Suspected Illegal Workers Found at Halliburton Job Site

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Body

Federal agents have identified 10 <u>suspected illegal</u> immigrants working at a naval base near New Orleans where the <u>Halliburton</u> Co. subsidiary Kellogg Brown & Root is leading hurricane reconstruction, according to a spokeswoman for U.S. Immigration and Customs Enforcement.

A spokesman for the base said last night that 13 <u>workers</u> were barred from the base this week for lack of proper work papers, and that they were employees of Texas-based BMS Catastrophe. Officials of the company could not be reached yesterday for comment.

A KBR spokeswoman said the firm will look into any allegations that its subcontractors have violated the law or the company's code of conduct. She could not immediately say whether BMS was working for KBR.

Immigration and Customs spokeswoman Jamie E. Zuieback said yesterday that agents were called in Thursday by base security personnel and <u>found</u> that 10 <u>workers</u> lacked proper documentation. The <u>workers</u> have not been taken into custody, Zuieback said. She said the investigation is ongoing, but would not comment on its scope.

Work at the base has been a source of dispute in recent weeks because dozens of unionized electricians, many of them local residents who had their homes destroyed during Hurricane Katrina, claim they were let go by another *Halliburton* subcontractor, Alabama-based BE&K, in favor of lower wage *workers*. That came after the Bush administration suspended the Davis-Bacon Act, a law that guarantees the prevailing local wage for *workers* operating under federal contracts.

Sen. Byron L. Dorgan (D-N.D.), who has been following the case closely, said the discovery of <u>illegal</u> immigrants at the naval base confirms that Gulf Coast <u>workers</u> looking for livable wages are getting left out of the federally funded reconstruction.

"I don't think there's any question that there's a pretty significant sucking sound there," he said. "If you were paying prevailing wages, you would be hiring skilled electricians."

KBR has been working under a federal contract to help rebuild the Belle Chasse Naval Air Station in New Orleans after Katrina hit. BE&K won a subcontract from KBR to help build a temporary tent city to house 7,000 military personnel and others assisting in the disaster response.

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Susan Wasley, a spokeswoman for BE&K, acknowledged that federal agents had begun reviewing documentation for the firm's employees, but said that papers for other firms' employees were also being examined. She said that everyone who works for the company has provided documentation, and denied that the firm had laid off union <u>workers</u> in favor of low-wage labor. "No BE&K <u>worker</u> and no BE&K subcontractor's <u>worker</u> has been detained," the company said in a statement.

The story of the union electricians became the centerpiece of an event held Monday by the Democratic Policy Committee, when Al Knight, head of the company that hired the union <u>workers</u>, recounted his story for lawmakers. Senators listening to his testimony blamed the Bush administration's suspension of the Davis-Bacon Act.

Sen. Mary Landrieu (D-La.) expressed contempt yesterday for a system that she said allows companies working for the government to make a larger profit at <u>workers</u>' expense. "Skilled Louisiana <u>workers</u> rebuilding a U.S. military base were pushed aside by sub-contractors looking to make a quick buck off American taxpayers by hiring low-skilled, low-wage undocumented <u>workers</u>," Landrieu said in a statement.

Among the electricians who lost their *jobs* was Sam Smith, whose house in the Ninth Ward was destroyed after Katrina slammed into the Louisiana coast. Smith, 55, returned to the city because of the promise of \$22-an-hour wages, and guaranteed work for at least a year at the naval base. He was quickly disappointed, however, and lost his *job* within three weeks. "You would think that the federal government should be making sure that people who are trying to restart their lives and are trying to put their city back together again are out there working," Smith said. "But that's not the case."

The Bush administration has steadfastly defended its suspension of the prevailing wage law, saying it was needed to speed reconstruction and save the government money.

"The Davis-Bacon waiver removed red tape to get the recovery effort going quickly with more companies participating," Alex Conant, a spokesman for the Office of Management and Budget, said in a statement. "We have not seen any evidence of abuse -- in fact, we have seen just the opposite. The waivers are proving to be effective and efficient, jump-starting the recovery effort at reduced costs to taxpayers."

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