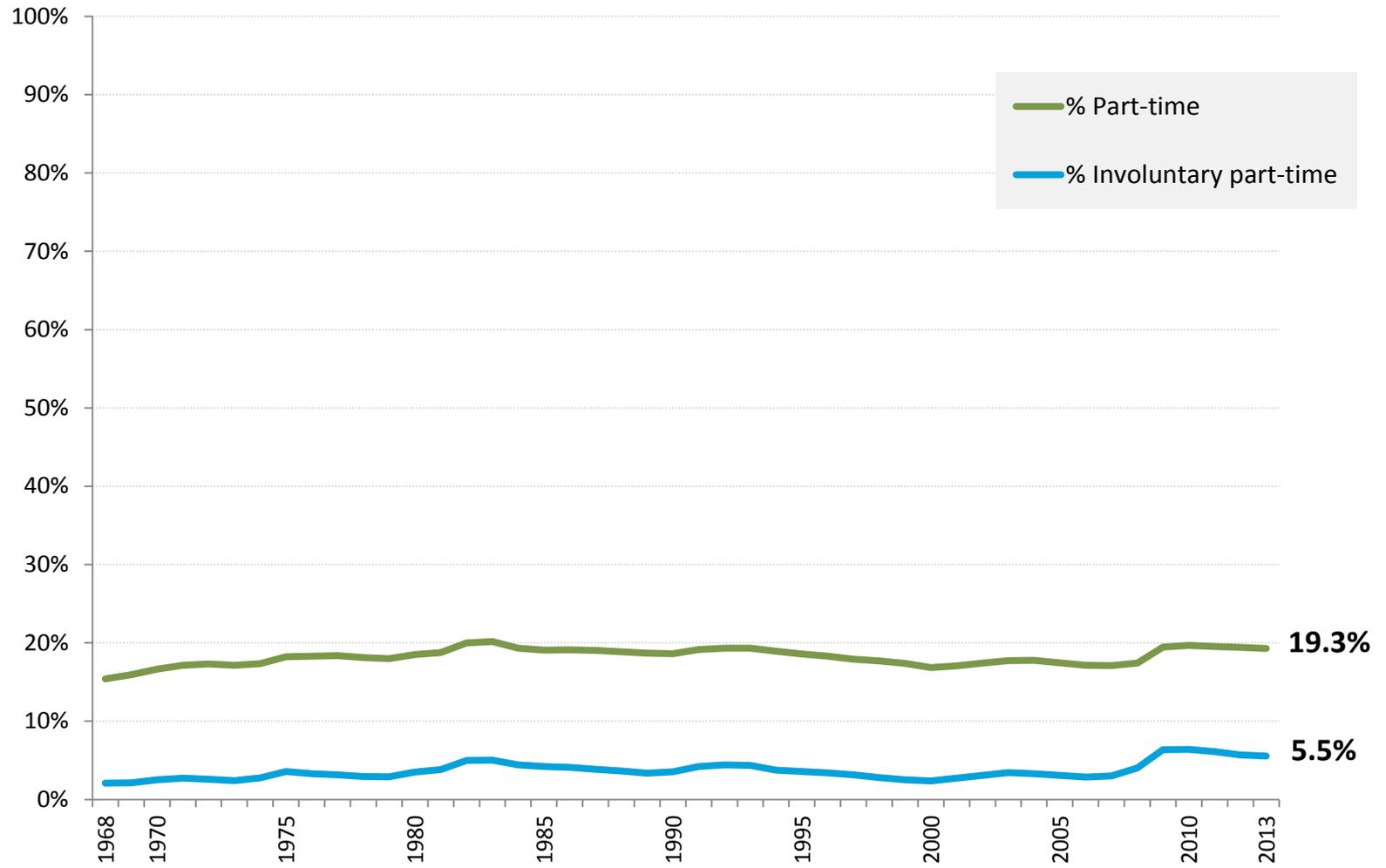
Percent of workers employed by employment services (CES)

	1990	2000	2013
Employment services	1.4	2.9	2.5
Temporary help agencies	1.1	2.0	2.0
Professional employer organizations (PEOs)	0.1	0.6	0.3
Employment placement agencies	0.2	0.3	0.2

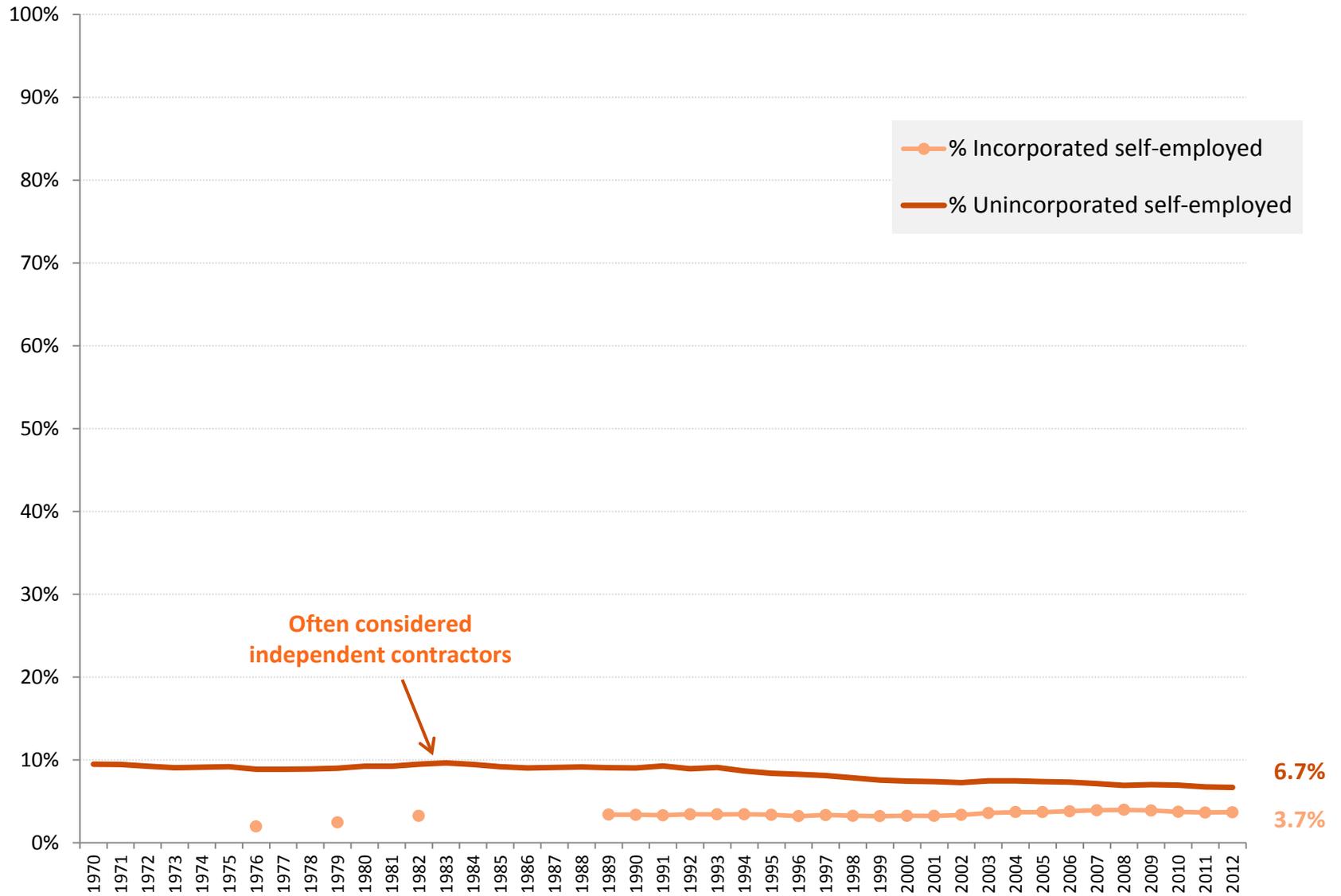
Percent temp in occupations, 2012 (OES)



Percent part-time & involuntary part-time, 1968-2013 (CPS)



Independent contractors, 1970-2012 (CPS)



Domestic subcontracting

- ▶ Observations based on case studies/literature review:
 - ▶ Contracted work is not inherently contingent
 - ▶ Wide range of outcomes – from the fissuring and exploitation David Weil documented in janitorial and fast food, to the full-time, permanent jobs of segments in Professional and Business Services
 - ▶ Contracting is not unidirectional or static (e.g. data processing), and new functions like waste management were never in-house to begin with
 - ▶ Important trend is consolidation in contractor industries (e.g. Compass, Sodexo and Aramark dominate food services)

Contracting out of select occupations, 2011 (OES)

	Median hourly wage	Percent contracted	Wage penalty at contractors
Laundry and Dry-Cleaning Workers	9.46	52%	-17%
Janitors and Cleaners	10.75	36%	-27%
Telemarketers	10.83	53%	-27%
Customer Service Representatives	14.72	21%	-36%
Heavy and Tractor-Trailer Truck Drivers	18.24	53%	-34%
Accountants and Auditors	30.22	34%	-38%
Construction occupations	33.95	47%	-42%
Computer occupations (programmers/sys admin)	56.57	35%	-33%

Warning: rough estimates

Other dimensions

- ▶ Independent contractor misclassification
- ▶ Job instability

Disproportionate impact

- ▶ Depending on the measure, non-standard work arrangements are more common for low-wage workers; less educated workers; women; immigrants; and people of color

▶ More data!

- ▶ Above all, have to figure out how to generate better data on subcontracting

▶ More research!

- ▶ Need to think more broadly about how alternative work arrangements are undermining labor standards
- ▶ Look for changes in the *distribution* of non-standard work across different groups of workers
- ▶ Look for changes in the *effect* of non-standard work on wages and working conditions
- ▶ Look beyond the employment relationship, to where the economic power lies in industries and supply chains

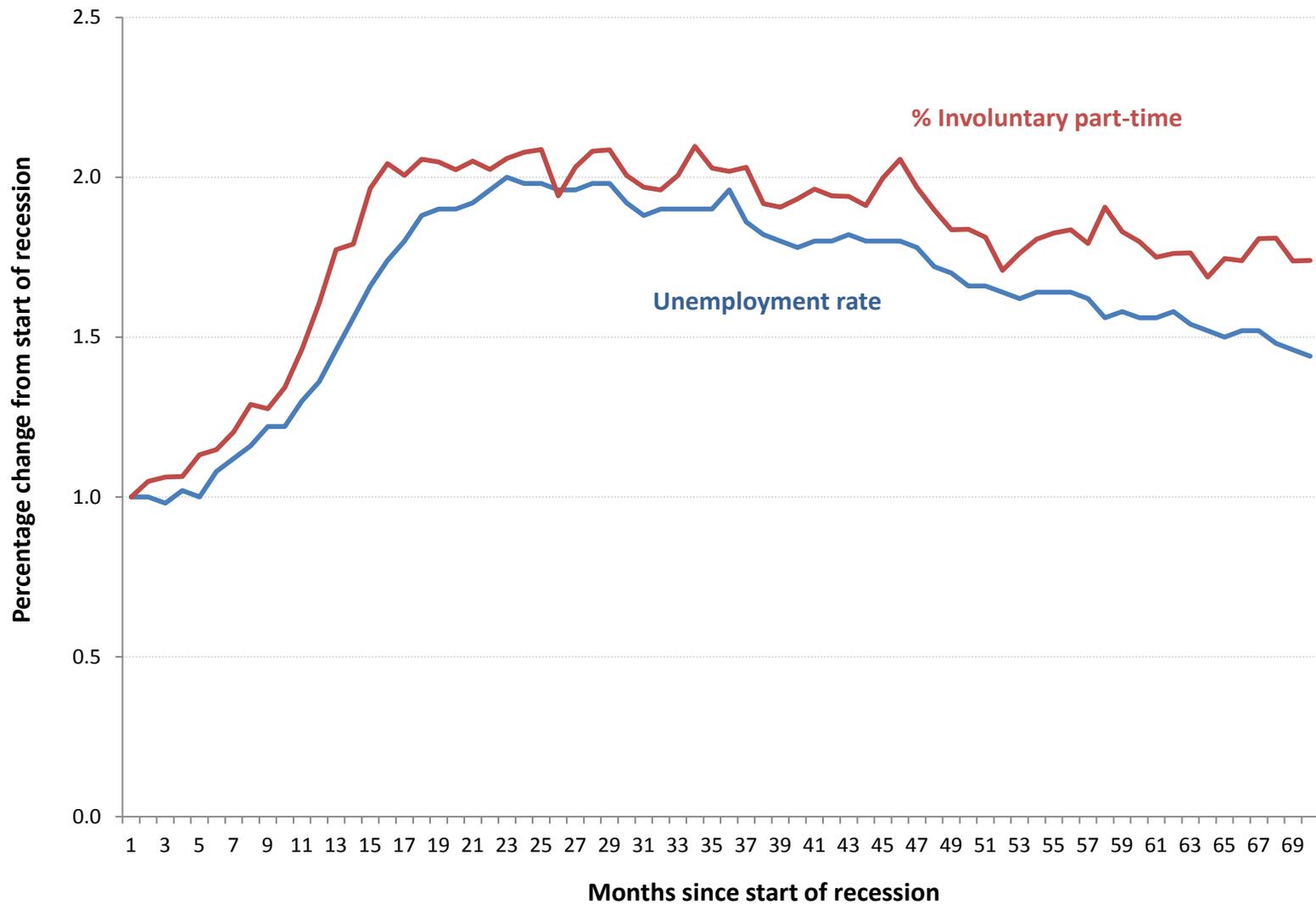
▶ More enforcement!

- ▶ It's all about understanding the organization of work in particular industries and regions and which workers are affected – David Weil's strategic enforcement

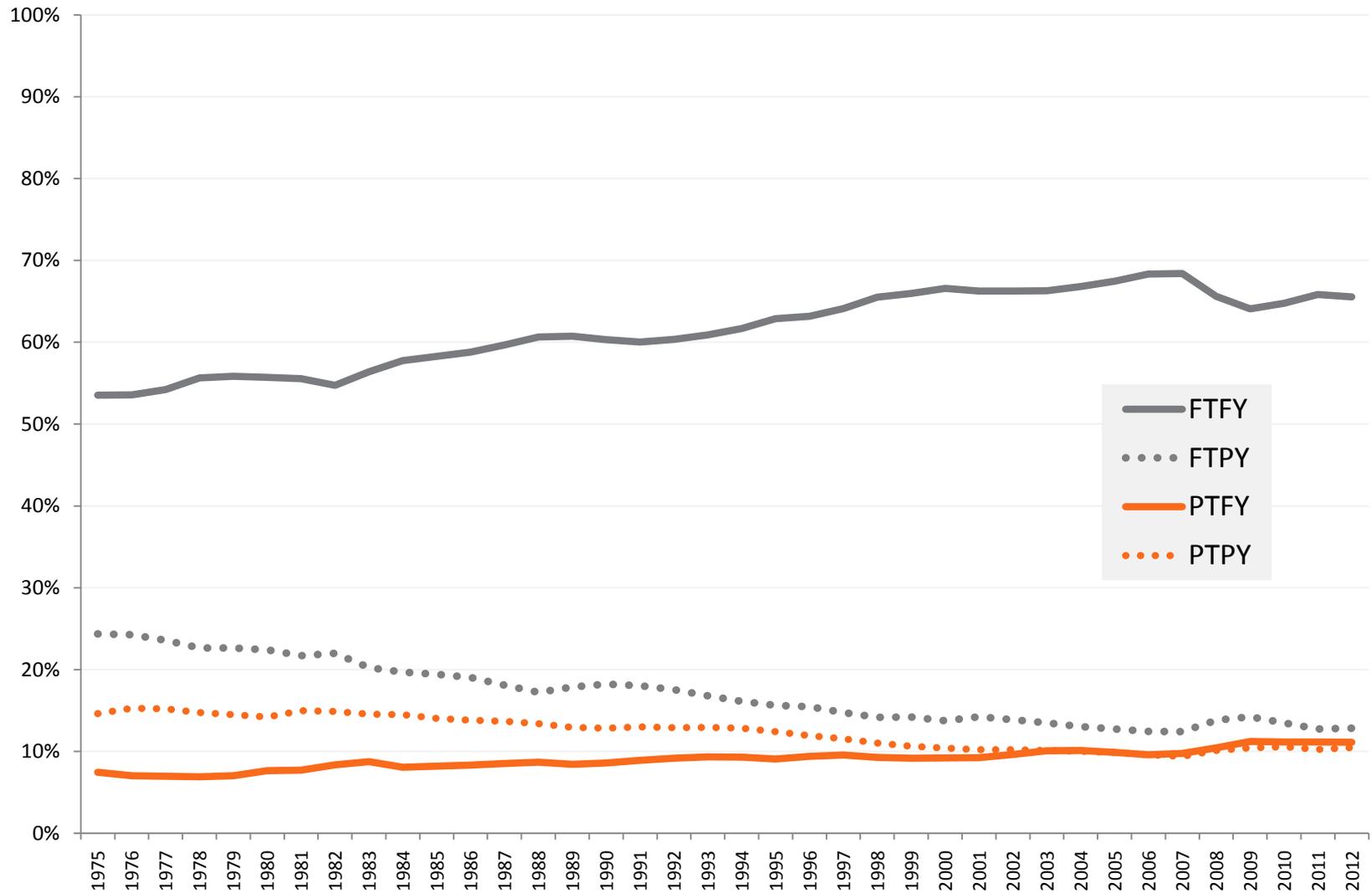


Extra slides

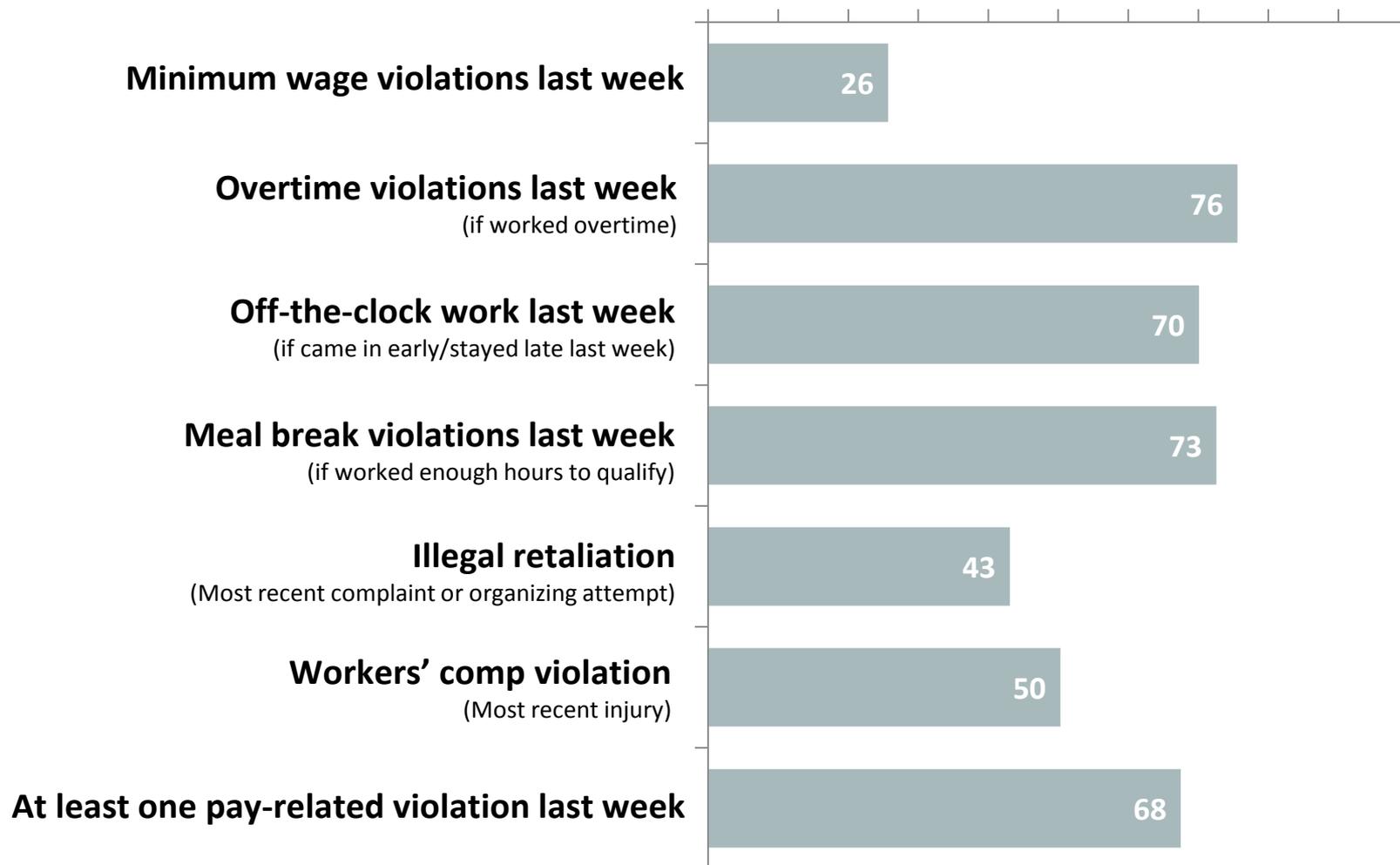
Involuntary part-time and the Great Recession (CPS)



Trends in hours and weeks worked, 1975-2012 (CPS)



Percent of workers with violations



Percent self-employed at the industry level, 2011 (ACS)

