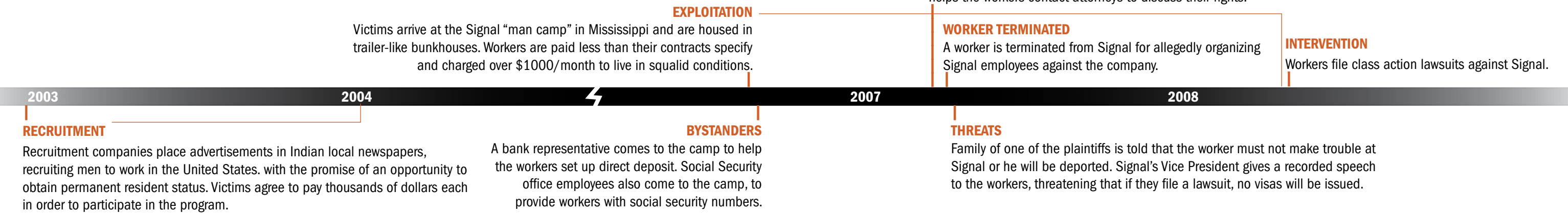


SIGNAL CASE: CONSTRUCTION INDUSTRY



SIGNAL INTERNATIONAL, Inc. and many facilitators, including immigration attorneys, labor recruiters, and shipping companies, were involved in a conspiracy to exploit 590 Indian workers who were brought to the gulf region to provide labor and services following Hurricane Katrina. This is one of the very few instances in which a corporate entity has been held accountable under the Trafficking Victims Protection Act.

PEOPLE INVOLVED
6 Traffickers
Many Bystanders
590 Victims

According to Signal, the company intended to file for green cards for those employees who met their expectations, but in its government filings seeking H-2B visas for the 590 Indian workers, Signal represented

that the workers would not become part of its permanent workforce. Employees from the recruiting agency also accompanied the workers to their immigration interviews to ensure that none of them made reference to the green cards that they anticipated getting, because doing so would result in the denial of their H-2B visa applications.

Exploitation
Upon their arrival in the United States, workers were given skills testing that could result in their hourly wages being lowered by as much as 30 percent, despite the fact that they were given skills tests before leaving India and their contracts specified that they would make \$18/hour. Workers were also housed in “man camps,” accommodations for which expenses were deducted from their paychecks in the amount of \$35/day. The deduction was a required payment for room and board, even if the plaintiffs elected to live away from camp. Only Indian workers were subjected to this automatic payroll deduction.

The man camps were overcrowded and unsanitary, and required victims to pass through security and submit to searches. They were patrolled by security guards from a private security firm, and as many as twenty-four men were housed in each bunkhouse, which lacked sufficient toilet facilities and showers. Early in 2007, several workers began

organizing in resistance to their treatment, and Signal attempted to deport these organizers and enlisted the aid of a security company to detain them. During his immigration detention, one of the victims attempted to commit suicide.

Case Resolution

Several workers filed a class action lawsuit against Signal in March 2008, but the district court denied class certification, resulting in at least ten different lawsuits. The first of these cases went to trial in January of 2015 on the claims of five plaintiffs—the many trials are scheduled through 2017—and resulted in a jury verdict awarding the five plaintiffs more than \$14 million. Signal International has since filed for bankruptcy, and in October 2015, the company issued an apology to the victims.

In 2011, the U.S. Equal Employment Opportunity Commission also filed a suit against Signal for discrimination and retaliation against its workers.

Opportunities for Intervention and Key Sources of Risk to Traffickers

Immigration authorities approved and then reauthorized the workers’ temporary visas. Additionally, given the size and novelty of the man camps run by Signal, inspections by the Occupational Safety and Health Administration and/or the state health department would have been expected. To the extent that government agencies did conduct investigations and failed to note anything actionable, these agencies should be better educated about the warning signs of large-scale labor trafficking.

None of the other Signal employees or contractors, including the security company tasked with patrolling the man camps, spoke out about the overcrowding and unsanitary conditions within the camp, or even about the proposition

of creating a racially segregated camp solely for Indian workers. Employees and contractors working in industries with high a potential for trafficking should be trained to identify exploited coworkers and report warnings signs to appropriate authorities.

Conclusion

This case provides an example of the ease with which the H-2B guest worker program can be abused by companies, recruitment agencies, and corrupt immigration attorneys. It also demonstrates the magnitude to which some trafficking operations can grow, with the employment of highly skilled workers, the open segregation and abuse of victims, and the ability to avoid detection by bystanders.

Also, as with many of the cases involving the H-2B worker visas, the defendants’ coercive acts were generally psychological in nature, capitalizing on the victims’ fears of deportation and sense of indebtedness. Therefore this case also illustrates the need for foreign workers to know their rights, since the H-2B visa program ties workers to one employer and puts them in a very vulnerable position with regard to their immigration status, their freedom to demand higher wages, and their ability to navigate the legal system. There is also a significant opportunity for reform and improvement in the process of H-2B visa approval and employer accountability. ■

Traffickers’ Methods and Strategies

Recruitment

The defendants in this case conspired to recruit Indian workers with promises of employment-based green cards. According to their agreement, an agency would recruit Indian workers, an attorney would perform immigration-related legal work, and recruiters in the United States would provide workers with jobs. Another facilitator agreed to sponsor the workers once they arrived in the United States.

In total, workers were charged roughly \$10–12,000 in fees. The defendants viewed their plan as a profit-making machine. The immigration attorney told his colleagues that if an applicant failed to pay, he would “see to it that his visa gets mysteriously revoked.”

Eager to supplement its workforce in the aftermath of Hurricanes Katrina and Rita, Signal, a marine fabrication company, agreed to hire the other defendants’ foreign recruits to work in its shipyards. The extent of Signal’s involvement in the recruiting fee scheme is unknown, but Signal was aware that plaintiffs were paying as much as \$2000 each in recruitment fees. Signal also insisted on using the temporary H-2B visa program, instead of employment-based green cards.