

STUDY TITLE: Deepwater Program: Labor Migration and the Deepwater Oil Industry in Houma

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BACKGROUND: With the rapid expansion of the oil industry into deepwater during the mid-1990s, the industry experienced a labor shortage, particularly of skilled, blue collar occupations. An early characteristic of deepwater activities is that shore facilities are hiring large numbers of green card workers for offshore support. This contrasted with an earlier boom which relied on more local manpower from an historical labor force. In small communities, such as Port Fourchon and its surrounding environs, a new, Spanish-speaking group has created difficulties for the social services of the area, including schools, hospitals, churches, and other community service organizations.

OBJECTIVE(S): The principal objective of this project was to assess the impact of international immigration on port communities in the state of Louisiana, where deep-sea offshore drilling has rapidly increased labor demand since 1995.

DESCRIPTION: Relying on data collected from employers, community leaders, foreign born workers, and other residents to describe how new immigrants first incorporate in these communities, the project examined consequences of the new immigrant presence

in four LA port communities situated along the Gulf of Mexico – Morgan City, Houma, New Iberia and Port Fourchon.

Using data from CATI surveys of 200 households in each communities, we found that decisions by employers to import foreign-born labor had far-reaching implications for both immigrant workers and the communities hosting them. Most residents in the four port communities reported strong positive links between their local community and the oil industry. While consistent positive opinion was more likely among respondents from Houma and Lafourche than among those in New Iberia and Morgan City, on the whole, residents in all four communities reported some degree of positive sentiment toward the oil industry.

We also explored residents' attitudes about the effect of immigration on their local communities. On the whole, sentiment about immigrants in communities ranged from neutral to moderately negative. While residents across communities may feel a threat to community solidarity and employment, they were fairly neutral with respect to the number of foreign born entering and they linked immigrant workers with good work. Only in Lafourche Parish did residents' sentiment about immigrants tend towards more anti-immigrant views. New Iberia, on the other hand, reported more positive sentiments about migrants suggesting a more welcoming reception area for migrants.

Our interviews with onshore oil and gas industry employers revealed an overall discontent with the state of the local labor force. Employers almost universally reported labor shortages in part because of an increasing trend toward completion of a college education. With fewer potential employees growing up in the communities, employers' most salient concern was how to obtain qualified workers for the jobs they had. As a result, many began seeking out immigrant labor to meet the demand.

Not only did foreign labor become a vitally important labor source for employers in our study areas, employers were generally very pleased with the quality of the foreign born labor pool. Employers reported that their foreign born workers, whether Latino workers in Houma and Morgan City or Laotian workers in New Iberia, were hard-working, loyal, and skilled in their trades. With respect to recently arrived Latino workers, employers liked their flexibility. Given the cyclical nature of the oil industry, flexibility made foreign-born workers even more attractive to employers. In this way, employers viewed immigrant labor as a good business strategy.

SIGNIFICANT CONCLUSIONS: The community differences suggest variation in the immigrant incorporation experience. Unlike immigrants in the past, the newly arrived in the 1990s settle in nontraditional communities, where their experiences are linked to employment in a wider variety of local economic sectors than immigrants faced in the past. Our findings highlight the importance of understanding the unique contextual factors greeting immigrants in their communities of entry, especially in destination areas that have not attracted many migrants in the past and where economic opportunities derive from the gas and oil industry. This point is increasingly important as immigrants become more geographically dispersed throughout the United States.

Broadly speaking, findings reveal that decisions by employers to import foreign-born labor had far-reaching implications that differed by receiving community. In Houma, employers played the major role in shaping the early economic and social incorporation of immigrant workers by using temporary visas to bring in workers. In Morgan City, employers, community groups, and co-ethnic networks interacted to facilitate the early incorporation of newcomers. The result was high levels of satisfaction among new immigrant residents, despite a contentious public controversy that arose in the early 1990s when a large employer attempted to house immigrants on commercial property. During the last 20 years, Laotian refugees resettled in New Iberia, where they have now accumulated economic and social capital and maintain middle-class lifestyles. To sum, communities in southern Louisiana witnessed different processes of early immigrant assimilation for both immigrant workers and the communities hosting them.

STUDY RESULTS: From conversations with community leaders, residents, and immigrant workers, we assessed the impacts of immigrants on local communities. Although new immigrants to Louisiana shared similar background characteristics, the incorporation process varied significantly by community. Immigrant experience with employers, government policies, and co-ethnic networks explains most of the differences observed across these communities.

In Houma, a formal system of contract labor used by employers was the dominant force shaping the economic and social incorporation of immigrant workers. Employers recruited migrants in their national origins, and brought them to the United States with legal documents as temporary workers. As the main caretakers, employers controlled where these migrants lived, what they ate, and when they worked. Without the formal and informal protection and support offered by co-ethnic networks, Latino workers were left to fend for themselves. The result was a group of disenfranchised workers suffering mistreatment at the hands of employers, with few opportunities to socially and economically incorporate into their new receiving community.

In Morgan City, however, there was no one dominant force that shaped the early assimilation experiences of immigrants. All three forces B employers, community reception, and co-ethnic networks B facilitated the incorporation of newcomers. The result was high levels of immigrant satisfaction, despite an initial public controversy over an employer=s attempt to house immigrants on his work cite. Immigrants in Morgan City reported being satisfied with their current housing and employment, happy to live in the community, saying it was a peaceful and pleasant place to live.

Finally, the incorporation experience of Laotians in New Iberia was different from Latino newcomers in Houma and Morgan City. Laotians were able to successfully and smoothly incorporate into the community as a result of all three contextual factors. Critically important was their status as refugees, which offered them a full range of federal services through a community-based resettlement program. As a result, they accumulated enough economic and social capital to become upwardly mobile and develop a middle-class lifestyle by purchasing homes and sending their children to

private schools. Unlike the new Latinos in Houma and Morgan City, Laotians were permanent members of their community just ten years or so after their first arrival.

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