

Factories Turn to Refugee Workers

After Government Crackdown, A Texas Town Taps Burmese

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By MIRIAM JORDAN

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CACTUS, Texas -- Eighteen months ago, a federal roundup of hundreds of undocumented Latino workers nearly crippled a giant JBS Swift & Co. meatpacking plant here. Today, the slaughterhouse is on the rebound, thanks to an unexpected influx of refugees from Myanmar.

Since January, the Swift plant has hired more than 200 workers from the Southeast Asian country, also known as Burma. Most of the new legal hands came from a large refugee population that had been resettled in Houston, 12 hours away by car. The typical pay: \$12.15 an hour, or more than double the state's minimum wage.

A growing crackdown on illegal immigration has put some labor-intensive sectors of the U.S. economy in a bind. Throughout the 1990s, companies tapped workers by the hundreds of thousands from Mexico, Guatemala and other points south of the border. But lately, illegal crews have been the target of federal immigration authorities.

In fiscal 2007, arrests at factories and plants jumped to more than 4,000 people, a 10-fold increase over 2002. Last month, the Immigration and Customs Enforcement agency mounted its biggest raid of the year when it arrested nearly 400 Hispanic workers at Agriprocessors Inc., a large kosher meat plant in Postville, Iowa. No company officials have been charged.

At least eight million illegal workers participate in the U.S. economy. A year ago, an immigration bill championed by President Bush and bipartisan leaders in Congress collapsed in the Senate. Business interests had lobbied fiercely for the legislation, which would have coupled tighter border security with a path to legalization for many illegal immigrants working in the U.S. Opponents charged that its amnesty provisions would have rewarded lawbreakers.

With no quick fix in sight, "there are millions more jobs in the U.S. economy than there are legal workers to fill them," says Craig Regelbrugge, co-chairman of the Agriculture Coalition for Immigration Reform, which represents hundreds of farmers and ranchers.

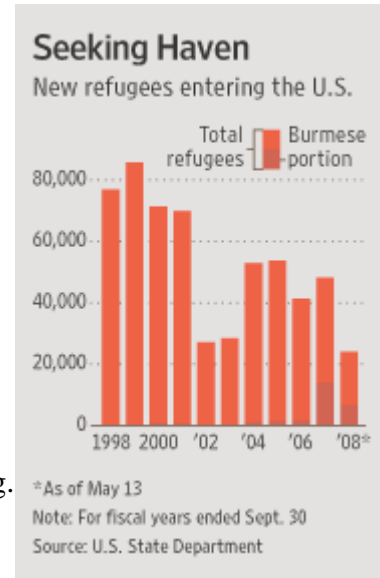
Irvine, Calif.-based Western Growers, an association of farmers and their suppliers, reports that some companies have recently downsized production by 25% because of labor shortages. Increasingly, farmers are moving to Mexico to fill the gap. The group estimates that California could lose more than \$667 million in agricultural economic activity to Mexico this year.

Other industries, from apparel to meatpacking and hospitality, are also scrambling.

For most meatpackers, relocating south of the border isn't an option. "Our jobs can't be exported. The animals are here so the jobs are here," says Dan McCausland, a director at the American Meat Institute.

So to replenish its workers, the meat industry here has tapped into a new source of foreign, legal workers: refugees.

It's hardly a panacea. Thousands of illegal workers have lost their jobs as a result of the increased federal scrutiny. But it's something. The U.S. absorbs more refugees than any other nation -- 41,279 in 2006 and 48,281 in 2007. They hail from the former Soviet Union and the Baltic states as well as from Iran and Somalia. In the past two years alone, some 20,000 refugees have arrived from Myanmar, which is ruled by a military junta. Most entered the U.S. after years of political strife and weren't victims of the country's recent deadly cyclone.



Resettlement Efforts

The State Department strives to assign these people to cities where they have relatives or job opportunities. To help give them a start, the U.S. government works with various nonprofit resettlement agencies. In Texas, they were settled mostly in big cities such as Houston and Fort Worth, far from this isolated Texas panhandle town of 2,538 -- so small that it doesn't even register on some U.S. maps, and certainly not in the minds of the Burmese refugees.

That would soon change. On Dec. 12, 2006, ICE descended on six Swift plants across the country in the largest work-site raid ever. In Cactus, federal agents arrested 297 undocumented workers during the morning shift and prompted hundreds more, who worked a later shift, to flee in fear.

"The raid almost brought this corporation to its knees," says Jack Shandley, head of human resources at Greeley, Colo.-based Swift. No charges were brought against the company, which Mr. Shandley says followed the necessary legal checks in its hiring practices.



Recruiting was especially tough at the Cactus beef plant, a sprawling complex adjacent to a run-down town in the middle of the High Plains.

The odor of cow dung hangs in the air. Cattle outnumber human residents. Housing is in short supply. Summers are sweltering, winters are frigid, tornadoes wreak havoc. The closest major city, Amarillo, is 60 miles away.

Initially, Swift tried to attract American workers who lived within a 60-mile radius of the plant. In a "war room," company officials posted maps on the walls and circled a target recruitment area that stretched from Amarillo to Liberal, Kan. It advertised on billboards, on the radio and in newspapers. It worked local job fairs and set up a recruiting station at Amarillo's unemployment office.

Despite pay that exceeds other low-skill jobs in retail and construction -- and even some teaching posts -- takers were few. American workers came and went or didn't come at all and the circle on the map ballooned. "We had to keep reaching out further and further," recalls Doug Schult, Swift's head of employee and labor relations. "Our survival was at stake."

In early 2007, the company began free bus service from Amarillo to Cactus. Somali refugees, who were already living in the area, started signing on in greater numbers. Productivity improved -- but not by enough. The plant, still operating at about half capacity, sorely missed its deported Latino hands.

Buses and Bonuses

Then last fall, Swift poached two veteran Burmese workers from competitor Tyson Foods in Amarillo. Motivated by the company's referral bonuses ranging from \$650 to \$1,500 per hire, the pair phoned their Burmese contacts in Houston and other cities.

"Swift asked me, 'How many people can you bring?' " recalls worker James Hlwanceu. "I told them I have more than 60 people."

On Dec. 17, Swift flew Mr. Hlwanceu and a company recruiter to Houston to gauge community interest. There, in a Burmese family's apartment, several dozen people gathered to hear about the company's pay and benefits. No English was required -- just a desire to learn by watching others. There were no long bus commutes. Workers at the Cactus plant could walk or bike to their jobs.

Three days later, a white bus emblazoned with the Swift logo pulled up to the Stone Forest Apartment complex that was home to many Burmese families. About 45 adults and children piled in, bringing few personal belongings and hundreds of sacks of rice -- the Burmese staple.



James Hlwanceu

Swift had lined up dormitory-style apartments. Company staff helped the newcomers fill out paperwork at the plant, enrolled their children in schools and drove families to an Asian-owned grocery store in Dumas, about 12 miles down Interstate 287.

Some of the rookie workers had spent two decades living in bamboo huts in refugee camps in Thailand. In a weeklong training program, the Burmese learned about plant safety and company policies, with the aid of an interpreter. Then, working next to experienced Latino and African workers, they began adroitly splicing spine, bone and fat from slabs of meat.



Joseph Hau

Por Maung, a new Burmese hire, recently separated bellies from carcasses on the skinning line. Another Burmese, Joseph Hau, carved out muscle, in a different line. Mr. Hau says the work is a step up from his job in Houston. He says he used to get up before dawn and take two buses to reach a medical center where he washed dishes for \$7 an hour.

Encouraged, Swift on Jan. 28 sent two more buses and three U-Hauls to Houston apartment complexes. More than twice as many people showed up as there were seats. That's when alarm bells rang in the Burmese community. "Some people had given up their apartments and didn't have a place to stay anymore," says Maung Maung Than, a leader of the Burmese Family Association in Texas.

There were other issues. Some Burmese immigrants had begun charging a fee to shuttle their countrymen from Houston, Austin and other cities to Cactus -- sometimes as high as \$200 a person, according to community leaders and refugees. Swift says it was unaware of any fee scheme.

'Suddenly Uprooted'

When word first reached refugee-relief agencies that 400 Burmese had surfaced in Cactus and nearby Dumas, it didn't strike them as a good thing.

"It was somewhat alarming," says Caitriona Lyons, refugee-program coordinator for Texas. The agencies offer services such as English classes and job placement to the newcomers. In cities like Houston, the Burmese "had been getting medical screening; children were being vaccinated; they were receiving public benefits...and they were suddenly uprooted," says Ms. Lyons.

Some people in the Cactus area voiced concern about the new stress on area schools, local hospital and other services. "We haven't had to deal with different languages other than Spanish," says Mark Strobal, assistant superintendent of the school district, which enrolled more than 110 Burmese children in the first two months of the year. (The district has since hired two interpreters.)

Eventually, state resettlement officials decided to approach Swift to begin a dialogue. During a tense meeting with company executives in March, they laid out various concerns, including the refugees' living conditions.

In some of the temporary housing, "there was no heat, no bedding and no groceries for them," says Betty O'Neill, an official from Catholic Family Service Inc., a resettlement agency in Amarillo.

Rumors also spread that the refugees might carry tuberculosis. Some locals feared that Burmese children, who often coughed during winter months, might contaminate other students.

To alleviate concerns, Swift had some 180 Burmese adults screened for tuberculosis. None carried the active disease. The company also helped transport 100 children to a clinic to receive inoculations.

In a late-March meeting attended by town officials, refugee administrators and senior Swift executives, the parties outlined a plan. To help ease the refugees' transition, Swift agreed to pay the salaries of two full-time Burmese-speaking case workers, trained by resettlement agencies. It has also worked to address any lingering housing concerns: Swift's Brazilian parent, which bought the company in July 2007, approved the purchase of 50 acres of land in Dumas for affordable housing. A nonprofit builder is expected to break ground on the tract later this summer.

Inside the beef plant, production levels are approaching preraid levels. "The refugees have been a huge part of that success," says Scot Brinkley, general manager. Still, the company has halted the referral bonus program to allow time for the housing stock, schools and other services to adjust to the growing population.

Ter Htoo, his wife and five children are glad they made the journey from Fort Worth to Cactus along with 10 other families. Mr. Htoo, whose hands are calloused from trimming fat off chunks of meat, cracks a wide smile and says, through an interpreter, "It's good here. I like it."