

ROOTING OUT LABOR TRAFFICKING

An Introductory Guide for the Trucking, Bus and Energy Industries



About TAT

TAT exists to educate, equip, empower and mobilize members of key industries and agencies to combat human trafficking. Founded in 2009 with the belief that every professional truck driver in the United States could be a critical ally in fighting sex trafficking, TAT's work has grown to encompass a significant portion of the ground transportation and energy industries throughout North America. Likewise, in addition to sex trafficking, TAT's focus has expanded to include raising awareness about labor trafficking and the many ways in which TAT's public and private sector partners can help end all forms of modern-day slavery.

To date, TAT has trained over two million industry professionals on how to recognize and report human trafficking, leading to thousands of credible tips reported to law enforcement and human trafficking hotlines, as well as countless, humble acts of empathy and generosity as survivors encounter truck and bus drivers, truck stop and transit center employees, and other transportation and energy professionals as they attempt to exit trafficking.

From large corporations to small mom-and-pop operations, every company plays a role in the fight to end human trafficking. The goal of this document is to introduce TAT's partners in the trucking, bus and energy industries to frameworks for evaluating the risks of labor trafficking most relevant to their business and developing plans to prevent, detect and respond to it.¹

WHAT IS LABOR TRAFFICKING?

While the specific legal definitions vary country to country, generally, labor trafficking is a form of modern-day slavery that involves extreme labor exploitation and/or work induced through threats, violence, manipulation, force, fraud or coercion. Of the estimated 27.6 million victims of human trafficking around the world, 63% (17.3 million) are being trafficked for labor in the private sector, 14% (3.9 million) are in state-imposed forced labor, and 23% (6.4 million) are trafficked for commercial sexual exploitation.²

How does labor trafficking impact the trucking industry?

Given the many ways in which trucking and logistics are intertwined with how goods and materials are sourced, produced, moved and sold throughout the world, labor trafficking could be present at any point along the trucking supply chain. This extends to OEMs and parts manufacturers who need to be vigilant about the labor practices of their suppliers, to trucking companies who must ensure they are not purchasing products made by forced labor or using services (contract carriers, maintenance, etc.) that involve labor trafficking, and to the operations and management functions of all companies (recruitment, equipment sourcing, IT, cleaning services, landscaping, construction, etc.). In addition, professional drivers may encounter labor trafficking at transportation hubs, on the road and in homes and businesses. They can help identify victims inside warehouses, restaurants and other locations, where few people see the "back of the house."



TRUCKING INTERSECTIONS

- Suppliers
- Manufacturers
- Operational Services
- Through Transport
- During Delivery

¹ Laws and requirements vary by country and are often complex. This guide is not intended to be used for compliance purposes and does not provide legal advice.

² "Profits and poverty: The economics of forced labour," International Labour Organization, <https://www.ilo.org/publications/major-publications/profits-and-poverty-economics-forced-labour> (March 19, 2024).

CASE EXAMPLE: TRUCKING

A 2021 FreightWaves investigation found that truck drivers from Eastern Europe were being lured to the United States under false promises of well-paid jobs, only to find themselves “trapped in an alleged human trafficking scheme, forced to drive seven days a week and up to 20 hours a day and getting paid a fraction of what they were promised.” In addition to the low wages and long hours, the company would regularly deduct the drivers pay for various reasons. Drivers also alleged the equipment wasn’t safe, including trucks with bald tires or worn-out brakes.³

How does labor trafficking impact the bus industry?

There are various ways labor trafficking could be present within the bus and transit industries, including within the supply chain of OEMs or parts manufacturers and among operators. Companies must ensure they are not purchasing products made by forced labor or using services (storage, cleaning, maintenance, etc.) that involve labor trafficking. Bus companies and transit agencies that operate transit centers, stations or terminals must also exercise due diligence with the many contractors and vendors involved in those operations (concessions, IT, janitorial, construction, etc.). Beyond that, traffickers may recruit vulnerable people on buses or at transit centers; victims may take public transportation to get to job sites or in the course of their work; and survivors may go to transit centers in search of safety or escape.



BUS INTERSECTIONS

- Operational Supplies
- Contractors
- Vendors
- Passengers

CASE EXAMPLE: BUS

In February 2023, law enforcement in Ontario, Canada, dismantled a labor trafficking ring operating across the Greater Toronto Area (GTA) and recovered 64 victims. Traffickers enticed workers from Mexico with false promises of decent pay, housing and immigration papers. Upon arrival in Canada, the workers found themselves forced to live in squalid housing from which they were transported by bus each day to farms, factories and warehouses around the GTA, where they were compelled to work long hours for little pay.⁴ Detective Sergeant Gary McBride of the York Regional Police Human Trafficking Section described, “Their living conditions were overcrowded, with dozens of people sleeping on mattresses on the floor, a lack of food, a lack of privacy and bug infestations. They also described forms of coercion and control, isolation, lack of freedom, being financially bound, threats and sexual assault.”⁵

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- Detective Sergeant Gary McBride, York Regional Police Human Trafficking Section

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³ Clarissa Hawes, “Foreign Truckers Alleged US Job Offers Turned into Human-Trafficking Scheme,” Freight Waves, <https://www.freightwaves.com/news/foreign-truckers-allege-us-job-offers-turned-into-human-trafficking-scheme> (March 25, 2021).

⁴ Shanifa Nasser, “A Single Foreign Worker Blew the Lid Off a Massive International Trafficking Ring North of Toronto, Police Say,” CBC News, <https://www.cbc.ca/news/canada/toronto/migrant-workers-rescued-york-toronto-1.6767167> (March 3, 2023).

⁵ “Human Trafficking Investigators Rescue 64 Victims,” York Regional Police, <https://annualreport.yrp.ca/project-norte-human-trafficking-investigators-rescue-64-victims/> (2023).

How does labor trafficking impact the energy industry?

The energy industry is intertwined with almost all aspects of the global economy, which means labor trafficking could be present at any point along the vast energy supply chain. This includes companies involved in exploration, extraction, production, construction, transportation and refining who must ensure that they are not purchasing equipment or parts made by forced labor or contracting for services (construction crews, security, worker housing, trucking carriers, maintenance, cleaning, etc.) that involve labor trafficking. Energy companies must also monitor for labor trafficking in their corporate operations (recruitment, equipment, IT, cleaning, landscaping, construction, etc.).



ENERGY INTERSECTIONS

- Equipment Purchases
- Material Sourcing
- Contractors
- Service Providers
- Operational Supplies

CASE EXAMPLE: ENERGY

A U.S. federal court found Signal International, an Alabama-based maritime company, guilty of labor trafficking and other charges after they lured about 500 Indian men to the United States to repair damaged oil rigs and facilities in the aftermath of Hurricane Katrina. The primary allegations were that workers were forced to pay recruitment fees, live in labor camps for which their low wages were garnished and guarded at all times. The company also made fraudulent promises about their guest worker visa permits and potential pathway to citizenship.⁶ The jury ordered the defendants, which included Signal International, a New Orleans-based lawyer and an India-based recruiter, to pay five of the men \$14 million in damages. Later, the company settled another lawsuit for \$20 million and filed for bankruptcy.⁷

WHAT ARE THE RISKS?

All companies face legal, operational and reputational risks if labor trafficking or child labor exploitation are found within their operations or supply chains. In its Guiding Principles on Business and Human Rights, the United Nations provides a framework for companies to identify, prevent, mitigate and account for their potential and actual negative human rights impact, including their connection to any form of modern-day slavery.⁸ Beyond international guidance, there are potential consequences for companies that fail to exercise due diligence, take remedial measures or report on the steps they are taking to address modern-day slavery. Typically, the larger the company (defined by assets, revenue, geographical reach and number of employees), the greater the risks and compliance obligations.

RISKS OF NONCOMPLIANCE

- » Legal Action
- » Operations Impact
- » Reputation Consequences

⁶ "Indian Workers Awarded Millions After US Firm Found Guilty of Trafficking," The Guardian, <https://www.theguardian.com/world/2015/feb/19/indian-workers-awarded-millions-after-us-firm-found-guilty-of-trafficking> (February 19, 2015); Dave Davies, "Sold an American Dream, These Workers From India Wound Up Living a Nightmare," NPR - Fresh Air, <https://www.npr.org/2023/01/23/1150684455/human-trafficking-katrina-india-great-escape-saket-soni> (January 23, 2023).

⁷ Radha Desai, "Landmark Human Trafficking Case Ends with Bankruptcy for Signal International, LLC," Human Rights First, <https://humanrightsfirst.org/library/landmark-human-trafficking-case-ends-with-bankruptcy-for-signal-international-inc/> (July 24, 2015).

⁸ "Guiding Principles on Business and Human Rights: Implementing the United Nations 'Protect, Respect and Remedy' Framework," United Nations Office of the High Commissioner for Human Rights, http://www.ohchr.org/Documents/Publications/GuidingPrinciplesBusinessHR_EN.pdf (2011).

Reporting Requirements and Import Restrictions: Canada v. United States

Legal reporting requirements in Canada, the United Kingdom, European Union, Norway, Australia and others are designed to increase supply chain transparency by mandating certain companies to report publicly on the measures they are taking to identify, address and prevent forced labor and child labor in their supply chains.⁹ These requirements all exist on top of the obligations that companies have to comply with applicable state, provincial or federal labor laws.

- Canada's **Fighting Against Forced Labour and Child Labour in Supply Chains Act**, which went into effect on Jan. 1, 2024, requires companies to report annually on their due diligence processes, risk assessment and management, mitigation measures, remediation measures, training provided to employees and self-assessment of effectiveness. This responsibility applies to any entity producing, selling or redistributing goods in Canada or elsewhere or importing into Canada goods produced outside Canada; and meets two of the following conditions: i) at least \$20 million CAD in assets; ii) generated at least \$40 million CAD in revenue; and iii) employs an average of at least 250 employees.¹⁰

U.S. federal law does not impose reporting requirements but rather focuses on import controls and preventing products that have been produced with forced labor or slavery to be allowed into the United States.

- Under the **Tariff Act of 1930** and the **Trade Facilitation and Enforcement Act of 2015**, goods “mined, produced, or manufactured wholly or in part” by convict, forced or indentured labor are prohibited from entering the United States.¹¹ Likewise, because of the prevalence of forced labor in Xinjiang, the northwest province of China, the **Uyghur Forced Labor Prevention Act of 2021** created a rebuttable presumption that all goods manufactured in that region are products of forced labor and, therefore, prohibited from being imported into the United States.¹² Violations of any of these laws can shut down the supply chain for products at the border and result in significant loss of revenue and disruption of operations for companies attempting to sell, transport or purchase illegal materials.
- The state of California, through its **Transparency in Supply Chain Act**, requires retailers and manufacturers with a worldwide revenue of \$100 million or more to report on their supply chain verification process, supplier audits, supplier certification requirements, accountability standards and procedures and training provided to employees.¹³

United Nations Guiding Principles on Business and Human Rights (UNGPs)

CAUSE

If a business **causes** human rights harm through its own activities (e.g., violating or not enforcing labor laws), necessary steps to cease harmful actions should be taken.

CONTRIBUTE

If a business **contributes** to harm through its supply chain or relations (e.g., contracting with an entity that uses forced labor), actions contributing to that harm should be ceased and efforts to persuade other entities to reduce harm should be made.

DIRECT LINKAGE

If a business is **directly linked** to potential human rights harm through its business relations (e.g., franchisees, suppliers, customers) or community impact (e.g. increase of sex trafficking because of increased demand), proactive efforts to prevent and reduce potential harm should be made.

⁹ Bureau of International Labor Affairs, Legal Compliance, U.S. Department of Labor, <https://www.dol.gov/agencies/ilab/comply-chain/why-develop-a-social-compliance-system/legal-compliance> (last visited December 31, 2024).

¹⁰ Fighting Against Forced Labour and Child Labour in Supply Chains Act, S.C. 2023, c. 9 (May 5, 2023).

¹¹ Tariff Act of 1930, 19 U.S.C. § 4; Trade Facilitation and Trade Enforcement Act of 2015, PL 114-125 (February 24, 2016).

¹² The Uyghur Forced Labor Prevention Act, PL 117-78 (December 23, 2021).

¹³ Transparency in Supply Chains Act, S.B. 657, § 2 (September 20, 2010).

ASSESS AND MITIGATE RISK

How can companies assess and mitigate their risks?

Companies should evaluate the risks of human trafficking most relevant to their business and develop a plan to prevent, detect and respond to it. The following resources from TAT and others can help members of the trucking, bus and energy industries address some of the most prevalent human trafficking risks they face.

ACTION

RESOURCES

Utilize the UNGP “causes, contributes and directly linked” framework to guide the development of a plan.

The **BSR** white paper, “Seven Questions to Help Determine when a Company Should Remedy Human Rights Harm under the UNGPs,” provides practical guidance for companies to apply in their due diligence and evaluation.¹⁴

For energy companies, **Ipieca** created “Accelerating Action: An SDG Roadmap for the Oil and Gas Sector” to guide energy companies toward reaching the 2030 Sustainable Development Goals, including those connected to the eradication of human trafficking.¹⁵

Train employees on how to recognize and report indicators of human trafficking.

TAT offers free human trafficking training resources, including videos, wallet cards, an app, sector-specific toolkits and supplemental backgrounders.¹⁶

Encourage or mandate contractors to train their employees on how to recognize and report human trafficking.

TAT provides guidance to companies on ways they can encourage or require their contractors to provide human trafficking training, including through sample Request for Proposal (RFP) questions, email templates and other resource tools.¹⁷

¹⁴ “Seven Questions to Help Determine When a Company Should Remedy Human Rights Harm under the UNGPs,” BSR, <https://www.bsr.org/en/reports/seven-questions-to-help-determine-when-a-company-should-remedy-human-rights> (January 7, 2021).

¹⁵ “Accelerating Action: An SDG Roadmap for the Oil and Gas Sector” Ipieca, <https://www.ipieca.org/resources/sdg-roadmap> (April 20, 2021).

¹⁶ TAT Training Library, <https://tatnonprofit.org/training-library>.

¹⁷ “How Shipping & Logistics Can Combat Human Trafficking: A Toolkit for Implementing Anti-Trafficking Initiatives,” TAT, https://tatnonprofit.org/wp-content/uploads/shipping_and_logistics_toolkit.pdf (2024).

ASSESS AND MITIGATE RISK

ACTION

RESOURCES

Adopt and implement an anti-human trafficking policy and **promote** the implementation of anti-trafficking policies to contractors.

In their joint “Business Engagement Toolkit for the Transportation and Energy Industries,” the **U.S. Chamber of Commerce and TAT** share a sample anti-human trafficking policy template, as well as tips on implementing anti-trafficking initiatives through a company-wide approach.¹⁸

Conduct an anti-trafficking audit to identify and remedy any policies or practices that cause or facilitate human trafficking and/or exploitation.

The Global Business Coalition Against Human Trafficking’s toolkit for corporate suppliers, “Addressing Forced Labor and other Modern Slavery Risks,” is designed to help companies in corporate supply chains identify the areas of their business that are at the greatest risk and design a plan accordingly.¹⁹

Verité partners with companies to identify and remedy labor rights violations and offers tools for companies to utilize in evaluating the risk of forced labor in their supply chains, including the CUMULUS Forced Labor Screen™.²⁰ They also conduct customized risk assessments that are sector and country specific.

KnowTheChain uses benchmarking as a tool to share best practices and provides resources to companies to help them understand and address forced labor risks within their supply chains.²¹

The Ethical Trading Initiative (ETI) helps companies implement Human Rights Due Diligence. The ETI Base Code is a global reference standard widely used as a benchmark to conduct audits and develop action plans, including on detecting modern-day slavery.²²

¹⁸ “Best Practices to Stop Human Trafficking,” U.S. Chamber of Commerce, <https://www.uschamber.com/employment-law/anti-human-trafficking/business-best-practices-to-stop-human-trafficking> (January 20, 2024).

¹⁹ “Addressing Forced Labor and Other Modern Slavery Risks: A Toolkit for Corporate Suppliers,” Global Business Coalition Against Human Trafficking, <https://www.gbcat.org/news/2021/7/29/addressing-forced-labor-and-other-modern-slavery-risks-a-toolkit-for-corporate-suppliers> (August 6, 2021).

²⁰ Verité, CUMULUS Forced Labor Screen, <https://verite.org/cumulus/> (last visited December 31, 2024).

²¹ “Good Practice Guide 2024,” KnowTheChain, <https://knowthechain.org/knowthechain-good-practice-guide-2024/> (2024).

²² “ETI Base Code,” Ethical Trading Initiative, <https://www.ethicaltrade.org/eti-base-code> (April 25, 2016).



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TAT stands committed to educate, equip, empower and mobilize members of key industries and agencies to combat human trafficking.



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