

TEMP AGENCY WORKERS IN NEW JERSEY'S LOGISTICS HUB: THE CASE FOR A UNION HIRING HALL

George Gonos and Carmen Martino

This article reports on preliminary research concerning temp agency workers in the logistics hub that serves the Port of Newark/Elizabeth. Our objective is to explore the potential for organizing temporary workers in this industry, and the viability of the hiring hall model in particular. The first section describes several aspects of the regional labor market in which temp agency workers are recruited for the inland warehouses and distribution centers. The second section explores the history and legality of hiring halls, and why this organizing model has in recent decades faded into disuse. The third section sets forth an exploratory plan for organizing the temporary workforce in New Jersey's logistics industry.

Based on his observations of dock work at the Port of New York in the early 1950s, Larrowe (1955, 49) defined a casual labor market as

one in which the need for workers varies frequently and widely at a number of different points. Workers are hired for a few hours or for a short period, some of them picked at random when the employer is hard-pressed to complete the job quickly.

He further stressed “the unrestricted movement in and out of the market by the workers themselves”, resulting in the “chronic labor surplus which typifies such markets” (Larrowe 1955, 50).

Larrowe's description fits the same industry just as well today, although its location has conspicuously changed. The work of handling ocean cargo has been moved some 36 miles inland to rural communities in central New Jersey, just off Exit 8A of the New Jersey Turnpike. Here, a conglomeration of warehouses and distribution centers (W/DCs) receive goods from the Port of Newark/Elizabeth (the nation's second largest), where they are unloaded from containers by hand, put onto pallets, sometimes processed, and then formed into orders and shipped to major retail outlets or directly to consumers.

Instead of the workforce Larrowe (1955, 49–50) found, led by “a relatively small core” of mostly white workers of Irish and Italian descent, the reserve army of low-wage laborers critical to central New Jersey's logistics hub consists today almost exclusively of immigrant Latinos. And, instead of being organized and

exploited by the contracted stevedores and corrupted union leaders inscribed in memory by the movie *On the Waterfront*, today's casual workforce is organized and exploited by a phalanx of storefront industrial-sector temporary agencies that have mushroomed in gateway immigrant communities throughout the state. To handle the explosion of imports into Port Newark/Elizabeth over the last 15 years, the temp agencies have organized an entire regional labor market of immigrant workers across a 40-mile stretch of northeast New Jersey's old industrial corridor.

Common to both New York dock labor in the 1950s and W/DC workers in New Jersey today is the institution of the demeaning and degrading "shape-up" from which predatory intermediaries select workers each day. As Larrowe (1955, 2) described the procedure:

[L]ongshoremen seeking jobs "shaped up" each morning at the docks where they usually worked. They waited in the street until a hiring foreman came out of the door of the pier warehouse and blew his whistle, then formed a sort of horseshoe around him. From this group—which typically outnumbered the available jobs—he picked the men for the day's work.

The employer-controlled shape-up operated by today's industrial temp agencies in New Jersey is a near-perfect copy of this traditional practice on the docks. Each day, thousands of temporary laborers are recruited at scores of temp agency offices spread out from Paterson and Union City in the northeast to New Brunswick and Bound Brook in central New Jersey. Like the docks in the old Port of New York, it is a labor market characterized by erratic work schedules, poverty wages, hazardous conditions, demeaning treatment, and no voice or job control for workers. The horrid conditions spawned by the arrangement, however, also offer workers an opportunity for a collective response. This article argues that the remedy for today's version of *On the Waterfront* is the same as it was for the longshore workers who succeeded in winning job control in other places where the same conditions prevailed¹—Latino temporaries in New Jersey's W/DCs need a union hiring hall.

Much attention has recently been paid to the strategic position of workers in the goods moving, or logistics, industry (Bonacich and Wilson 2008). Yet temp agency workers are typically thought to have little or no organizational potential because of their presumed short-term tenure in any job. This assessment overlooks significant changes that have occurred in the utilization of temp agency workers since the mid-1980s. First is the sea change in the composition of the agency workforce, most especially in the "blue-collar" or industrial sector, from native-born American workers to recent immigrants, mostly Latino workers, who share ethnic and cultural ties and often live together in tightly networked communities. Second, the temporary help industry has continued to move away from a "reactive" use of temps as replacements for absent employees, or as purely supplemental staff during peak periods of demand, to the "systematic" use of temps, in which entire job clusters and industries are staffed with agency workers indefinitely (Vidal and Tiggles 2009). As Theodore and Peck (2002, 471) put it,

“some occupational niches” are “temped out” on a permanent basis. This is the situation in the W/DCs that serve giant shippers and corporate retailers in the logistics hubs on both American coasts—at “Exit 8A” in central New Jersey and the larger “Inland Empire” east of Los Angeles (Allen 2010; Arrieta 2009; Bonacich and Wilson 2008; Meyerson 2009)²—as well as in the logistics center outside Chicago (Bybee 2009; Lyderson 2010; Warehouse Workers for Justice 2010). All operate with a high proportion of agency workers.³

This article reports on the results of preliminary research among low-wage temp agency workers, carried out in the course of the day-to-day organizing activities of New Labor, an eleven-year-old worker center based in New Brunswick, NJ.⁴ Several research methods, designed both to gather information and to strengthen organization, were utilized, including a pilot phone survey of temps and “full-time” warehouse workers,⁵ focus groups,⁶ participant observation, and informal interviews with warehouse managers conducted in the course of plant visits and employer briefings.⁷ We have also drawn on the rich experiences of author Martino and other organizers in training and education sessions, interactions with *consejos*, and other community work. Part I of the article describes several aspects of the temp scene in NJ’s logistics industry. Part II explores the history and legality of worker- or union-sponsored hiring halls, and why this organizing model has in recent decades faded into disuse. Part III sets forth an exploratory plan for organizing the temp workforce at Exit 8A.

The Temp Scene at Exit 8A

Low-wage workers at W/DCs are handled by the “light-industrial” sector of the temporary help industry, known for its offices in vacated urban storefronts. Although they are often referred to as “day labor agencies”, W/DC workers recruited by these agencies in NJ do not consider themselves “day laborers”, a term they reserve for *jorneleros*, workers who bargain directly with small contractors. “Blue-collar” temp agencies have been prevalent in NJ’s small cities (like New Brunswick and Paterson) since the 1970s but took a back seat to those in the clerical and secretarial sectors of the temp business. The industrial sector came into prominence again in the 1990s and early 2000s with the modest resurgence of manufacturing in the U.S. (Dey, Houseman, and Polivka 2006; Estevão and Lach 1999; Houseman, Kalleberg, and Erickcek 2003; Theodore 2003).

In Middlesex County (central New Jersey), and its county seat, New Brunswick, home of New Labor, temp industry growth from 1997 to 2002 was particularly rapid. By 2002, there were 168 temp agencies operating in Middlesex County, and remarkably, in New Brunswick, a small city of 50,000, the number of temp agencies (of all kinds) shot up to 37.⁸ Much of the increased demand for “blue-collar” temps in NJ, and in Middlesex County in particular, was fueled by the growth of contract manufacturing and the W/DCs that were built and leased in communities along the New Jersey Turnpike at Exit 8A. Scores of “Lego-style” distribution centers (DCs) appeared on what had been

Central/Northern NJ Temp Towns

■ Port of Newark and Elizabeth

■ Bound Brook

■ Elizabeth

■ New Brunswick

■ Passaic

■ Paterson

■ Union City

Exit 8A Warehouse/DCs

⊕ Cranbury

⊕ Jamesburg

⊕ Monroe Twp

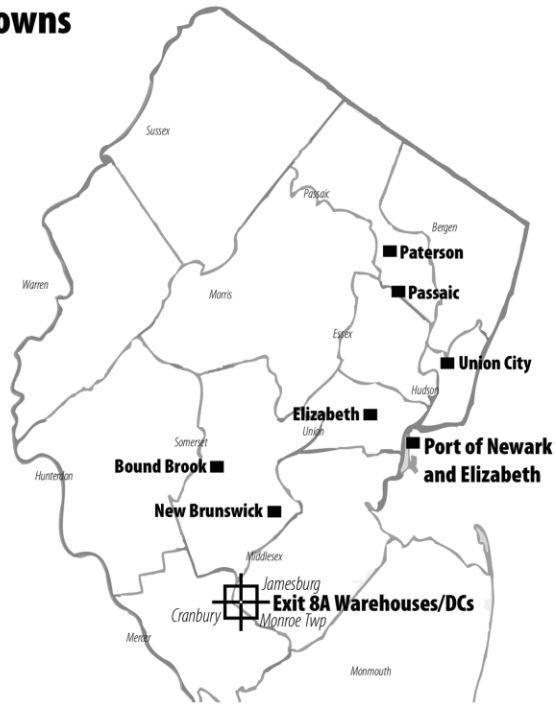


Figure 1. Map 1. Central/Northern NJ Temp Towns.

farmland in the rural exurbs of southern Middlesex County, where there was inexpensive real estate and easy access, at a distance that would not unnecessarily escalate fuel costs (Donahue 2005). As the flow of goods from East Asia through the port at Newark/Elizabeth continued to increase, industrial temp agencies quickly popped up across northern and central New Jersey. Moving cargo-handling work from the port terminals to inland rural areas was facilitated by trucking industry deregulation, that is, installation of the “owner-operator” system (Bensman 2009). Hence, it is 35–40 miles from the waterfront where low-wage agency temps, at the very bottom of the pyramid of the logistics industry, become a vital part of the global supply chain.

Workers for the cluster of W/DCs at Exit 8A are drawn from temp agency shape-ups in a number of “submarkets” (to use Larrowe’s term), or what we call NJ’s “temp towns” (see Figure 1). Using the U.S. Census, a total of 100 temp agency offices were identified in immigrant Latino communities within eight of these “temp towns” in central and northeastern New Jersey. As Larrowe (1955, 51) points out, the dispersion of agencies or shape-ups “at a number of different points” exacerbates the problem of labor maldistribution, contributing to the “overall surplus that gluts the casual labor market.” New Brunswick, just 10–15 miles from the cluster of facilities at Exit 8A, and home to desirable pools of workers, is the epicenter of agency activity, the primary source of temp labor for the W/DCs. That city’s Latino neighborhoods have the highest concentration

of temp agencies in the state—17 offices within a 1.4 mile radius. According to a newspaper investigation in 2005, the largest three agencies alone deploy about 14,000 workers a day in central NJ (Donahue 2005).

In contrast with the widely noted automation at the ports, work in the W/DCs is labor intensive. Lumpers unload goods from containers onto pallets by hand; slightly higher paid forklift drivers stack them high on shelves; and pickers sort and consolidate goods and send orders down the conveyor (Allen 2010). In addition to the movement of goods, some W/DCs provide “value-added services”, that is, packaging, bottling, labeling, and/or customizing goods prior to shipment (Bonacich and Wilson 2008, chap. 9; Jaffee 2010).

The Geography of the Temporary Labor Market

The resurgence of the temp industry’s industrial sector occurred in tandem with the growing influx of immigrant, especially Latino; workers to U.S. metropolitan areas (see Jayaraman and Ness 2005; Ness 2005). A system of housing and hiring practices emerged in which rigid patterns of residential segregation reinforce equally rigid patterns of labor market segmentation. Along with immigrant status and the inability to obtain drivers’ licenses in NJ, segregation leaves Latinos dependent on the temp agencies that multiply in their neighborhoods. Making the use of agency vans mandatory for these workers gives the temp agencies almost complete control over the supply of low-wage Latino labor to employers throughout northern and central parts of the state.

Using Google Earth and the 2000 Census, maps of eight northern New Jersey communities were developed, overlaying temp agency locations on residential patterns (percent Latino by block group). The maps for New Brunswick and Elizabeth, two of the largest suppliers of agency temps for W/DCs at Exit 8A, are shown below (see Figures 2, 3). The concentration of temp agencies in districts with the highest proportion of Latino residents is visually striking. In New Brunswick and Elizabeth, *all* of the industrial-sector temp agencies identified are located in, or within a couple blocks of, residential neighborhoods with the highest concentration (over 64 percent) of Latino residents. With only slight variations, this pattern is also clearly visible in the maps of Paterson, Union City, Passaic, Plainfield, Bound Brook, and Trenton, NJ. Overall, the maps demonstrate how assiduously “blue-collar” temp agencies have located their offices within gateway neighborhoods for Latino immigrants.

This pattern has also been well documented in the Chicago area, where Peck and Theodore (2001, 490) found the “race-structured hiring regime . . . vividly reflected in the geographic location of temp agencies.” The authors concluded that in their location decisions, industrial temp agencies had systematically targeted Latinos in residential areas with high concentrations of underemployed workers of the “right” ethnicity (Theodore 2003, 1820). Some agencies cater to the undocumented community and make a point of their know-how in handling the issue of immigration status (Peck and Theodore 2001, 488). The supposed “employer” status of the temp agencies (Gonos 1997) displaces the responsibility

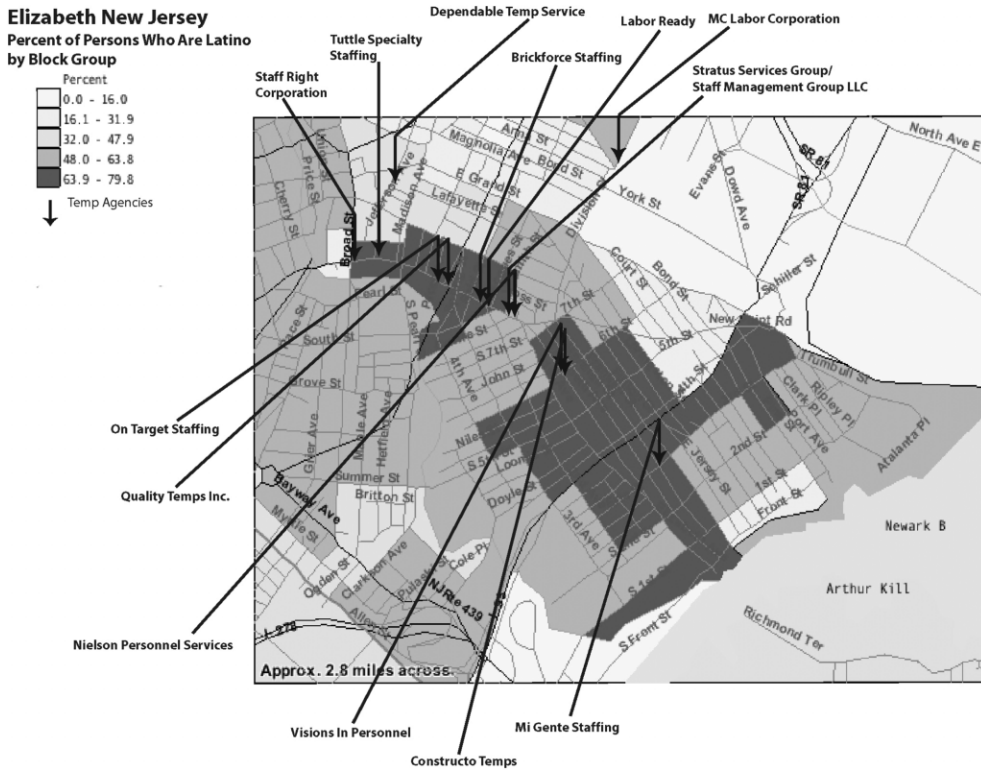


Figure 3. Map 3. Elizabeth, NJ.

Some portion of the W/DC business at Exit 8A is similarly unpredictable—fluctuating seasonally (e.g., for Halloween and Christmas) as well as day-to-day—creating a variable need for temporary workers. Temp agency managers attached to the logistics industry explain their business on the basis that they “provide flexibility” needed “to deal with the ebb and flow of demand” (Bonacich and Wilson 2008, 228, 230).⁹

The extent to which W/DCs in central New Jersey rely on temp agency workers varies on a continuum between those that are heavily dependent (“temped out”) and those that use agency workers more sparingly.¹⁰ The proportion of temps at “overflow” operations that are driven by volatile client and consumer demands can fluctuate considerably and is sometimes well above half the workforce. The kinds of arrangements that employers make with temp agencies have become more sophisticated. Through the use of other segments of the commercial staffing industry—for example, “payrolling” and “employee-leasing” firms, or “professional employer organizations” (PEOs)¹¹—the workforce at a W/DC may be “temped out”, including managers and supervisors, a relatively permanent “full-time” or “core” temp workforce, and a day-to-day “flexible” contingent of “temps.” PEOs may do business only with a particular temp firm, or be owned by the same large staffing company that operates the

temp agency. In some cases, the entire W/DC operation is contracted to a third-party logistics (“3PL”) company, which then contracts with a PEO and local temp agencies to fill out the staff.¹²

In addition to numerical flexibility, it is widely understood that temp agencies are used to cut or externalize labor costs, avoid labor organization, obscure control, and evade the legal obligations of employers. In the new regime of subcontracted employment, those who deploy capital in wealth-generating activities, that is, those who direct the work and ultimately determine the conditions of employment, routinely utilize various means of distancing themselves legally from labor, leaving workers without a property right, voice, or leverage in the business organizations where capital accumulates. The casualization of work through employers’ strategic use of nonstandard employment arrangements has occurred throughout the supply chain. As with the use of agency workers in warehousing, the use of contract labor on ocean carriers and the fraudulent owner-operator system in port trucking (Bensman 2009; Jaffee 2010) call for efforts to pressure and confront the real employers.

The Agency Workforce

The following sample of dialogue from a focus group illustrates the attitude toward agencies of low wage temps at W/DCs.

Julio: Agencies are [like] eating shit. They’re horrible.

Jose: Agencies exploit us.

Carlos: I agree.

Julio: Five years ago I was in an agency. Not anymore. It wakes you up to see how bad the country is when working in an agency. There’s nothing worse. And you have to pay for the ride. You see Las Delicias and the park [corners where day laborers gather to seek work]. Day laborers now prefer to get paid in cash [rather] than work for the agencies.

Aurelio: There’s abuse. There were like 100 people in the factory and in the end they put everyone there through an agency.

Julio: At [name of firm] a guy from the agency cut the vein by his wrist with a knife. The company didn’t call the ambulance. They had to call the agency first. (Focus group, New Brunswick, January 2008)

For many, but not all temps, the agencies are the “employers” of last resort. “*I work for the agency when I can’t find any other work*” was the survey statement that found the greatest agreement among agency warehouse workers. Yet for the vast majority of immigrant workers—unless they secured a position on arrival through a close friend or relative—their point of entry into the workforce is a temp agency.¹³ The near choke hold that commercial temp agencies have over this casual labor force is all but guaranteed by the limited job opportunities available to recent Latino immigrants. Note, however, that agency workers in central NJ’s W/DCs are not “homeless”, or living in shelters, like the groupings

of “day-labor” agency workers studied by others (Bartley and Roberts 2006; Kerr and Dole 2005). Latino agency workers in central NJ inhabit crowded rental housing in densely populated immigrant neighborhoods.

Although the number of temps hired varies seasonally and day-to-day, the jobs they fill are not the one-time or idiosyncratic opportunities typically associated with “day labor”; they fall into standard occupational categories. Although temp agency workers are officially “assigned” for 1 day only (and may work for different agencies and different W/DCs), many are steady warehouse workers and have relatively long-term attachments to this occupation. In our pilot survey of temp warehouse workers, 69 percent reported being sent by agencies to W/DCs “everyday”, and another 20 percent reported being sent 3–4 times a week. The vast majority (88 percent) reported that their “most recent warehouse job” lasted more than a month. More than a third of the temporary workers had been at the same agency for over a year and 17 percent for longer than two years.¹⁴

Shape-Up and Travel

With the rise of the “light-industrial” sector of the temp industry in the 1960s, the company-controlled “shape-up” returned to American labor markets as a means of assembling work gangs. Rather than run the shape-ups themselves, at the proverbial “factory gates”, industrial temp agencies enabled employers to outsource this function. New Jersey’s industrial temp agencies, in contrast to staffing agencies that cater to other sectors, require workers to report directly and wait at the agency office everyday. The NJ agencies serving immigrant Latinos go one step further and mandate that workers use the agency van for transportation, even if they have a “return ticket” to the same worksite and are able to get there on their own. This “allows agencies to offer their customers a labor force ready to work at a moment’s notice while paying virtually nothing for the workers’ presence” (Bartley and Roberts 2006, 47). “On-demand staffing”, as it is called, is important to client companies and a feature of their business that the agencies heavily promote. From an organizing perspective, though, the temp agencies’ guarantee that their customers “do not have to wait when they need workers at a moment’s notice” (agency manager, quoted at Bonacich and Wilson 2008, 228) represents a point of vulnerability that organized temps could exploit to their advantage.

Historically, longshoremen identified with a particular gang and developed strong ties with certain coworkers, providing an important basis of union solidarity (Cole 2007, 19). But industrial temp agencies operate what is called an “open shape”, in which gangs are assembled by picking each worker individually, rather than by “regular gang.” This practice militates against the formation of tight-knit work groups (Larowe 1955, 52–3). Temp agency dispatchers have complete discretion over the allocation of jobs, which is routinely abused. As at company-run shape-ups historically, the assignments are subject to favoritism and the “whims of agency staff” (Kerr and Dole 2005, 101; Purser 2006, 7–11).¹⁵ Workers are defenseless against improper treatment of all kinds. Retribution for

the slightest infractions comes in the form of pay cuts, being sent to the most undesirable jobs, or to no job (Kerr and Dole 2005, 95, 101). These practices, widely associated with unregulated company-controlled shape-ups, depart radically from the kinds of rules promulgated by highly regulated union hiring halls, formulated in the interest of maximizing fairness. “Why wasn’t the shape-up abolished long ago?” asked Larrowe (1955, 60), on observing the “intolerable conditions” on the east coast waterfront in the 1950s.

Temps at New Labor have highlighted the agencies’ van transportation system as particularly ripe for criticism.¹⁶ Agencies rely on contracted van services to transport their workers to and from client-employers, for which they deduct \$7 per day, regardless of the distance, or how long workers have to wait for the van before and after work. Despite New Jersey’s van safety laws, many of the vehicles are old and unsafe, and it is not unusual for drivers to be unqualified, or for van services to lack insurance or the necessary permits to transport workers. The vans are notorious for mechanical failures and are consistently overcrowded; designed to hold 14 passengers, 20 or more workers are typically squeezed into one van.¹⁷

Wages and Conditions

The variety of abuses experienced by low-wage agency temps is well documented (e.g., McAllister 1998; Van Arsdale 2008). As observed by New Labor, industrial temp agencies in central New Jersey engage in wage theft, violate overtime law,¹⁸ charge exorbitant fees,¹⁹ and prevent workers from using unemployment insurance or workers’ compensation. There are no health benefits, vacation or sick days, or retirement plans.

Agency workers at W/DCs in NJ make poverty wages, with less than a third earning as much as \$9.00 per hour. The wages of direct “full-time”²⁰ warehouse employees are only slightly better. According to their survey responses, just 60 percent of these so-called “regular” warehouse employees make \$9.00 or more per hour, and only a quarter make \$11.00 or more (compared with 9 percent of agency workers).²¹ Thus, even the wages of direct-hire W/DC workers do not meet the established Self-Sufficiency Standard for New Jersey.²² Women, a significant proportion of W/DC workers, are paid significantly less than their male coworkers in the same jobs, regardless of their length of time in the country, or with a particular employer. This is partly the result of a norm prohibiting women from operating the forklifts.

Existing research on temp agency abuses often does not explore the problems common at client worksites. During health and safety training sessions,²³ New Labor organizers have learned that work at W/DCs is characterized by (1) poorly defined job classifications and responsibilities: as a result, the skill sets needed to perform jobs are unrecognized or undervalued by temp agencies and client employers. (2) Lack of work rules: W/DCs, for instance, rarely allow for required breaks, and there are generally no grievance procedures. (3) Absence of job ladders: W/DCs offer no promotions, pay increases, or established paths to

permanent employment. (4) No training: W/DCs make little or no investment in upgrading the skills of the temp workforce or in providing safety instruction. (5) Lack of medical care and workers' compensation benefits: when temps are injured, they are not paid for time out of work, regardless of whether or not the agency carries workers' compensation insurance.²⁴ (6) Lack of information about legal rights: employers do not post or inform workers about their rights under state and federal employment laws. (7) Communication barriers: as a result of language differences, serious communication gaps exist between temp workers and managers at the worksite.

Organizing in Split Labor Markets

Employers in many industries use temp agencies to implement a split workforce strategy, dividing workers into direct-hire (so-called "full-time") and "temporary" segments. Temp contingents may be deployed to staff separate departments or, as at W/DCs in New Jersey, the temps may perform the same jobs as "regular" employees, albeit with less compensation and under different rules. Often, the temp contingent has a higher proportion of minorities or women. In these instances, the different contractual status of the temp workers reinforces, and is reinforced by, traditional bases of discrimination. Organizing in such "split labor markets" (see Bonacich 1972) poses challenges that labor unions have in recent times tended to avoid.²⁵ Strategic questions arise: will the different segments be organized together, in the same unit, or in separate organizations? In planning actions, it is important to determine in what ways the two groups are similar or different in attitudes, issue orientation, or conditions of work, and to learn about the relations between them. What are the cleavages and/or possible bases of solidarity?

From an organizing perspective, one pertinent aspect of the W/DC workforce in central New Jersey is that the regular and temp segments do not differ dramatically in terms of age, sex, ethnicity, tenure with the warehouse, or length of time in the U.S. It is overall a young workforce, and the regular contingent is only slightly older than the temp group, not a different generation.²⁶ Women make up a significant proportion of both segments, nearly one-third of the agency temps and one-fifth of the regular warehouse workers surveyed. There is some difference between "full-time" workers and temps in terms of job tenure,²⁷ yet more than one-third of the temps have been with their current agency for 1 year or more. Substantial majorities of both groups have worked in the U.S. for two or more years. As indicated above, the pay scales of full-time W/DC workers are marked up only slightly above what temps are paid.

In general, the survey results and focus groups paint a picture of the relationship between full-time and agency workers as nonconflictive.²⁸ What separates the groups, therefore, is mainly contract status (direct employee vs. agency worker). There are some differences between the two groups on their orientation to workplace issues. The limits and frustrations that agency work imposes are reflected in higher levels of concern about transportation, training, medical

care, and the opportunity for advancement. With respect to ethnicity, Mexicans are by far the largest ethnic group among agency temps residing in New Brunswick (81 percent), and also the majority group among “full-time” warehouse workers (54 percent, with a significant portion from the state of Oaxaca). The ethnic composition of agency workers from Elizabeth appears to be more heavily South American (Columbian, Peruvian, Ecuadorian, and Uruguayan). Differences in value orientation by nationality are to be expected. Nonetheless, the ethnic divisions between these subgroups appear nowhere near as potentially divisive as they have been in certain other arenas in which successful labor struggles have emerged. The diffuse presence of ethnic solidarity enhances the potential for unified actions.

Structure and Opportunity in the Logistics Industry

As Bonacich and Wilson (2008, 5–10) explain, the shift to a “pull” system increased the leverage of logistics workers throughout the global supply chain. The reliance on high-velocity W/DCs to replenish stores with the latest consumer goods turns these facilities into funnels or, as Jaffee (2010) says, potential “choke points”, presenting opportunities for labor action. The value placed by the logistics business on speed, flexibility, and reliability magnifies the potential impact of workers’ collective actions.

At the same time, the much-heralded efficiency of the global supply chain is at some points more a delusion than a reality. Bensman (2009), for instance, brings out the glaring inefficiencies in port trucking, resulting from the continued reliance on “low-road” labor and environmental policies. The situation in W/DCs is likewise at variance from the myth of high efficiency in the supply chain. The “efficiency” imputed to using labor from commercial temp firms is limited to providing numerical flexibility, that is, delivering just the number of workers ordered at any time. Beyond a bare minimum, the agencies have no abiding interest in upgrading workforce quality. The irregularity of work experienced by agency workers, and the typical lack of job descriptions, training, and health and safety measures all undermine the quality of W/DC operations. Interestingly, W/DC managers themselves habitually voice complaints about the quality of the workforce supplied by temp agencies, repeating the tired criticisms that temps do not have skills and do not care about doing a good job. A temp worker hiring hall, in contrast, would have a natural interest in raising standards. Implementing training programs, defining job ladders, and improving safety, for instance, provide a basis for negotiating higher compensation and represent points of common interest with employers, possibly rendering them “eager to sign union agreements that will ensure them a steady source of competent skilled labor” (Cobble 2001, 86). A temp workers association thus has two tactical levers: it can disrupt a critical labor supply; and having demonstrated its ability to do so, it can offer employers a vehicle for achieving a truer, higher level of efficiency.

The Hiring Hall Model

Workers and labor organizations have historically used hiring halls to combat the abuses of company-controlled shape-ups and to replace them with a more equitable process of allocating work. Today, however, outside very small pockets of the American occupational landscape, the hiring hall is almost unknown as an instrument of labor strategy—this despite the fact that labor markets across an expanding range of economic sectors are of the kind that make union hiring halls a natural response.

The union hiring hall is an organizational device for dealing with the irregular nature of work in labor markets characterized by fluctuating demand, where workers move between multiple employers for jobs of short duration, and employers often utilize intermediaries. In the basic hiring hall model, unions maintain lists of qualified, available workers from which employers fill their hiring needs. Where an exclusive hiring hall is in effect, employers agree to report all openings to the union office, and union business agents assign workers on the basis of seniority and length of time out of work, “spreading the work” among members as fairly as practical (Cobble 1991; Glover and Franklin 1978; Larowe 1955; Rains 1959). A union hiring hall can thus moderate the severe fluctuations in work time and earnings experienced by workers in casual markets, and replace insecurity with more normal employment relationships. It can prevent oversupplies of labor; raise skill levels by operating training programs; implement portable pensions, and health and welfare benefits; and reduce the incidence of bribery, favoritism, and corruption characteristic of labor marketeering performed solely in the interest of private agency profits (Freeman and Gonos 2009, 318–25). Most notably, of course, achieving this level of worker solidarity and control over labor supply affords a union the bargaining leverage needed to improve significantly the terms and conditions of employment.

While workers organized and deployed by commercial temp agencies experience substandard wages, nonexistent benefits, high levels of alienation, and ongoing economic insecurity, union hiring halls have delivered living wages, portable benefits, and respectful treatment to workers in intermittent labor markets. Yet, although both for-profit agencies and union hiring halls persist in the U.S. as alternative models of labor supply, private temp agencies overwhelmingly dominate today’s landscape, with thousands of offices in large and small communities, while union hiring halls are confined to small niches within American labor markets (Freeman and Gonos 2005). Since the 1970s, the dramatic transformation of American labor markets by neoliberal policies into what are called “flexible” or high-mobility markets has led to the resurgence of private labor market intermediaries (LMIs) as a ubiquitous feature of the “new economy” (Benner, Leete, and Pastor 2007). No doubt LMIs of some kind will continue to serve an important function as long as the current need for “temporary” labor remains high. The crucial question is whether profit-driven agencies will remain in control of American labor markets or worker-controlled intermediaries will be built to replace them.

The Rise of Union Hiring Halls

In the unregulated labor markets of the late 19th and early 20th centuries, employers commonly used private employment agents for the purpose of organizing, regulating, and maintaining a reserve army of temporary labor. In 1916, the U.S. Commission on Industrial Relations revealed a flourishing network of thousands of commercial agencies, immigrant middlemen, and fly-by-night “shark” employment offices that moved hundreds of thousands of laborers a year to jobs in all industries. David Montgomery (1987, 58–111) and Gunther Peck (2000) describe the dense network of private agents and *padroni* of all ethnic groups that transported, controlled, and exploited immigrant laborers.

Historically, for workers in casual labor markets, establishing a hiring hall to circumvent abusive employer-controlled intermediaries was “usually the first item on their agenda” (Larowe 1955, 54). Wresting control over labor supply away from exploitative employers and their profit-hungry agents often became the focal point of labor struggle. In 1909, the Industrial Workers of the World conducted a famous campaign against private employment agencies in Spokane, aimed at eliminating the “vermin” and at replacing them with worker-run employment offices (Kornbluh 1964). Many labor organizations operated “union-run agencies” to compete against the privates. Waitresses, for instance, directly confronted the extensive network of private agents in the female-dominated service sector, appealing to their coworkers to reject the “vampire system” of fee-charging agencies. They organized union hiring halls that by the late 1940s provided members with improved wages and portable benefits, and normalized employment in an industry characterized by high turnover and degrading treatment (Cobble 1991).

During the 1930s, the establishment of union hiring halls was the centerpiece of the workers’ drive to overturn the system of corrupt employer-dominated employment agents that controlled hiring in dock and maritime work on the west coast.

For longshoremen and seamen alike, the foundation of the new order was control of hiring. The dock workers had established the union hiring hall as their number one demand during the [1934] strike . . . [and] won the sole right to select the job dispatchers. With the union in charge of job dispatching, and the men on the docks ready to “hang the hook” on any employer who refused to accept candidates sent from the hall, full control of hiring quickly passed into the hands of the International Longshoremen’s Union (ILU) (Nelson 1991, 395).

In those pockets of the labor market where unions assumed control of the hiring function, the union’s “business agent served as the employment man between the industry and its members” (Brody 1980, 22). Because of their higher standards and overall efficiency, many employers hired through the union as a matter of choice (Cobble 2001; Rains 1959).

By World War II, the hiring hall model had gained ground in skilled and unskilled labor markets and had proven its advantages in institutionalizing

training programs, job ladders, and efficient job referral. As a distinguished labor law professor would opine in 1959:

No responsible representative of labor, management, or government would suggest the “shape-up” as an alternative. The evils of this system are too well-known (Rains 1959, 369).

In a number of intermittent labor markets—the maritime, construction, printing, warehousing, and entertainment industries—the union hiring hall had ended the collusion between employers and private hiring agents, and met the needs of industry (Freeman and Gonos 2009, 318–25). But there the spread of the union hiring hall was halted. By the 1970s, the “temporary help industry” had become the fastest growing business in the U.S., while the union hiring hall had come to be viewed as an anachronism. Why did union hiring halls become marginal in American labor markets even as commercial temp agencies spread throughout the economy?

Constraints on the Spread of the Hiring Hall Model

Broadly speaking, there are two major explanations for the fading role of union hiring halls in American labor markets: first, the strict federal regulations and prohibitions imposed on this model of organization after World War II, and second, the historical developments within the organization of production and the labor movement itself. Taft-Hartley’s ban of the closed shop, an arrangement through which unions gained exclusive control of hiring from employers, called into question the legality of the hiring hall model and threatened to end its role as a labor market intermediary. In most situations, the closed shop has been an adjunct of the hiring hall, protecting the union’s ability to negotiate the terms and conditions of employment in casual labor markets where legally-sanctioned methods of long-term organizing and elections simply do not work. Based on the casual nature of employment in the building trades, section 8(f) of the Landrum Griffin Amendments permits construction unions to legally enter prehire agreements that require the employer to choose its prospective workforce from the union’s hiring hall. Outside of the construction industry, however, prehire agreements remain unlawful and cannot presently be used by labor organizations to organize new bargaining units in emerging contingent labor markets (Freeman and Gonos 2009, 326–7).

Technically, only *exclusive* hiring halls violate the law, that is, those that exclude nonmembers of the union from use of the hall. But federal courts and the National Labor Relations Board (NLRB) rapidly hedged hiring halls in with so many rules and “standards” as to render them almost unattainable legally (Rains 1959). The practical result was that unions in industries that had relied on the hiring hall model previous to the Taft-Hartley ban, for example, entertainment (see Chi 2000), have managed (with the approval of employers and courts) to continue using the model, by making certain adjustments to comply with the

nondiscrimination rule. Labor's ability to use the model to organize in the many labor markets casualized since the 1970s, however, was seriously undermined.

Whereas union hiring halls were practically strangled by strict regulation, the government approach to commercial temp agencies took the opposite direction. As a result of the temp industry's aggressive lobbying, temp agencies were completely exempted from state regulation (Gonos 1997), despite the fact that their economic functions and manner of contracting closely parallel those of union hiring halls. Although it goes unnoticed, commercial temp agencies commonly implement prehire contracts with client-employers and operate what are in effect closed shops, precisely the mechanisms that labor organizations are legally prohibited from implementing.²⁹ The result is a policy that tilts heavily in favor of private temp agencies and against union-run hiring halls (Freeman and Gonos 2005).

The second reason for the hiring hall model falling into disuse lies within the history of the labor movement and changes in the organization of production over the course of the past century. Although there exist good examples from early in the 20th century of successful hiring halls for general laborers (e.g., Licht 1992, 118–9), the American Federation of Labor made no concerted effort to extend the hiring hall model to the “unskilled” workforce. Neither would hiring halls become part of the Congress of Industrial Organizations’ (CIO) brand of industrial unionism. During the heyday of Fordist production, characterized by long-term direct employment relationships, the CIO would find the hiring hall model to be largely irrelevant. As the CIO settled into plant unionism, which focused on the company’s captive workforce and left hiring to management, it essentially gave up both the ability and the intention to organize unattached intermittent workers in the external labor market who lacked steady employment.

As is well-known by now, the Fordist production regime and the internal labor markets and stable employment relationships it fostered have been largely dismantled, as employers have turned to the utilization of “flexible” labor, often using private intermediaries (Stone 2004). With the breakup of the New Deal model of employment, and the return to high-mobility labor markets in the latter decades of the 20th century, the hiring hall model became widely relevant again. But organized labor was in no position, legally or organizationally, to utilize it.

The Hiring Hall Is a Legal Form of Organization

One reason that some unions and community-based labor organizations shy away from the idea of a hiring hall for temporary workers is the misconception that this form of organization is illegal. While the hiring hall is commonly associated with the “closed shop”, which is prohibited for labor organizations by Taft-Hartley, a hiring hall is not synonymous with, or presumed to be, an illegal closed shop. As Senator Robert Taft, sponsor of the Taft-Hartley Act, himself emphasized, the hiring hall is not “necessarily illegal”,³⁰ and “the union frequently is the best employment agency” (quoted by Chi 2000, 53fn343).

Under current law, a union hiring hall is permitted provided that all workers who wish to work may enroll on the register (regardless of union membership) and be treated equally under the rules established by the hall for job placement. This means that a labor organization may run a hiring hall in which nonunion members remain eligible for jobs (Chi 2000, 53fn338, fn341; Hanson, Jackson, and Miller 1982, 130). There are a variety of ways in practice to comply with this requirement without undermining the labor organization's solidarity or its ability to gain leverage against employer groups.³¹ A community-based organization or worker center may have even more leeway to operate a hiring hall than a formally constituted labor organization. Building worker solidarity (among all constituent groups) and control over the labor supply are the crucial factors in making it work.

To date, however, implementation of the hiring hall model has not occurred. Some worker centers, particularly those with day laborers as their primary constituency, have established hiring sites and begun operating job referral systems, developing hiring lists, dispatching workers, and establishing uniform wages (Fine 2006, 113–6; Fine, Grabelsky, and Narro 2008, 32). It must be noted, though, that these commendable efforts have involved day laborers (i.e., independent contractors), not employees of employers (such as temp agency workers), and “so far they have not thought of their work as building worker power in the industry and have not built a worker association or union attached to the hiring hall project” (Fine 2006, 24). In short “none have evolved into union hiring halls” (Fine 2006, 152). They have not yet turned control of the labor market into bargaining strength, or established “formal, ongoing relationships with employers” (Fine, Grabelsky, and Narro 2008, 30).

Strategy: Community Mobilization and Direct Action

Historically, the most effective hiring halls for non-craft workers were those conceived as community institutions. Taking control of the labor supply in a local or regional occupational market ultimately requires members, allied organizations, and other supportive strata to wage a campaign and engage in collective actions to overcome the anticipated reaction of employers and authorities (see Cobble 1991, 140–6).

In contrast to the more individuated temps found in some other labor market sectors, temps in warehouse work at Exit 8A are well positioned to mobilize a campaign and garner broad support. Concentrated in densely populated urban districts in New Jersey's temp towns, they have more residential stability than is common for industrial temps, and are embedded in larger immigrant communities with bustling Latino business districts and active cultural and religious organizations. The regularity of the work assignments of these agency workers is another factor likely to bolster their collective efforts. Because they often ride to jobs together and work in the same facilities, they evince stronger work-based solidarity than is usually assumed to exist among temps (see Skerry 2008, 50). New Labor employs a participatory small-group

method in its training sessions and looks to build solidarity and “worker action” into every phase of practice. The results are evident during job actions in which groups of members confront contractors and temp agency managers, file complaints with Occupational Safety and Health Administration (OSHA), or organize mass phone calls to “dead beat” employers. Strong ethnic ties and the networks of *consejos* in the temp towns undergird members’ discipline and loyalty to their organization, enabling what Cobble (2001, 85) calls “peer management”, and the community policing of the labor market.

Building a hiring hall requires an organization to combine the best practices from the traditions of community and labor organizing. As Fine (2005, 189–90) points out, community-based unions like New Labor are “sometimes in deeper relationships with targeted workers from specific ethnic groups than the [certified trade] unions are.” On the other hand, because they are typically “not sectorally specific”, effective economic intervention in labor markets has usually remained beyond their scope. “To play a role in sector-specific union organizing”, Fine (2005, 190) argues, community unions “need to learn the tools of analysis and strategy that good union organizers know.” In contemplating a hiring hall strategy, New Labor’s familiarity with the warehouse industry, and its experience with labor union methods and traditions are crucial advantages.³²

Critique of “Non-Profit” Temporary Agencies

The hiring hall model must be distinguished from the numerous “nonprofit temp agencies” that have been established across the country, often with foundation support. Groups launching these alternative agencies have typically sought to replicate the business model of commercial agencies, believing they could challenge and ultimately displace exploitative for-profit agencies in the marketplace, by offering lower fees to clients and higher wages and better services to workers. Although some have achieved modest success, overall, this strategy is fundamentally flawed as a change agent for temp workers. Neuwirth’s (2006) astute case study describes one such effort slavishly “mimicking” its commercial competitors while distancing itself from its own labor roots, and eventually closing.

Commitment to the tradition of militant labor organizing is crucial because the predatory “vampire system” is cemented together by pervasive collusion between employers and temp agencies, based on their common interests in stripping away benefits and driving down wages, the sources of profit for both. This class-based alliance insures that commercial agencies can depend on the business of client-employers, even when these commercial agencies charge higher billing rates than worker-sponsored agencies for the same categories of labor.³³ As Kerr and Dole (2005, 106) conclude, based on a remarkable organizing effort in Cleveland, “If the community hiring hall is able to compete in the long-term and pay its workers living wages, the for-profits will have to be prohibited from engaging in [their exploitative] practices.” This is why establishing union-run hiring halls has historically involved protracted labor struggle

(see, e.g., Yellen 1936, chap. X). Having no plan to disrupt the supply of labor from scab agencies has been a strategic deficiency of “nonprofit temp agencies.” Some form of direct action, for example, effective boycotts and picketing of commercial agencies, is necessary to force client companies and government agencies to break their relationships with for-profit intermediaries.

Just as Senator Robert Wagner insisted in the 1930s that existing company unions had to be suppressed and rooted out as a precondition for installing *bona fide* labor unions, it is necessary today to significantly curtail the operation of private temp agencies through direct action (or for government regulation to hold them to the same standards as union halls), in order for worker-sponsored hiring halls to take control of the labor market. Beating them in “free market” competition, as nonprofit agencies have tried to do, is not a real option. A winning strategy, therefore, requires broad-based collective action to break the grip of the commercial agencies, as one dimension of a comprehensive plan.

A Strategy for Agency Workers at Exit 8A

The dense concentration of temp workers and agencies in urban centers presents an opportunity for labor. In one or more of NJ’s temp towns, direct actions at temp agencies (boycotts, sick-outs, and slow-downs) and assorted guerilla tactics could be organized to create disruptions in labor supply and impair operations at targeted W/DCs. A series of such labor actions could demonstrate publicly the ability of a temp workers’ organization to control or moderate the flow of labor to W/DCs, weakening employers’ confidence in the scab agencies’ continued ability to meet their labor needs. The objective would be to encourage or cause W/DCs to switch to the community hiring halls as their suppliers of temporary labor, and then to expand on that base, increasing the hiring halls’ scope of job control.

Direct actions of this kind cannot work in isolation. Establishing a hiring hall system for temp warehouse workers in NJ requires a comprehensive strategy for organizing on a multi-community basis. In what follows, we can only provide a brief sketch of one possible plan. As temp worker organizing has now been launched in several locations nationally, and needs to be contemplated in many others, we see value in initiating a dialogue about how that might occur. Although we must necessarily leave many issues and legitimate questions unaddressed, our broad strategic outline includes at least the following elements:

1. *Forming a regional temp workers’ association.* In the plan being developed by New Labor, block-by-block canvassing leads to the formation of worker councils or *consejos*, which serve as organizing committees for the initiation of local chapters in each of the temp towns.³⁴ The success of this “bottom-up” campaign will depend largely on the grass-roots strength of temp worker networks and the broader community coalitions. No “top-down” approach is possible.

2. *Forming a union partnership.* In theory, the legions of temp workers in the warehouse industry could be organized independently of direct warehouse employees or any formal alliance with trade unions. But this is not the optimal strategy. We agree with those who argue forcefully for collaboration between worker centers and unions (Fine 2006, 2011; Fine, Grabelsky, and Narro 2008; Tait 2005). We envision a campaign waged jointly by a worker center focused on organizing agency temps and a union focused on organizing direct employees at W/DCs that contract with the target agencies.
3. *Building coalitions and engaging “temp town” communities in a statewide campaign.* The campaign would combine public education and a drive for state regulatory legislation, with public actions to generate widespread condemnation of abusive temp agency practices. The objective would be to make a persuasive public case, both moral and economic, for the superiority of the community union hiring halls for workers, businesses, and communities. The campaign would gain strength by joining forces with unions, immigrant rights, and environmental justice groups. Thus, the temp workers’ struggle for equity and justice would be embedded in a broader agenda for social change, part of a larger community of interest (see Fine 2011, 154).
4. *Launching hiring hall operations inside targeted temp agencies.* There are multiple paths leading to a functioning community union hiring hall and contingencies that cannot be predetermined. In the scenario envisioned here, the temp worker association would partner (through struggle and/or good relations) with one or more established temp agencies to operate hiring halls at their offices, while community boycotts in combination with sick-outs, flash strikes, and other guerilla tactics would be used to disrupt the supply of labor to and from other agencies.³⁵ In this partnership, the temp association would handle the dispatching function (with dispatchers appointed by the temp association or elected from the membership), while agency management would continue to take job orders, expand the client base, issue paychecks, and serve as employer of record. A responsible employer pact (REP) signed with the partner agencies would formally spell out these responsibilities and establish other terms (see below).

Simultaneous with the launch, press conferences would make the hiring hall openings a news event, and public announcements would saturate the temp towns, encouraging temp workers to sign up. The objective of these actions is to gain enough leverage for the temp worker association and its partner union to engage with and persuade the most logical group of W/DC employers to agree to use the community hiring hall and signatory temp agencies to meet their flexible labor needs. At the same time, with respect to the direct warehouse employees, the union would pursue formal recognition from W/DC employers through any of the usual legal routes. The coordinated worker center/union effort to organize *all* workers in the

targeted facilities should improve the chances of success in forcing agencies and employers to deal.³⁶

5. *Moving to settlement.* Establishing community union hiring halls and gaining some control over the temp labor market in the industrial sector would allow temp workers to bid up their wages. Such questions as whether or not, and when, to pursue a contract (or to operate on the basis of an open agreement) are left open. The temp workers association may bring together its partner temp agencies to form a temp agency management association as signatory to the REP. Such an agreement with a multiemployer association would set a minimum living wage for temps employed by the signatory agencies, and include such other provisions as a guarantee of four hours pay for any job to which a worker is dispatched, a dues check off, maintenance of membership clause, and a "Cents Per Hour Fund."³⁷ The REP would also establish rules for operation of the hiring hall, that is, for how work is assigned. Along with the temp workers association, the agreement would be negotiated and signed by some of the temp association's community allies that were engaged in the fight for the hiring hall.

The REP signed between the temp association and the agency management group would not include the terms or conditions of employment at any particular W/DCs. That would be the domain of the union partner, assuming the success of its organizing drive, and the reaching of a first contract with one or more W/DCs. The union's collective bargaining contract (CBA) would spell out the temp workers' terms of employment at warehouses under contract and regulate the use of temps (e.g., see Lundy, Roberts, and Becker 2006; Mehta and Theodore 2003–2004, 38–9). Presumably, temp workers sent to union jobsites covered by the CBA would be paid at parity with union workers at the worksite. The CBA would also list the community union hiring halls and signatory agencies as the preferred providers for management's temp employment needs. Through the union's membership in the central labor council and state federation, other unions would be encouraged to include these provisions in their contracts. The CBA could also include language that would give temp association members the right of first refusal for available permanent positions and access to the grievance procedure established at the worksite.³⁸

The union would monitor terms on the union job sites, and the temp association and its community allies would be responsible for enforcing the REPs with the agencies and the community side of the agreement. On nonunion jobsites, signatory temp agencies would be required to pay the minimum living wage set by the REP. If the union is not successful (or in cases where a whole facility is temped out), the temp association can use its control of the labor supply to leverage the client firm or 3PL into signing an agreement covering the temp workers only. Ultimately, the temp association could itself bring together a group of W/DC employers to form an association as signatory to an agreement with the community union hiring halls.

Concluding Remarks

The plan outlined above to bring temp agency workers to the point of bargaining with employers is no doubt ambitious. In recent times, however, community-based organizations and workers centers have too often not initiated the kind of strategies needed to directly engage employers in the labor market, shift the balance of power, and forge a new deal. While the definitive aim of unions is to bargain with employers for better terms, they have often focused their attention on direct employees only and ignored the needs and potential role of temp agency workers, or worse, considered them antiunion. Our view is that this approach is no longer tenable organizationally or acceptable morally. Increasingly, temp agency workers are no longer a marginal or peripheral group, as temp industry ideology would have it. In a growing number of labor markets, temp agency workers permanently occupy traditional occupational categories and share a community of interest with other workforce segments with which they interface. Moreover, as we have seen with temp warehouse workers in NJ, the dense economic geography of temp workers and agencies in some urban districts may facilitate the use of labor's traditional organizing methods. Any organizing plan that excludes long-term agency workers present in a chosen organizing arena permits a split labor market to undermine any hopes for worker solidarity and, in effect, gives up on the prospect of a unified union workforce.

"Ideally", former NLRB member Sarah Fox has said, "the temp agencies would run like a union hiring hall" (quoted by Mehta and Theodore 2003–2004, 39). Recovering the hiring hall from among the "lost ways of unionism" (Cobble 2001), we argue, is a key to revitalizing the labor movement today. The clear parallels with the experiences of longshoremen of earlier eras make the hiring hall the most logical step for today's temp workers in NJ's W/DCs. To date, however, labor has not invested in or committed to this strategy. Thus, we have yet to see, under the "flexible" labor regime that has reigned now for a generation, the victory of a union hiring hall for temp workers over the corrupt employer-dominated system of hiring. Yet, until this important breakthrough is achieved, and the control of the predatory commercial temp industry is broken, workers will remain divided and on the defensive in many sectors. Planning for this victory is a necessary and vital component of labor's revival today.

George Gonos is a Professor of Sociology and Employment Relations at State University of New York at Potsdam. His research examining the legal and political foundations of temp agency work and other forms of contingent labor is widely published and informs his involvement with unions and community-based labor organizations. He participated in temp worker organizing in central New Jersey during the 1980s.

Carmen Martino is the Co-Director of the Occupational Training and Education Consortium (OTEC) at the Rutgers School of Management and Labor Relations and is a cofounding member of New Labor. He provides technical

assistance to employers, community-based organizations, and unions at the national and local levels. His expertise covers a range of topics that include health and safety, strategic planning, root cause analysis, high-performance work systems, basic-skills development, and stewards training. Address correspondence to George Gonos, State University of New York at Potsdam, Department of Sociology, Potsdam, NY 13676, Telephone: +011-315-267-4805. E-mail: gonosgc@potsdam.edu and Carmen Martino, Rutgers University, School of Management and Labor Relations, 50 Labor Center Way, New Brunswick, NJ 08901, Telephone: +011-609-567-9380. E-mail: carmenm@rci.rutgers.edu.

Notes

We thank the members and organizers of New Labor for their courage and hard work, and the following individuals who offered us their insights: David Bensman, Sue Cobble, Janice Fine, Debi Osnowitz, and anonymous reviewers.

1. See Yellen (1936, chap. X) on west coast dock workers in the 1930s and Cole (2007) on dock workers in Philadelphia in the 1910s and 1920s.
2. There are more than 118,000 warehouse workers in the Inland Empire (80 percent Latino) and 424 temporary help agencies (Allen 2010; Arrieta 2009).
3. When temps at industrial agencies in Chicago were asked about their most recent assignment, the most common response reported (48 percent) was warehouse work (Theodore 2003, 1820).
4. New Labor has satellite offices in Elizabeth, Lakewood, and Newark, NJ, and has been dubbed “one of the most effective worker centers in the country” (Fine 2011, 125). The organization provides English as a second-language classes and is active in the immigration reform movement. The occupational health and safety training program it created has over the last 3 years reached some 10 other worker centers in the Midwest. New Labor’s active membership advocates for improvements in labor standards enforcement and frequently intervenes directly with employers on behalf of workers who are owed money.
5. In January 2008, New Labor conducted a pilot phone survey of 38 agency workers and 30 “full-time” or direct-hire employees from W/DCs at Exit 8A. Most were New Brunswick residents.
6. Focus groups were conducted with temporary warehouse workers in New Brunswick and Lakewood, NJ in January and February 2008.
7. Nearly 300 managers and employers were invited from lists of NJ warehouses and the Council of Supply Chain Management Professionals. The 15 briefing participants included representatives of major companies with W/DCs for auto parts, home furnishings, office supplies, apparel, and goods for major retailers. Organizers attempted to gather data on what W/DC managers see as their biggest problems, how they organize work, and how they utilize their temp and regular workforce.
8. Over this period, the number of temp agency offices in NJ increased by 33 percent (to 914) and the number of temp agency workers by 45 percent, to 85,767 daily (U.S. Census County Business Patterns). These figures must be considered as rough estimates only.
9. How much this irregularity is actually inherent in W/DC operations, rather than merely the chosen manner of doing business and controlling labor, is questionable. In any case, the reason for establishing a hiring hall is precisely “to respond to employers’ clear need for a flexible labor supply while at the same time improving the wages and working conditions of supplied temps” (Hotel Employees and Restaurant Employees [HERE] Local 10 President, quoted by Mehta and Theodore 2003–2004, 38–9).
10. According to an agency manager interviewed by Bonacich and Wilson (2008, 229), the large retailers (e.g., Kmart and Sketchers) operate W/DCs that utilize “all temps”, that is, no direct hires outside of upper management.
11. PEOs, known previously as “employee leasing” firms (until legal problems discredited the business), can take over the client-employer’s entire payroll, leaving only a small core of direct employees, or none at all.

The PEO enables an employer to create a multi-tiered workforce with different levels of pay and benefits (West 2001). In 2006, there were 131 PEO establishments in NJ, with 27,150 “employees” (North American Industry Classification System [NAICS] code 56133), in addition to the 917 “temporary help service” establishments (NAICS code 56132) (U.S. Census, American Factfinder, County Business Patterns 2003–2006).

12. In a DC that moves bedding the top layer of managers and department heads are 3PL employees. Lower level supervisors and the basic workforce are contracted through the same temp firm that this 3PL uses in other parts of the country.
13. In a Milwaukee survey, about 42 percent of Hispanics reported obtaining a job through a temp agency in the previous 3 years, as compared with 27 percent of blacks and only 4.4 percent of whites (Benner, Leete, and Pastor 2007).
14. These findings are similar to those from Will County, Illinois, where 21 percent of temp warehouse workers had been working for a temp agency for over 1 year. A full 96 percent of temp warehouse workers said that they would prefer a “regular” direct-hire job (Warehouse Workers for Justice 2010, 14, 19).
15. Officially, the mechanism for assigning jobs is a first-come first-served sign-up list that starts fresh with a “new pick” each morning. But as Bartley and Roberts (2006, 42, 46–7) find, this list is “mainly symbolic” and “serves as only a loose guide” for dispatchers, “who base job allocation largely on their personal knowledge of workers, perceptions of cleanliness and reliability, and availability of transportation to job sites.”
16. At a public hearing of the NJ State Assembly Transportation Committee in 2005, four members of New Labor described the appalling condition of the vans and the absolute control that agencies and van operators have over temp employees. One family-owned transportation service utilized by the temp industry in central NJ employs 18 drivers and 30 converted school buses to move hundreds of workers each day (Donahue 2005). See also Kerr and Dole (2005, 100).
17. At a statewide meeting in April 2010, members of New Labor role played a crowded agency van ride and posted the video at <<http://www.youtube.com/watch?v=Cqi4lqhTcps>>
18. When temps work at more than one facility during the course of a week, temp agencies issue separate checks for each job. This ensures that temps who work more than 40 hours in a week will not be paid overtime. New Labor recently interviewed a worker who said that the agency gave her a second social security number to avoid overtime pay.
19. Bartley and Roberts (2006, 43) report that industrial agencies take about half the rate billed to clients. See also Gonos (2000–2001).
20. The common reference to direct employees as “full time” is misleading because most temp agency workers in W/DCs also work, or strongly desire to work, a standard 40-hour work week. The correct distinction here is between direct employees and workers hired through agencies.
21. Similarly, the median wage of temp warehouse workers in Will County, Illinois is \$9.00, and that of direct hires, \$12.48 (Warehouse Workers for Justice 2010, 14–5).
22. To meet the Self-Sufficiency Standard for 2005, a single adult living in central NJ needed to make \$13.78 per hour (see Legal Services of New Jersey Poverty Research Institute, *The Real Cost of Living in 2008: The Self-Sufficiency Standard for New Jersey*, <http://www.selfsufficiencystandard.org/docs/New%20Jersey%202008.pdf>).
23. Training projects were conducted by the Latino Occupational Safety and Health Initiative, directed by author Martino.
24. Temp agencies are suspected of gaming the system to avoid high workers’ compensation rates, and all too often of not paying for workers’ comp insurance at all (Building and Construction Trades Department, AFL-CIO 2000).
25. Although there have been some efforts to accrete temp agency workers into existing bargaining units, or to contractually limit their use (see Lundy, Roberts, and Becker 2006), in many unionized shops, temps have simply been ignored. Temps are sometimes left out of organizing strategies on the basis that they will be less pro-union. But, as Mehta and Theodore (2003–2004, 36) find, fostering an acceptance of temps among direct employees helps prevent management’s use of the temps (and threats of bringing in more temps) to undermine the union campaign.
26. Seventy-two percent of the regular employees and 70 percent of the agency workers surveyed were 35 years old or younger, with the largest number in the 19–25 year old bracket (23 percent of full-time

- warehouse and 31 percent of agency workers). By comparison, the mean age of Kerr and Dole's (2005) "day labor" temps was 43.
27. Over half the regular "full-time" workers surveyed had worked for the same warehouse for two or more years, while just five (14 percent) of agency temps had worked for the same agency beyond 2 years, and none had worked for the same agency for as much as 5 years.
 28. When asked how they were treated by "full-time" warehouse workers, a majority of agency workers responded with *bien*. However, this issue needs further investigation.
 29. In many situations, workers cannot obtain employment directly from the employer but are forced to go through the private temp or "payrolling" agency. Tellingly, temp agencies for the construction industry call themselves "nonunion hiring halls" (Building and Construction Trades Department, AFL-CIO 2000).
 30. Quoted in *Teamsters Local 357 v. NLRB*, 365 U.S. 667, 673–674 (1961).
 31. Cobble (1991, 138) notes that most hiring halls suffered no loss of strength by functioning under less stringent "union shop" (rather than closed shop) arrangements, in which employers generally rely on the hiring hall for referrals but may request different workers or hire off the street when suitable union members cannot be located. Those workers hired, however, must be approved by the union.
 32. New Labor was founded in 1998 by members of the Industrial Union Council, a CIO-era organization particularly strong in New Jersey, who sought to build an alternative model of organization. The worker center's joint efforts with unions include an "unprecedented" relationship with the Laborers to form a union local for weatherization workers in New Jersey (see Fine 2011).
 33. One such case familiar to the authors was experienced by a nonprofit temp agency run by a Latino community organization in central New Jersey. The group was supplying workers to the same industrial firm as a mainstream temp agency chain, but at higher pay. When the private agency threatened the employer in some manner, the company told the community group that it must lower its wages, and then terminated its business with the nonprofit agency.
 34. At its April 2010 conference held in Elizabeth, attended by over 80 temp workers, New Labor announced the establishment of *consejos* in New Brunswick, Elizabeth, and Union City, NJ.
 35. Alternatively, the temp association would turn its own meeting spaces in each town into hiring halls. But because temp workers are habituated to reporting to the offices of their current "employers", this option presents a more difficult road for the fledgling association. Using the established spaces, the new hiring hall takes advantage of the legitimacy of the existing temp agencies as employers (in the eyes of client businesses as well as workers) and of their business networks and accumulated knowledge.
 36. The timing of the hiring hall launch by the temp workers association is not necessarily tied to the progress of the unionization drive among the direct employees. The community hiring halls can be launched at any stage in the union drive, or go without the union partner's participation. Should the union effort collapse, the direct warehouse employees could join the temp workers association, hopefully with the union's blessing.
 37. Responsible Employer Pacts (REPs) are modeled after "Good Neighbor Agreements," which have been used by community based and environmental justice organizations to forge responsive partnerships with corporations at the local level. The agreements are designed to insure sustainable development in a community by reconciling economic development with the community's welfare, including the health of its environment and its individual members. For more information on Good Neighbor Agreements visit the Civic practices Network. <http://www.cpn.org/topics/environment/goodneighbor.html>.
 38. Neither partner temp agencies nor the temp agency association would be signing onto the CBA; the agencies would be bound by the terms of the REP with the temp workers association and other community partners.

References

- Allen, N. 2010. Life, work, and injustice in Southern California's retail fortress. *New Labor Forum* 19 (2):36–43.
- Arrieta, R. M. 2009. In Inland Empire, "temp" workers demand living wage. *Working In These Times*, October 29.
- Bartley, T., and W. T. Roberts. 2006. Relational exploitation: The informal organization of day labor agencies. *WorkingUSA: The Journal of Labor and Society* 9 (1):41–58.

- Benner, C., L. Leete, and M. Pastor. 2007. *Staircases or treadmills: Labor market intermediaries and economic opportunity in a changing economy*. New York: Russell Sage Foundation.
- Bensman, D. 2009. Port trucking down the low road: A sad story of deregulation. *Demos*. <http://www.demos.org/publication/port-trucking-down-low-road-sad-story-deregulation> (accessed October 20, 2011).
- Bonacich, E. 1972. A theory of ethnic antagonism: The split labor market. *American Sociological Review* 37:547–59.
- Bonacich, E., and J. B. Wilson. 2008. *Getting the goods: Ports, labor, and the logistics revolution*. Ithaca, NY: Cornell University.
- Brody, D. 1980. *Workers in industrial America: Essays on the 20th century struggle*. New York: Oxford University Press.
- Building and Construction Trades Department, AFL-CIO 2000. *Temporary employment agencies in construction—In a nutshell*. Washington, DC: Building and Construction Trades Department, AFL-CIO.
- Bybee, R. 2009. The shipping point: Between China and big box stores, minimum wage “temp” workers take a stand. *These Times*, December 18.
- Chi, E. C. 2000. Star quality and job security: The role of the performers’ unions in controlling access to the acting profession. *Cardozo Arts and Entertainment Law Journal* 18:1–91.
- Cobble, D. S. 1991. *Dishing it out: Waitresses and their unions in the twentieth century*. Urbana, IL: University of Illinois.
- . 2001. Lost ways of unionism: Historical perspectives on reinventing the labor movement. In *Rekindling the movement: Labor’s quest for relevance in the twenty-first century*, ed. L. Turner, H. C. Katz, R. W. Hurd, and T. Ghilarducci, 82–96. Ithaca: ILR Press.
- Cole, P. 2007. *Wobblies on the waterfront: Interracial unionism in Progressive-Era Philadelphia*. Urbana, IL: University of Illinois.
- Dey, M., S. Houseman, and A. Polivka. 2006. *Manufacturers’ outsourcing to employment services*. Upjohn Institute Staff Working Paper No. 07-132. Kalamazoo, MI: W.E. Upjohn Institute for Employment Research.
- Donahue, B. 2005. Ripe for exploitation. *The Star-Ledger* (Newark), March 20.
- Estevão, M., and S. Lach. 1999. *The evolution of the demand for temporary help supply employment in the United States*. National Bureau of Economic Research Working Paper 7427. Cambridge, MA: National Bureau of Economic Research.
- Fine, J. 2005. Community unions and the revival of the American labor movement. *Politics and Society* 33 (1):155–99.
- . 2006. *Worker centers: Organizing communities at the edge of the dream*. Ithaca: ILR Press.
- . 2011. When the rubber hits the high road: Labor and community complexities in the greening of the Garden State. *Labor Studies Journal* 36 (1):122–61.
- Fine, J., J. Grabelsky, and V. Narro. 2008. Building a future together: Worker centers and construction unions. *Labor Studies Journal* 33 (1):27–47.
- Freeman, H., and G. Gonos. 2005. Regulating the employment sharks: Reconceptualizing the legal status of the commercial temp agency. *WorkingUSA: The Journal of Labor and Society* 8 (3):293–314.
- . 2009. Taming the employment sharks: The case for regulating profit-driven labor market intermediaries in high mobility labor markets. *Employee Rights and Employment Policy Journal* 13 (2):285–360.
- Glover, R., and W. S. Franklin. 1978. Hiring halls as labor market intermediaries. Labor market intermediaries: A special report of the National Commission for Manpower Policy. Special Report No. 22, 255–81 (March).
- Gonos, G. 1997. The contest over “employer” status in the postwar United States: The case of temporary help firms. *Law and Society Review* 31 (1):81–110.
- . 2000–2001. “Never a fee!” The miracle of the postmodern temporary help and staffing agency. *WorkingUSA: The Journal of Labor and Society* 4 (3):9–36.
- Hanson, C., S. Jackson, and D. Miller 1982. *The closed shop: A comparative study in public policy and trade union security in Britain, the USA and West Germany*. New York: St. Martin’s Press.
- Herod, A. 2007. The impact of containerization on work on the New York-New Jersey waterfront. In *The introductory reader in human geography: Contemporary debates and classic writings*, ed. W. Moseley, D. A. Lanegran, and K. Pandit, 306–09. Malden, MA: Blackwell.
- Houseman, S. N., A. L. Kalleberg, and G. A. Erickcek 2003. The role of temporary agency employment in tight labor markets. *Industrial and Labor Relations Review* 57 (1):105–27.
- Jaffee, D. 2010. Industry structure, organizational forms, and labor dynamics in the intermodal logistics supply chain. Paper presented at the 28th International Labour Process Conference, New Brunswick, NJ.

- Jayaraman, S., and I. Ness. 2005. *The new urban immigrant workforce: Innovative models for labor organizing*. Armonk, NY: M. E. Sharpe.
- Kerr, D., and C. Dole. 2005. Cracking the temp trap: Day laborers' grievances and strategies for change in Cleveland, Ohio. *Labor Studies Journal* 29 (4):87–108.
- Kornbluh, J. L. 1964. *Rebel voices, an I.W.W. anthology*. Ann Arbor, MI: University of Michigan Press.
- Larrowe, C. P. 1955. *Shape-up and hiring hall: A comparison of hiring methods and labor relations on the New York and Seattle waterfronts*. Berkeley, CA: University of California.
- Licht, W. 1992. *Getting work: Philadelphia, 1840–1950*. Philadelphia: University of Pennsylvania.
- Lundy, M. C., K. Roberts, and D. Becker. 2006. Union responses to the challenges of contingent work. In *The shadow workforce: Perspectives on contingent work in the United States, Japan, and Europe*, ed. S. E. Gleason, 99–132. Kalamazoo, MI: W. E. Upjohn Institute.
- Lydersen, K. 2010. Company boycott called by fired warehouse workers. *Working In These Times*, January 19.
- McAllister, J. 1998. Sisypheus at work in the warehouse: Temporary employment in Greenville, South Carolina. In *Contingent work: American employment relations in transition*, ed. K. Barker and K. Christensen, 221–42. Ithaca, NY: ILR Press.
- Mehta, C., and N. Theodore. 2003–2004. Organizing temps: Representational rights and employers' responsibilities under Sturgis and Jeffboat. *WorkingUSA: The Journal of Labor and Society* 7:21–43.
- Meyerson, H. 2009. The shipping point. *The American prospect*, July 16.
- Montgomery, D. 1987. *The fall of the house of labor: The workplace, the state, and American labor activism, 1865–1925*. Paris: Cambridge Univ. Press.
- Nelson, B. 1991. Radical years: Working class consciousness on the waterfront in the 1930s. In *Major problems in the history of American workers*, ed. E. Boris and N. Lichtenstein, 387–406. Lexington, MA: D. C. Heath and Company.
- Ness, I. 2005. *Immigrants, unions, and the new U.S. labor market*. Philadelphia, PA: Temple University.
- Neuwirth, E. B. 2006. Opportunities and challenges facing new workforce institutions: A close-up analysis of an alternative staffing service. In *Research in the sociology of work*, ed. V. Smith, Vol. 16, 319–43. Maryland Heights, MO: JAI/Elsevier Press.
- Peck, G. 2000. *Reinventing free labor: Padrones and immigrant workers in the North American West, 1880–1930*. Cambridge: Cambridge University Press.
- Peck, J., and N. Theodore. 2001. Contingent Chicago: Restructuring the spaces of temporary labor. *International Journal of Urban and Regional Research* 25:471–96.
- Purser, G. 2006. *Waiting for work: An ethnography of a day labor agency*. Berkeley, CA: Institute for the Study of Social Change.
- Rains, H. H. 1959. Construction trades hiring halls. *Labor Law Journal* 10 (6):363–78.
- Skerry, P. 2008. Day laborers and dock workers: Casual labor markets and immigration policy. *Society* 45 (1):46–52.
- Stone, K. V. W. 2004. *From widgets to digits: Employment regulation for the changing workplace*. Cambridge: Cambridge Univ. Press.
- Tait, V. 2005. *Poor people's unions: Rebuilding labor from below*. Boston, MA: South End.
- Theodore, N. 2003. Political economies of day labour: Regulation and restructuring of Chicago's contingent labour markets. *Urban Studies* 40 (9):1811–28.
- Theodore, N., and J. Peck. 2002. The temporary staffing industry: Growth imperatives and limits to contingency. *Economic Geography* 78:463–93.
- Van Arsdale, D. 2008. The recasualization of blue-collar workers: Industrial temporary help work's impact on the working class. *Labor Studies in Working Class History of the Americas* 5 (1):75–99.
- Vidal, M., and L. M. Tigges. 2009. Temporary employment and strategic staffing in the manufacturing sector. *Industrial Relations* 48 (1):55–72.
- Warehouse Workers for Justice 2010. *Bad jobs in goods movement: Warehouse work in Will County, IL*. Joliet, IL: Warehouse Workers for Justice. <http://www.warehouseworker.org/badjobsgoodsmovement.pdf> (accessed October 24, 2011).
- West, D. 2001. *PEOs and payroll: A history of problems and a future without benefits*. Seattle: The Center for a Changing Workforce. <http://www.fairjobs.org/archive/sites/default/files/PEO.pdf> (accessed October 24, 2011).
- Yellen, S. 1936. *American labor struggles*. New York: S. A. Russell.