

Human Trafficking and Other Labor Risks in the Transportation Sector

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Verité

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1. Introduction and Background

1.1 Overview

The transportation sector serves as the backbone of global commerce, facilitating the movement of goods and materials across complex, interconnected supply chains. Yet, the connectivity that drives economic growth also creates vulnerabilities that entities can exploit for the purposes of human trafficking, including forced labor. Transportation networks encompass a vast ecosystem of carriers, logistics providers, third-party services providers, labor agencies, and suppliers spanning multiple jurisdictions and regulatory frameworks. This complexity creates numerous entry points where legitimate transportation services can be exploited to move victims or benefit from forced labor within supply chains. Due to the interconnected nature of these networks, a single compromised link can potentially contaminate entire supply chains, exposing transportation entities to significant legal, reputational, and operational risks.

Transportation entities operate within an increasingly stringent regulatory environment that demands proactive measures to prevent human trafficking. Federal legislation such as the Trafficking Victims Protection Act, as amended,¹ the Tariff Act of 1930,² the Trade Facilitation and Trade Enforcement Act of 2015,³ the Uyghur Forced Labor Prevention Act (UFLPA),⁴ the U.S.-Mexico-Canada Agreement (USMCA),⁵ and regulations such as the Federal Acquisition Regulation (FAR): Combating Trafficking in Persons,⁶ as well as various state-level requirements establish clear expectations for businesses to monitor and address trafficking risks within their operations and supply chains.

Transportation entities also face compelling business reasons to implement robust due diligence systems. The reputational damage from association with trafficking operations can result in immediate

¹ [U.S. Department of State. International and Domestic Law: Trafficking Victims Protection Act and Amendments. 2025.](#)

² [Tariff Act of 1930 \(19 U.S.C § 1307\).](#)

³ [Trade Facilitation and Trade Enforcement Act of 2015 \(19 U.S.C § 4301\).](#)

⁴ [U.S. Customs and Border Protection. "Uyghur Forced Labor Prevention Act."](#)

⁵ [Public Law 116-113. 116th Congress. Congress.gov. Jan. 29, 2020.](#)

⁶ [U.S. Department of State. Strengthening Protections Against Trafficking in Persons in Public Procurement. Jan 20, 2025.](#)

For guidance on complying with the Federal Acquisition Regulation (FAR): Combating Trafficking in Persons, please review Tool 12, RST's Sample Compliance Plan Template.

loss of contracts, particularly with government agencies and major corporations that have adopted zero-tolerance policies. Furthermore, operational disruptions caused by trafficking-related investigations and the financial costs of remediation and legal proceedings can impact service delivery and customer relationships.

1.2 Objective

This report provides an overview of human trafficking risks, including forced labor risks, in operations and supply chains within key segments of the transportation sector. In some cases, other serious labor abuses are also noted as indicators of the working environment and potential heightened vulnerability to situations that may lead to forced labor.

The objective of the report is to raise awareness of the forms of forced labor, the structural causes of forced labor, the combination of factors that may bind a worker to their job, and where in an organization's value chain these risks may be found. The report, which is based principally on desk research, examines the following nine broad transportation sectors and their subsectors that are regulated by the U.S. Department of Transportation (USDOT): aviation, busing, local commercial drivers, maritime, pipelines, private vehicles, rail, transit, and trucking.

USDOT's Transportation Leaders Against Trafficking initiative has made significant efforts to combat human trafficking within these industries. To expand efforts to combat labor trafficking, USDOT commissioned this report in response to a 2024 recommendation from its Advisory Committee on Human Trafficking. The recommendation calls on USDOT to develop a multimodal due diligence tool that includes mandatory due diligence laws, resources, sample policies, and tools to support the prevention and mitigation of forced labor in supply chains for goods and services across the transportation industry.

This report expands analysis of labor trafficking in the transportation sector, specifically forced labor risks in product and labor supply chains. The intended audience for these findings includes private and public transportation entities, policymakers, and industry professionals seeking to strengthen their due diligence approaches to managing the risks of forced labor, as well as workers and their advocates, civil society, and consumers.

2. Context and Methodology

2.1 Definitions

Under the U.S. Trafficking Victims Protection Act of 2000 (federal law 22 U.S.C. § 7102), human trafficking for the purposes of forced labor is defined as the recruitment, harboring, transportation, provision, or obtaining of a person for labor or services, through the use of force, fraud, or coercion for the purpose of subjection to involuntary servitude, peonage, debt bondage, or slavery. Internationally, the International Labour Organization (ILO) defines forced labor as "all work or service which is exacted from any person under the menace of any penalty and for which the said person has not offered himself voluntarily" (ILO Forced Labour Convention, 1930 (No. 29)).

For relevant regulatory standards, please refer to Appendix I.

2.2 Analytical Framework

Although there are specific legal definitions for human trafficking and forced labor, in many circumstances, labor exploitation occurs along a continuum. At one end there are conditions of decent work, in which employment is legal, freely chosen, fairly compensated, and conducted in a safe environment. At the other end there are situations that meet the legal definition of forced labor or human trafficking, characterized by a combination of involuntariness and coercion. In between are situations featuring labor practices that are exploitative and increase worker vulnerability to forced labor, but that do not meet the legal definition of forced labor or human trafficking. For example, excessive or involuntary overtime, subminimal wages, unsafe working environments, and verbal abuse or threats may be exploitative and violate national labor standards and internationally recognized labor rights. However, these practices alone do not constitute forced labor or human trafficking unless they also involve elements of *coercion*—the means used to compel someone to work, or the “force” that prevents a worker from acting to protect their welfare or leaving a job. These include:

- Deceptive recruitment practices, such as misrepresentation of wages, working conditions, tasks, or job location
- Debt bondage, in which workers are unable to leave a job due to the burden of debt linked to their recruitment or employment
- Retention of identity documents

- Threats of retaliation, deportation, or harm used to coerce continued employment
- Restrictions on freedom of movement or communication

The presence of any one of these indicators alone does not confirm a legal finding of forced labor but signals elevated risk, especially when multiple indicators are present simultaneously.

For operational forced labor indicators developed by the ILO, please refer to the International Labour Organization's [Hard to See, Harder to Count: Handbook on Forced Labour Surveys](#) (2024).

Documented cases that meet the legal definition of forced labor or human trafficking across the transportation sector are limited. However, exploitative labor practices (the middle of the continuum) and conditions associated with a heightened risk of coercion are reported across transportation sector operations and particularly supply chains. While this report focuses on situations in which workers cannot leave a job freely without the threat of penalty to themselves or their family, some exploitive practices and conditions have also been included.

This approach is guided by two considerations. The first is the recognition that such practices, (e.g., third-party recruitment, worker payment of fees to get a job, lack of grievance mechanisms or access to remedy, and reliance on temporary migrant labor or foreign-born, non-citizens who are unlawfully present in a country) often precede or accompany more severe violations, including forced labor. The second is the need for transportation entities to conduct due diligence to identify and address forced labor risks proactively and systemically, not solely based on reactive response to symptoms.

2.3 Sources and Criteria

The information presented in this report draws on a broad range of publicly available sources to identify documented or credible allegations of labor exploitation across transportation operations and supply chains. These sources include official government records, civil society publications, investigative journalism, and academic research. While the level of depth and detail varied significantly across sources, all were reviewed for relevance, credibility, and consistency with known trafficking and forced labor risk indicators. Allegations were not required to meet a legal or prosecutorial threshold to be included in the analysis. Repeated or well-substantiated reports, particularly when aligned with

structural risk factors such as the involvement of third-party agents⁷, debt manipulation, or restricted mobility, were treated as signals of elevated risk within a given mode of transportation or subsector. Because the focus on and coverage of forced labor risks across transportation industries is markedly uneven, it should be noted that the absence of documentation (such as research or investigative reports) does not signify low risk or the absence of risk, and conversely, more available information in one transportation industry over another does not mean the risk is higher.

Conversations were also held with numerous transportation sector stakeholders including staff from U.S. government agencies, companies, and non-governmental organizations (NGOs) involved in counter-trafficking initiatives, among others, to gain insight into current due diligence efforts, recruitment practices, and sourcing trends. Information provided that could not be independently verified was treated strictly as background.

2.4 Scope of Workers

The scope of the report encompasses the following types of workers involved in the production of goods or delivery of services in transportation sector operations and supply chains:

- *Workers contracted by third-party service providers:* employed by third-party firms to perform non-core services (e.g., maintenance, cleaning, security), often with limited oversight from the contracting entity.
- *Direct hire workers recruited by a third-party labor agent:* formally employed by a transportation sector company, but recruited through third-party labor agents that may not be monitored for practices such as charging candidates fees.
- *Contract or agency workers employed by labor providers/agents:* hired and managed by labor subcontractors or temporary staffing agencies, not directly employed by the end user, and often lacking employment protections.
- *Independent contractors or workers in informal roles:* self-designated independent workers (sometimes called “gig” workers) with limited legal protections (e.g., owner-operator truck drivers, rideshare drivers) often subject to control despite nominal autonomy.

⁷ The combination of services provided by third parties to find, place, and/or directly contract labor to work in company-owned or supplier operations are varied, as are the terms used by different industry sectors and standards organizations to describe the providers. These include: labor agents, recruiters, recruitment agents, sub-agents, labor providers, private employment agencies (PEAs), staffing agents, manpower agents, brokers, contractors, crew leaders, and gangmasters. For the purposes of these tools, “labor agent” is generally used as the umbrella term, with “recruitment agent” used as a subset.

3. Multimodal Overview of Human Trafficking and Forced Labor Risk Factors Associated with the Transportation Sector

While the transportation sector is very broad, there are common touchstones of forced labor risks across the modes and segments (tiers) of their supply chains. These can be generalized to 1) how workers are recruited, 2) their terms of employment or contract, 3) how they are managed, 4) their immigration status (and other characteristics with implications of precariousness), 5) state control, and 6) where within the supply chain vulnerable workers are employed. Regarding which segments of a supply chain represent greater risk, it is widely accepted that risks increase the further upstream (or distant) along the supply chain the production is taking place because visibility and due diligence oversight is steadily harder to achieve.

3.1 Worker Recruitment, Management, and Terms of Employment

3.1.1. Outsourcing / Subcontracting

Outsourcing or subcontracting of recruitment and/or onsite management of workers by a third party other than the company is a widespread practice. Industries that rely on labor agents, labor recruiters, or other third-party intermediaries to recruit, hire, and/or manage their workforce are at increased risk of having forced labor in their operations. The practice represents a cross-cutting risk in the transportation sector. *Conditions that can lead to forced labor, including forced child labor, have been documented, for example, in automotive manufacturing (Section 4.3.2), shipbuilding (Section 4.2.2.5), and in-flight catering (Section 4.1.2).*

Recruitment agents often provide valuable hiring and migration facilitation services. However, as there is a tendency for companies to consider “contract” or “agency” workers as outside the scope of their Code of Conduct, social responsibility, or due diligence commitments, they typically do not ensure worker rights protections are in place or implemented. This includes not providing workers with a means to raise issues or access to remedy. Further, gaps in regulating and monitoring the recruitment industry result in widespread exploitation of jobseekers (particularly foreign migrants) and weak age verification screening which can lead to the worst forms of child labor.

Exploitive and coercive practices include:

- Recruitment:
 - Deceiving jobseekers about the true nature and/or conditions of the job or replacing the employment agreement signed at hiring with one less favorable to the worker upon beginning work, sometimes called “contract substitution”
 - Charging recruitment fees and expenses, amounting in some cases to as much as a year’s pay or more
- Management:
 - Requiring deposits, bonds, and/or forced savings (also called “runaway insurance”) that may only be returned on completion of a contract
 - Withholding personal identity documents
 - Providing substandard living conditions
 - Threatening to terminate contracts, forfeit unpaid wages, savings, and return travel expenses
 - Threatening to blacklist employees from future job opportunities for complaining or attempting to quit

The debt resulting from the payment of recruitment fees is a major contributing factor to workers’ vulnerability to forced labor. Fees and expenses may amount to thousands of dollars, usually paid through loans, which are often provided at exorbitant interest rates with family property as collateral. Research for this report documented workers having to work for a year or more of their contract to pay down their debt; in effect, a condition of debt bondage. *Examples include migrant workers in electronics manufacturing (Section 3.3.3.2), seafarers (Section 4.2.2.1), shipbuilders (Section 4.2.2.5), and shipbreakers (Section 4.2.2.6).*

This debt may be compounded by the charging of:

- fines rather than disciplinary procedures for infractions;
- costs for uniforms, tools, personal protective equipment, or other necessities for the job;
- costs for transportation, utilities, or other expenses relating to use of employer- or labor agent-provided housing; or
- interest at above market rates for employer-provided loans.

These expenses are typically not described in the employment or contract terms in advance of a worker accepting a job.

3.1.2. Predatory Leasing Arrangements

In the transportation sector, leasing arrangements can create situations in which drivers are indebted to the company they are under contract with, which can prevent them from being able to terminate work. A hallmark of these arrangements is lack of transparency on required or potential expenses compared to an accurate description of likely income. *For examples, see trucking (Section 4.4.2) and commercial drivers (Section 4.5.2) below.*

3.2 State-Sponsored Labor Programs

Forced labor can be imposed by the government of a country or by private actors. While most forced labor is imposed by private actors (86 percent), 14 percent of forced labor around the world is imposed by governments.⁸

State-imposed forced labor refers to forced labor demanded by government authorities; it includes labor used as a:⁹

- means of punishment, political coercion, or education (for example, abuse of compulsory prison labor);
- means of discrimination;
- punishment for participating in strikes;
- means of labor discipline; and/or
- means of mobilizing and using labor for purposes of economic development.

It can take the form of state-sponsored labor programs that include labor transfers and/or compulsory work.

Research for this report found that a risk common to most extended supply chains in the transportation sector is the exposure to state-imposed forced labor in the production of products and raw materials sourced from China. Forced labor is documented in the Xinjiang Uyghur Autonomous Region (XUAR), an

⁸ [“Global Estimates of Modern Slavery: Forced Labour and Forced Marriage.” International Labour Organization, Walk Free, IOM, Sept 2022.](#)

⁹ [“Abolition of Forced Labor Convention, 1957 \(No. 105\).” International Labour Organization.](#)

autonomous region of China that is the center of China's state-sponsored labor transfer program involving Uyghur Muslims and other ethnic minorities.¹⁰ Described by the Chinese government as "vocational training" or "poverty alleviation" efforts to increase job opportunities and economic growth for the region, investigations report that many Uyghurs and others are subjected to surveillance, restricted movement, and harsh working conditions in Xinjiang and other regions of China. Lack of transparency, including obstacles to credible social auditing, makes it difficult for international companies to trace the origins of their materials or the conditions under which work is performed.¹¹

The U.S. Department of State (USDOS) has reported that in North Korea, officials force children, adults, and prison camp inmates to work in mining under harsh conditions.¹² According to the U.S. Department of Labor (USDOL), coal, gold, and iron are mined with forced labor in North Korea.¹³ However, research for this report did not uncover direct exposure to materials produced in North Korea.

In the maritime industry, cruise lines employing Cuban nationals through government-affiliated agencies have been the subject of scrutiny related to indicators of forced labor (*see Section 4.2.3*).¹⁴

¹⁰ [Against their will: The situation in Xinjiang \[Fact sheet\]. U.S. Department of Labor, Bureau of International Labor Affairs, 2020.](#)

¹¹ ["Asleep at the Wheel: Car Companies' Complicity in Forced Labor in China." Human Rights Watch, 1 Feb 2024.](#)

¹² [Trafficking in Persons Report. U.S. Department of State, 2024.](#)

¹³ [List of Goods Produced by Child Labor or Forced Labor. U.S. Department of Labor, 5 Sept 2024.](#)

¹⁴ [Badcock, J. "World's Largest Cruise Liner Accused of Knowingly Hiring 'Slave Labour' Cubans." *The Telegraph*, 26 Jan 2022.](#)

3.3 Other Risk Factors

Forced labor risk factors faced by the transportation sector (and most businesses) fall into four categories: 1) country of operation, 2) supply chain characteristics, 3) products and production characteristics, and 4) job and workforce characteristics.

3.3.1 Country of operation (and source of migrant labor)

Risk factors include:

- weak commitment to rule of law;
- high levels of corruption;
- low levels of legal protections for citizens, migrants, civil society, and workers;
- high levels of inequality;
- state control over labor; and
- high levels of poverty, among others.

3.3.2 Supply chain characteristics

Long, complex supply chains with thousands of multiple branching tiers often have low levels of product traceability and visibility to conditions in supplier operations upstream. This includes companies' extended supply chains that encompass raw materials, which are notably high risk, as described below. In most cases, the further upstream the processing or extraction of raw materials happens, the greater the risk of forced labor and other labor abuses.¹⁵ This is because visibility and accountability, especially in complex supply chains, decreases rapidly with buyers' dwindling leverage and ability to monitor conditions. Further, the production processes used are often more hazardous and involve more vulnerable workers.

¹⁵ [Verité. "Understand the Risks of Forced Labor in Global Supply Chains: Supply Chain Visibility."](#)

3.3.3 Products and production characteristics

3.3.3.1 Raw Materials

Conditions in the mining and processing of raw materials represent the highest forced labor risk for companies. Transportation sector supply chains involve many upstream components and raw materials with their own complex and globe-spanning supply chains. Many of the processes associated with mining and processing minerals globally present human rights risk, as they are labor-intensive and subject unskilled and semi-skilled workers to sometimes brutal and exploitative conditions; they can also involve practices that erode local ecosystems. Steel production, for example, requires workers to extract iron ore from mines, operate blast furnaces, and refine the material into high-strength steel sheets and components used in vehicle frames, ship hulls, and train tracks.

Iron ore has been linked to labor risks around the world. For example, Brazil's mining industry, including their usage of iron ore, has a long history of labor exploitation and forced labor.¹⁶ According to USDOL, iron is also mined with forced labor in North Korea.¹⁷

The production of aluminum—a key material used in automobiles and airplanes—begins with the extraction of bauxite ore, which is refined into alumina, which in turn is transported to a smelter where aluminum is made and can then be rolled or shaped into components, like aircraft bodies and vehicle panels.¹⁸ The extraction process involves mining crews and heavy machinery known to be linked to human rights impacts. Bauxite mining in Guinea, which holds 24 percent of global bauxite reserves and accounts for 22 percent of global bauxite production,¹⁹ has led to the loss of agricultural land and resulted in landlessness and attendant vulnerabilities for communities as well as the pollution of local water sources.²⁰

¹⁶ Bansal, Vaiddehi et al. [“An intervention-focused review of modern slave labor in Brazil’s mining sector.” World Development, Nov 2023.](#)

¹⁷ [List of Goods Produced by Child Labor or Forced Labor. U.S. Department of Labor, 5 Sept 2024.](#)

¹⁸ [“Aluminum Processing & Production Explained.” Harbor Aluminum, 2025.](#)

¹⁹ [“Green Mineral Profile: Guinea.” African Minerals Development Centre.](#)

²⁰ [Wormington, Jim. “What Do We Get Out of It? The Human Rights Impact of Bauxite Mining in Guinea.” Human Rights Watch, 4 Oct 2018.](#)

The supply chains of natural and synthetic rubbers used in various types of tires throughout the transportation industry have been linked to forced labor as well.²¹

Research for this report found that the greatest risk of exposure to forced labor in the mining, extraction, and/or processing of upstream components and raw materials, however, is linked to state-sponsored labor transfer programs in XUAR and across China. A number of raw materials used in transportation supply chains are mined and/or processed in XUAR, including but not limited to rubber, steel, aluminum, zinc, magnesium, lithium, rare earth metals, and alloys.²² Companies known to produce magnesium alloys, aluminum, and copper have been banned from exporting to the United States under the UFLPA.²³ *See Sections 4.1.3 and 4.3.3 below for further mode-specific discussion of these risks in Aviation and Private Vehicle supply chains.*

While forced labor risks for production are concentrated in XUAR, they are not limited to that region of China. Electronics manufacturing, which supplies parts like circuit boards, central control systems, and touchscreens for a wide variety of transportation sectors, is an example of an industry linked to forced labor practices through state-led programs that transfer Uyghur workers to factories across China.²⁴

3.3.3.2 Electronics

Electronics supply chains are another example of a cross-cutting risk area (e.g., products, components, and raw materials) that most transportation modes face. Forced labor, debt bondage linked to recruitment fees, and labor exploitation more broadly have been widely documented in the

²¹ [“2024 Trafficking in Persons Report.” U.S. Department of State, 2024.](#)

[“Tires - Automotive Supply Chains and Forced Labor in the Uyghur Region.” Sheffield Hallam University Helena Kennedy Centre for International Justice, Dec 2022.](#)

[List of Goods Produced by Child Labor or Forced Labor. U.S. Department of Labor, 5 Sept 2024.](#)

²² [Wormington, Jim. “Asleep at the Wheel: Car Companies’ Complicity in Forced Labor in China.” Human Rights Watch, 1 Feb 2024.](#)

[Murphy, L., Salcito, K., Uluyol, Y., & Rabkin, M. “Driving Force: Automotive Supply Chains and Forced Labor in the Uyghur Region.” Sheffield Hallam University Helena Kennedy Centre for International Justice, Dec 2022.](#)

²³ [Reuters. “US Bans Imports from Five More Chinese Companies Over Uyghur Forced Labor.” Voice of America, 8 Aug 2024.](#)

[“UFLPA Entity List: Century Sunshine Group Holdings, Ltd.” U.S. Department of Homeland Security, 9 Aug 2024.](#)

[“2024 Trafficking in Persons Report: China.” U.S. Department of State, 2024.](#)

²⁴ [Wormington, Jim. “Asleep at the Wheel: Car Companies’ Complicity in Forced Labor in China.” Human Rights Watch, 1 Feb 2024.](#)

[Murphy, L., Salcito, K., Uluyol, Y., & Rabkin, M. “Driving Force: Automotive Supply Chains and Forced Labor in the Uyghur Region.” Sheffield Hallam University Helena Kennedy Centre for International Justice, Dec 2022.](#)

manufacturing of electronics.²⁵ Uyghur forced labor has been documented in electronics manufacturing, specifically consumer electronics manufacturing, in China.²⁶ Debt bondage tied to recruitment fees among migrant workers in electronics manufacturing in Taiwan has been linked to companies that provide a range of electronic products (including industrial computers, industrial systems, network appliances, and transportation systems, for example) used in the transportation sector.²⁷

3.3.4 Job characteristics

Low-paid, low-skilled jobs that fall into the category of “DDD” or dirty, dangerous, and difficult (sometimes called demeaning), have a higher risk for forced labor.²⁸ Outside of agriculture, jobs with these characteristics are found in such industries as maritime, raw materials mining, and construction, as well as some outsourced operations that do not have a direct bearing on product quality. These outsourced operations include facilities services and logistics/warehousing, which represent a risk because they commonly fall outside the scope of due diligence commitments and are inadequately screened and monitored. Such third-party service providers (e.g., cleaners, warehouse workers, food service, grounds keepers) often contract migrants for low-paid work, representing elevated vulnerability to exploitation.²⁹

3.3.5 Workforce characteristics

Poverty and the occurrence of “income shocks” are known to be “push” factors for forced labor as people with limited options are more likely to take risks or make choices that make them more

²⁵ [“Forced labor in the Production of Electronic Goods in Malaysia: A Comprehensive Study of Scope and Characteristics.” Verité, Sept 2014.](#)

[Mortensen, Nikolaj Houmann. “How the Global Electronics Industry Came to Rely on Forced Labour and Debt Bondage.” Danwatch, 28 Jun 2019.](#)

[“List of Goods Produced by Child Labor or Forced Labor: Sierra Leone.” U.S. Department of Labor, 5 Sept 2024.](#)

[Bengtson, Peter. “Speed Up! Addressing Forced Labor Risks in Taiwan’s Car, Bicycle and Electronics Industries.” Mar 2025.](#)

²⁶ [“Products Made with Forced Labor in the Uyghur Region.” Sheffield Hallam University’s Helena Kennedy Centre for International Justice, May 2023.](#)

[“Uyghurs for Sale.” Australian Strategi Policy Institute, 1 Mar 2020.](#)

²⁷ [Bengtson, Peter. “Speed Up! Addressing Forced Labor Risks in Taiwan’s Car, Bicycle and Electronics Industries.” Mar 2025.](#)

²⁸ [Verité. “Understand the Risks of Forced Labor in Global Supply Chains: Supply Chain Visibility.” Responsiblesourcingtool.org.](#)

²⁹ [Verité. “Understand the Risks of Forced Labor in Global Supply Chains: Sector – Workforce Characteristics.” Responsiblesourcingtool.org.](#)

vulnerable to trafficking. Migrants, because of inherent vulnerability of their status in a foreign country, are three times more likely to end up in a situation of forced labor than other workforce groups.³⁰

4. Transportation Mode-Specific Risks

This section examines risks in nine transportation sector modes, or subsectors, with Transit, Rail, and Busing merged due to the overlap of cross-cutting risks. Each section includes a mode-specific sectoral overview followed by, as available, mode-specific information to illustrate the risk factors identified as most relevant and case examples of the content presented more broadly in Section 3.

4.1 Aviation

4.1.1 Background

The aviation subsector includes both passenger and freight air carriers, which operate domestically and internationally,³¹ as well as airports and air operator supply chains. Aviation and aerospace manufacturing has historically been concentrated in North America and Europe, though aviation supply chains are becoming more geographically diverse with expansion to South America, China, India, and the Middle East and North Africa region.³²

The United States remains a major exporter of aircraft and spacecraft, having exported goods worth USD 134 billion in 2024.³³ Aircraft and spacecraft are the fifth most exported product (out of 97 products) from the United States.³⁴ Also significant are U.S. imports of aviation products. In 2024, the United States imported USD 35.4 billion worth of aircraft and spacecraft, making it the 15th most imported product.³⁵ According to USDOT's Federal Aviation Administration (FAA), there are 19,482 U.S. airports and an average of 44,360 daily flights handled by the FAA.³⁶ As of March 2025, the aviation subsector employed

³⁰ ["Global Estimates of Modern Slavery: Forced Labour and Forced Marriage." International Labour Organization, 12 Sep 2022.](#)

³¹ ["Aviation Facts & Figures: Freight." U.S. Department of Transportation Bureau of Transportation Statistics.](#)

³² ["Aeronautical Supply Chains." ITF Global.](#)

³³ ["Aircraft and Spacecraft in United States, HS2 88 \(Harmonized System 1992 for 2-digits\)." Observatory of Economic Complexity.](#)

³⁴ ["Aircraft and Spacecraft in United States, HS2 88 \(Harmonized System 1992 for 2-digits\)." Observatory of Economic Complexity.](#)

³⁵ ["Aircraft and Spacecraft in United States, HS2 88 \(Harmonized System 1992 for 2-digits\)." Observatory of Economic Complexity.](#)

³⁶ ["Air Traffic By the Numbers." Federal Aviation Administration, 30 Jul 2025.](#)

749,292 full time employees and 259,657 part-time employees in the U.S., for a total of 1,008,949 employees.³⁷

Overall, the aviation subsector relies on a highly skilled workforce, including pilots and aircraft mechanics.³⁸ The aviation subsector is also supported by workers in air operator supply chains who provide support services essential to the operation of aircraft and airports such as baggage handlers, aircraft cleaners, ramp operators, passenger assistants, ticketing and check-in agents, in-flight catering, security staff, re-fuelers, aircraft maintenance personnel, customer service agents, flight operations staff, and air traffic controllers.³⁹ Many lower-paid roles—such as baggage handlers, cleaners, in-flight catering staff, and some security personnel—are outsourced to third-party service providers, leading in some cases to lower wages, hazardous conditions, unpredictable scheduling, and job insecurity.⁴⁰ Pilots and flight attendants, who are directly employed by airlines,⁴¹ generally receive better pay and benefits but still face challenges like long hours, demanding schedules, and safety concerns.

4.1.2 Mode-Specific Risk Indicators and Cases

Research for this report indicates that within the aviation subsector, subcontracted workers in air operator supply chains may experience risk factors for forced labor. The possibility of multiple layers of subcontracting, with a subcontracted service provider engaging the services of third-party labor recruiters, can exacerbate risks. These dynamics can create worker vulnerability, including for forced labor, by reducing visibility to recruitment and employment practices. In the aviation subsector, outsourced positions often lack protections like health insurance, paid leave, and unemployment benefits during off-peak periods, terms that in many cases are set by large outsourcing firms

³⁷ [“Recent Month Data Mar-2025.” Bureau of Transportation Statistics.](#)

³⁸ [“Aviation Workforce Current and Future Availability of Airline Pilots and Aircraft Mechanics.” United States Government Accountability Office, May 2023.](#)

³⁹ [Walter, Karla and Aurelia Glass. “Airport Service Workers Deserve Good Jobs.” American Progress, 7 Mar 2023.](#)

[“Circular 362: Guidelines for Combatting Trafficking in Persons in the Air Operator’s Supply Chain.” International Civil Aviation Organization and United Nations Human Rights Office of the High Commissioner, Advance edition \(unedited\) 2024.](#)

⁴⁰ [Walter, Karla and Aurelia Glass. “Airport Service Workers Deserve Good Jobs.” American Progress, 7 Mar 2023.](#)

[Silk, Robert. “Labor Unrest Grows as Airlines Outsource Jobs to Contractors.” *Travel Weekly*, 15 Jul 2019.](#)

[Jacobs, Ken. “Labor Standards and Airport Safety and Security.” UC Berkeley Labor Center, 11 Jul 2023.](#)

⁴¹ [“Aviation Workforce Current and Future Availability of Airline Pilots and Aircraft Mechanics.” United States Government Accountability Office, May 2023.](#)

implementing standardized service contracts across multiple airports.⁴² Outsourced positions are also often excluded from collective bargaining agreements and industry regulations that protect directly employed staff.⁴³

Airport employees, including outsourced workers, are typically required to undergo multiple levels of security-focused background checks and identity verification like I-9 forms and the issuance for Airport ID badges.⁴⁴ These screening practices may reduce some risk factors for forced labor (e.g., exploitation by recruitment agents), but do not preclude some workers from experiencing abusive working conditions, particularly foreign migrants.

For example,⁴⁵ in 2023, a class-action lawsuit was filed in Canada against an international aviation catering company and a Quebec-based recruitment firm. The lawsuit alleged that the catering company and recruitment firm “lured foreign workers to Canada under false pretenses and exploited them.”⁴⁶ More than 400 workers claimed they were promised work permits and legal jobs in Canada by the recruitment firm but were instead told they had to work illegally without valid work permits and threatened with deportation if they refused. The suit alleged they were paid (by the recruitment agency) sub-minimum wages, denied benefits, not properly trained, and forced to work in “unclean and dangerous conditions.”⁴⁷

While research for this report found no explicit evidence of forced labor in aviation manufacturing, the risk of forced labor cannot be ruled out of aviation supply chains. Commercial aircraft components include propulsion systems (e.g., engines); avionics (e.g., communication and navigation systems); interiors (e.g., lighting, carpet, curtains); electrical, hydraulic, and mechanical systems (e.g., fuel system, brakes and wheels); and structures (wings, fuselage).⁴⁸ These component pieces and the materials used

⁴² [“The Rise of Outsourcing Flight Support Services.” Flightworx, 10 Jun 2021.](#)

⁴³ [“Report: Outsourcing, Restructuring, and Consolidation of U.S. Domestic Airlines is Harming Workers and Consumers.” Communications Workers of America, 8 Jan 2020.](#)

⁴⁴ [“Privacy Impact Assessment for the Airport Access for Aviation Workers.” U.S. Department of Homeland Security, 27 Apr 2020.](#)
[“Automated Airport Badge/Credential System Best Practices.” Transportation Security Administration.](#)

⁴⁵ [“Class-Action Claims Foreign Workers Exploited by Quebec Recruiter, Airline Caterer.” The Canadian Press, 3 Oct 2023.](#)

⁴⁶ [“Class-Action Claims Foreign Workers Exploited by Quebec Recruiter, Airline Caterer.” The Canadian Press, 3 Oct 2023.](#)

⁴⁷ [“Class-Action Claims Foreign Workers Exploited by Quebec Recruiter, Airline Caterer.” The Canadian Press, 3 Oct 2023.](#)

⁴⁸ [“Commercial Aviation Manufacturing: Supply Chain Challenge and Actions to Address Them.” United States Government Accountability Office, Mar 2024.](#)

to manufacture them are produced by thousands of suppliers across the world,⁴⁹ which can include countries with elevated risks for forced labor.

The FAA provides oversight of U.S. aviation manufacturing and aircraft maintenance, certifying the design and production of aircraft and aircraft parts to specific regulatory standards. In some cases, only a single supplier is qualified to produce particular materials and components.⁵⁰ Aviation products and materials, such as carbon-fiber composite fuselage barrels and large metal panels used in fuselage,⁵¹ are primarily sourced from France, Canada, Japan, Germany, and the United Kingdom.⁵² However, some component sourcing and assembly occurs in countries with known risk for labor exploitation.

For example, some American and European aviation companies reportedly source products like rudders and doors⁵³ from suppliers in China. Further, despite efforts by the U.S. military to eliminate Chinese aluminum from aircraft, a 2022 investigation revealed that an alloy sourced from China was used in magnets for the F-35 fighter jet.⁵⁴ This discovery led the Pentagon to temporarily halt F-35 deliveries due to concerns about compliance with federal acquisition regulations.⁵⁵ Since 2022, 4,888 shipments related to the automotive and aerospace industry (including aviation as per U.S. Customs and Border Protection classification) have been denied entry to the United States under the UFLPA, most of which were from China and Malaysia.⁵⁶ In addition to component and raw material sourcing, American and European aircraft companies also operate assembly sites in China.⁵⁷ Given China's documented risk of

⁴⁹ [“Commercial Aviation Manufacturing: Supply Chain Challenge and Actions to Address Them.” United States Government Accountability Office, Mar 2024.](#)

⁵⁰ [“Commercial Aviation Manufacturing: Supply Chain Challenge and Actions to Address Them.” United States Government Accountability Office, Mar 2024.](#)

⁵¹ [Gates, Dominic. “Boeing’s Key Suppliers in Japan Want an Upgrade.” *The Seattle Times*, 25 Jul 2017.](#)

⁵² [“Commercial Aviation Manufacturing: Supply Chain Challenges and Actions to Address Them.” United States Government Accountability Office, Mar 2024.](#)

⁵³ [Moss, Trefor. “China Aircraft Exports Cleared for Takeoff Under FAA Deal.” *The Wall Street Journal*, 7 Nov 2017.](#)

⁵⁴ [Losey, Stephen. “Pentagon Suspends F-35 Deliveries Over Chinese Alloy in Magnet.” *Defense News*, 7 Sep 2022.](#)

⁵⁵ [Losey, Stephen. “Pentagon Suspends F-35 Deliveries Over Chinese Alloy in Magnet.” *Defense News*, 7 Sep 2022.](#)

⁵⁶ [“Uyghur Forced Labor Prevention Act Statistics.” U.S. Customs and Border Protection.](#)

⁵⁷ [“Boeing Eyes Opportunities in China’s Surging Services Market.” Xinhuanet, 4 Nov 2017.](#)

[“Airbus and China Aviation Industry Sign Next Phase in Partnership.” Airbus, 6 Apr 2023.](#)

forced labor across a wide range of sectors, including manufacturing, and locations, this presents an area of heightened concern.⁵⁸

4.1.3 Extended Supply Chain/Raw Materials

Alloys are of special importance to the aviation industry because of their combination of reduced weight and increased strength.⁵⁹ Detailed reporting is limited on specific links between forced labor indicators in the production of alloys and materials used in aviation supply chains. However, as highlighted in Section 3.3.3.1 above, alloys and composite materials used in the production of components (like fuselage panels and landing gear) carry their own risks. Some illustrative examples follow:

Titanium alloys are utilized in various aviation and aerospace applications because of their high tensile strength, resistance to corrosion, and ability to withstand high temperatures. They are often used in engine components, landing gear, and airframe structures.⁶⁰ Titanium alloys are produced from titanium, which is, in turn, produced from the ore rutile, the most commonly found form of titanium dioxide.⁶¹ Sierra Leone, which is one of the top producers of rutile,⁶² has been cited for both child and forced labor in its mining industry.⁶³ Traffickers reportedly recruit and transport children and adults from rural areas to urban and mining centers where they are exploited in forced labor in mining, rock breaking, and quarrying.⁶⁴

Magnesium alloys are valued in aviation and aerospace for their low density and high specific strength, contributing to weight reduction in aircraft structures.⁶⁵ They are used in components such as gearbox housings and other parts where weight savings are critical.⁶⁶ Magnesium alloys are produced from

⁵⁸ [“2024 Trafficking in Persons Report: China.” U.S. Department of State, 2024.](#)

⁵⁹ [“Boeing Eyes Opportunities in China’s Surging Services Market.” Xinhuanet, 4 Nov 2017.](#)

⁶⁰ [“Airbus and China Aviation Industry Sign Next Phase in Partnership.” Airbus, 6 Apr 2023.](#)

⁶¹ [“Aerospace Alloy.” Science Direct.](#)

⁶² [Farkas, Ivan. “Titanium in Aerospace: Advantages, Applications, and Manufacturing.” Thomasnet, 24 Aug 2023.](#)

⁶³ [“Rutile.” Minerals Education Coalition, 2025.](#)

⁶⁴ [“Rutile.” Sierra Rutile, 2025.](#)

⁶⁵ [“List of Goods Produced by Child Labor or Forced Labor: Sierra Leone.” U.S. Department of Labor, 5 Sept 2024.](#)

⁶⁶ [“2024 Trafficking in Persons Report: Sierra Leone.” U.S. Department of State, 2024.](#)

⁶⁷ [“Magnesium Alloys.” Houston Metal Sawing.](#)

⁶⁸ [“Magnesium Alloys.” Houston Metal Sawing.](#)

mixing magnesium with other metals such as aluminum, zinc, manganese, and silicon.⁶⁷ Ninety percent of magnesium production occurs in China and Russia.⁶⁸ As described in Section 3.3.3.1, Chinese companies known to produce magnesium alloys have been banned from exporting to the United States under the UFLPA.⁶⁹

Aluminum alloys are extensively used in aircraft due to their high strength-to-weight ratio and corrosion resistance; they are commonly employed in the construction of fuselages, wings, and other structural components.⁷⁰ As described in Section 3.3.3.1, aluminum is reportedly produced with forced labor in China through state-sponsored labor transfer programs.⁷¹

Carbon fiber reinforced polymers, along with other composite materials, are increasingly used in modern aircraft for their high strength and lightweight properties; they contribute to fuel efficiency and performance improvements.⁷² In 2024, the American Composites Manufacturing Association alerted U.S. federal agencies to information indicating that carbon fibers are produced in XUAR.⁷³

4.1.4 Other Risks

The electronics systems and equipment designed specifically for aircraft represent supply chain risks shared by other industries and are described in Section 3.3.3.2 above.

⁶⁷ [“Magnesium Alloys.” Pace Industries, 2025.](#)

⁶⁸ [“Decarbonized Production of Magnesium Metal from Sustainable Feedstocks in the U.S.A.” SBIR, 2023.](#)

⁶⁹ [Reuters. “US Bans Imports from Five More Chinese Companies Over Uyghur Forced Labor.” *Voice of America*, 8 Aug 2024.](#)

[“UFLPA Entity List: Century Sunshine Group Holdings, Ltd.” U.S. Department of Homeland Security, 9 Aug 2024.](#)

⁷⁰ [“What is Aerospace Aluminum? Aluminum Alloys Used in the Aerospace Industry.” Howard Precision Metals Inc.](#)

⁷¹ [“2024 Trafficking in Persons Report: China.” U.S. Department of State, 2024.](#)

⁷² [“Advanced Flight Hardware Materials: The Future of Aerospace Manufacturing.” Baker Industries, 21 Feb 2025.](#)

⁷³ [“ACMA Alerts Government to Chinese Carbon Fiber Market & Forced Labor Concerns, Highlights Four Steps.” American Composites Manufacturing Association, 16 Oct 2024.](#)

4.2 Maritime (Commercial Shipping, Cruise Line Industry, Commercial Fishing, and Oil Rigs)

4.2.1 Background

The maritime sector is a major segment of the U.S. economy, contributing USD 511 billion to U.S. GDP in 2023, and supporting 2.6 million jobs across commercial shipping, ferry operations, cruise lines, and the operation of offshore oil platforms.⁷⁴ Growth of the maritime economy is consistent with that of the economy overall, but increases in compensation and number of Americans employed have outpaced the U.S. average.⁷⁵ Recreational maritime activity is the largest contributor to the maritime economy, closely followed by activities for national defense and public administration.⁷⁶ Accordingly, the U.S. government is the largest maritime industry group, comprising roughly one-third of the maritime sector.⁷⁷ According to U.S. Bureau of Labor Statistics, 70,200 workers were employed in direct water transportation as of 2024.⁷⁸

4.2.2 Commercial Shipping

The global maritime transport and shipbuilding industries expose workers to risks of human trafficking, including forced labor, and other vulnerabilities due to hazardous environments, exploitative labor practices, and weak regulatory oversight. Seafaring transport workers (or mariners) often experience exposure to severe weather, along with other dangerous onboard conditions, such as heavy machinery, hazardous chemicals, structural risks from poorly maintained vessels,⁷⁹ inadequate living arrangements, limited access to medical care, and periodic social isolation due to confinement to the vessel.⁸⁰ These risks are worsened by the use of “flags of convenience,” which allow ships to register in countries with weak labor standards and limited enforcement, leaving crews vulnerable to abuse, abandonment, and trafficking.⁸¹

⁷⁴ [“Marine Economy Satellite Account, 2023.” U.S. Bureau of Economic Analysis, 2025.](#)

⁷⁵ [“Marine Economy Satellite Account, 2023.” U.S. Bureau of Economic Analysis, 2025.](#)

⁷⁶ [“Marine Economy Satellite Account, 2023.” U.S. Bureau of Economic Analysis, 2025.](#)

⁷⁷ [“Marine Economy Satellite Account, 2023.” U.S. Bureau of Economic Analysis, 2025.](#)

⁷⁸ [“Occupational Outlook Handbook – Water Transportation Workers.” U.S. Bureau of Labor Statistics, 2025.](#)

⁷⁹ [Kherkher, Steve. “Understanding Maritime Hazards and Workers Rights.” Kherkher Garcia LLP, 26 Aug 2024.](#)

⁸⁰ [“Maritime Safety and Health: Marine Transportation.” Center for Disease Control, 29 Dec 2023.](#)

⁸¹ [“Flags of Convenience: The Scourge of Maritime.” International Transport Workers’ Federation.](#)

On land, the shipbuilding industry, both in the United States and abroad, relies heavily on recruitment and labor agencies, creating layers of separation between companies and the workers who build their vessels, a risk facing all sectors as described above in Section 3.1.1.⁸² Many contracted workers are further classified as independent contractors, which strips them of basic legal protections.⁸³ In regions such as the Middle East and Asia, labor abuses may include debt bondage and the confiscation of passports, trapping workers in exploitative situations.⁸⁴ (See Section 4.2.2.5 below.)

In seaports, there are potential upstream risks in the equipment supply chain. Approximately 80 percent of ship-to-shore cranes in use at U.S. ports are manufactured in China by a state-owned military contractor.⁸⁵ Through three major manufacturers, China also controls the production of about 95 percent of the world's shipping containers. These Chinese companies supply containers used in the logistics sector,⁸⁶ including train and truck intermodal containers, as well as ocean containers.⁸⁷

4.2.2.1 Seafarers: Working Environment Risks

Seafaring transport workers face significant risks due to the inherently hazardous nature of their work environment. Workers are often at sea for extended periods without opportunities to leave vessels, exposing them to isolation and limited access to medical care.⁸⁸ Onboard conditions resemble those faced by commercial fishing workers and can expose workers to physical hazards (e.g. steep ladders, narrow passageways, slippery surfaces) which are exacerbated by dangerous weather conditions.⁸⁹ Workers face unique hazards related to working with mooring lines and heavy lifting required to operate vessels.⁹⁰ Additional hazards include sun and saltwater exposure without adequate protective gear,

⁸² ["Addressing Labor Shortages in the Shipbuilding Industry Through Flexible Staffing Solutions." CTR Group Recruiting & Staffing, 6 Nov 2023.](#)

⁸³ ["Mariners Pay the Price for Being Independent Contractors at Sea." Professional Mariner: Journal of the Maritime Industry, 3 Mar 2020.](#)

⁸⁴ ["The Shipping Industry's Long Voyage Toward Supply Chain Transparency." Splash247.com, 2 Sep 2024.](#)

⁸⁵ [Evans, Carter and Paul Facey. "Chinese Cranes at U.S. Ports Raise Homeland Security Concerns." CBS News, 11 Feb 2025.](#)

⁸⁶ ["Report on China's Targeting of the Maritime, Logistics, and Shipbuilding Sectors for Dominance." Office of the U.S. Trade Representative, 16 Jan 2025.](#)

⁸⁷ ["Report on China's Targeting of the Maritime, Logistics, and Shipbuilding Sectors for Dominance." Office of the U.S. Trade Representative, 16 Jan 2025.](#)

⁸⁸ ["Maritime Safety and Health." CDC, 29 Dec 2023.](#)

⁸⁹ ["Maritime Safety and Health." CDC, 29 Dec 2023.](#)

⁹⁰ ["Maritime Safety and Health." CDC, 29 Dec 2023.](#)

exposure to hazardous chemicals and diesel exhaust, vibrations from ship engines, large waves, inadequate sleeping quarters, poor sanitation, and limited access to fresh food and water; illnesses or injuries at sea are particularly dangerous due to the difficulty in accessing timely medical care.⁹¹ Vessel disasters (e.g. navigation or engine failures, collisions, or shipwrecks) further compound these risks.⁹² Many vessels remain in poor repair, adding to the dangers of the work environment.⁹³

4.2.2.2 Flag State

The rights of seafaring workers are particularly challenging to protect, especially in international waters beyond the “exclusive economic zone.”⁹⁴ Vessels are typically governed by the laws of their flag state, the country where the vessel is registered. Under the controversial “flags of convenience” system, ships may be registered in countries with no meaningful link to their operations, often in jurisdictions lacking the interest or capacity to maintain or enforce labor laws.⁹⁵ This leaves seafaring workers vulnerable to abuse, abandonment, and forced labor.⁹⁶ In some cases, seafaring workers are abandoned at foreign ports with unpaid wages.⁹⁷ Workers are also at risk of arrest and detention by foreign authorities for circumstances beyond their control, such as vessels lacking proper legal authorization.⁹⁸

In the United States, foreign maritime workers on foreign-flagged vessels at U.S. ports, including crew on cruise ships, commercial cargo ships, and certain other commercial sea vessels, typically require nonimmigrant “D” visas (often issued as combined C-1/D visas, with the C-1 visa allowing for transit to the port) for temporary stays, allowing workers to disembark while in port.⁹⁹ These are typically required

⁹¹ [“Maritime Safety and Health.” CDC, 29 Dec 2023.](#)

Oldenburg, M., Baur, X., & Schlaich, C. [“Occupational Risks and Challenges of Seafaring.” *Journal of Occupational Health*, 2010 52\(5\), 249–256.](#)

⁹² [“Maritime Safety and Health.” CDC, 29 Dec 2023.](#)

⁹³ [Oldenburg, M., Baur, X., & Schlaich, C. “Occupational Risks and Challenges of Seafaring.” *Journal of Occupational Health*, 2010 52\(5\), 249–256.](#)

⁹⁴ [Lipcon, Charles R. “Understanding International Waters: Boundaries.” Lipcon, Margulies, and Winkleman, P.A. Cruise Chip Law Blog.](#)

⁹⁵ [Okonkwo, T. “International Maritime Legal Regime and the Escalation of Flags of Convenience Practices.” *International Journal of Law*, 4\(1\), 2018 p. 1–9.](#)

⁹⁶ [Lipcon, Charles R. “Understanding International Waters: Boundaries.” Lipcon, Margulies, and Winkleman, P.A. Cruise Chip Law Blog.](#)

⁹⁷ [“Flags of Convenience: The Scourge of Maritime.” International Transport Workers’ Federation.](#)

⁹⁸ [Dixon, Gary. “Malaysia Arrests Two Ships and 44 Seafarers for Alleged Illegal Anchoring.” *Tradewinds News*, 23 Apr 2024.](#)

⁹⁹ [U.S. Department of State, Bureau of Consular Affairs. \(n.d.\). *Crewmember \(D\) visa*. Retrieved August 5, 2025.](#)

for foreign workers on cruise lines. However, eligibility depends on specific criteria related to the vessel's function and home port; for example, crews aboard commercial fishing vessels with U.S. home ports are generally excluded from this visa category and must use alternative visa classifications such as the H-2 visa.¹⁰⁰ Workers without proper visas are not allowed to disembark in U.S. ports and can be ordered to return to their home country upon port inspection.¹⁰¹ While these regulations apply specifically to the United States, visa requirements for maritime workers vary internationally, with each country determining its own eligibility rules and limitations based on domestic laws and international agreements.

4.2.2.3 Recruitment Fees

The majority of seafaring workers worldwide are hired through labor agents.¹⁰² Jobs in this sector are often seen as desirable steppingstones into the formal economy for workers in developing countries. However, this demand fuels exploitative practices, including being asked to pay bribes or fees to secure positions despite the fact that the Maritime Labor Convention prohibits the charging of fees,¹⁰³ leaving workers indebted to recruiters. Promised salaries are frequently lower than expected, and recruitment agencies commonly deduct fees from wages, leaving some workers unable to save any money.¹⁰⁴ Given the dominance of these agencies in the hiring process, workers fear reporting grievances due to the risk of being blacklisted.¹⁰⁵ (*See Section 3.1.1 above.*)

A 2024 study by the Institute for Human Rights and Business and TURTLE, an ethical maritime recruitment platform, found that 31 percent of seafarers reported being asked to pay recruitment fees to secure employment on merchant vessels.¹⁰⁶ Nearly half of seafarers who were charged recruitment fees reported paying amounts ranging from the equivalence of USD 500 to USD 5,000, with some facing

[U.S. Customs and Border Protection. \(n.d.\). *Vessel Inspection Guide*. U.S. Department of Homeland Security.](#)

¹⁰⁰ [U.S. Department of State, Bureau of Consular Affairs. \(n.d.\). *Crewmember \(D\) visa*. Retrieved August 5, 2025.](#)

¹⁰¹ [U.S. Customs and Border Protection. \(n.d.\). *Vessel Inspection Guide*. U.S. Department of Homeland Security.](#)

¹⁰² [Nakamura, Katrina et al. "Seeing Slavery in Seafood Supply Chains." *Science Advances*, 2018 4\(7\).](#)

¹⁰³ [Maritime Labour Convention, 2006, as amended \(MLC, 2006\). International Labour Organization.](#)

¹⁰⁴ ["Seafarers and Illegal Recruitment Fees: 2024 Insights." Institute for Human Rights and Business.](#)

¹⁰⁵ ["Former Seafarer Advocates for Seafarers' Rights After Blacklisting by Manning Agencies." *Crew Mirror*, Mar 2025.](#)

[Nakamura, Katrina et al. "Seeing Slavery in Seafood Supply Chains." *Science Advances*, 2018 4\(7\).](#)

¹⁰⁶ ["Seafarers and illegal recruitment fees: Tackling exploitation in the maritime industry." Institute for Human Rights and Business \(IHRB\), 2024.](#)

charges exceeding USD 10,000. Additionally, the findings revealed that 74 percent of those asked to pay fees complied, because they felt they had no alternative. The vast majority of surveyed maritime workers who experienced illegal recruitment fees did not report these incidents, reportedly because they were unaware of their rights and that such practices violate the law.¹⁰⁷

4.2.2.4 Seafarers: Abandonment

The abandonment of seafarers on ships left stranded in ports or at sea has become a growing humanitarian and labor crisis within the maritime industry. In many cases, vessel owners, often operating under flags of convenience (see Section 4.2.2.2 above), fail to fulfill their responsibilities, leaving crew members without wages, food, water, or fuel.¹⁰⁸ These ships are frequently detained for failing to meet regulatory standards or for accruing significant debts. As a result, seafarers are left in limbo, unable to disembark or seek other employment due to legal and logistical barriers, and often with no means of contacting authorities or family.¹⁰⁹ When seafarers have not consented to these conditions and are unable to leave without risk to themselves, this situation can rise to the level of human trafficking.¹¹⁰

Abandonment of seafarers by shipowners reportedly surged by 87 percent in 2024, with 3,133 seafarers left stranded compared to 1,676 the previous year.¹¹¹ The number of abandoned vessels more than doubled, reaching 312, with some ships repeatedly leaving crews unpaid.¹¹²

In March 2024, the cargo ship *Dali* collided with the Francis Scott Key Bridge in Baltimore, causing the bridge to collapse and resulting in the deaths of six construction workers.¹¹³ The vessel's 21 crew

¹⁰⁷ [“Seafarers and illegal recruitment fees: Tackling exploitation in the maritime industry.” Institute for Human Rights and Business \(IHRB\), 2024.](#)

¹⁰⁸ [“2024 Worst Year on Record for Seafarer Abandonment, Says ITF.” International Transport Workers’ Federation, 23 Jan 2025.](#)

¹⁰⁹ [Braw, Elizabeth. “The Shameful Abandonment of Seafarers.” Politico, 20 Mar 2024.](#)

[“Seafarer Abandonment.” International Maritime Organization.](#)

[Engel de Boer, Jan. “‘Profound Concern’ About a Surge in Abandoned Ships and Their Crews.” The Mission to Seafarers, 10 Mar 2023.](#)

¹¹⁰ [“2024 Worst Year on Record for Seafarer Abandonment, Says ITF.” International Transport Workers’ Federation, 23 Jan 2025.](#)

¹¹¹ [“2024 Worst Year on Record for Seafarer Abandonment, Says ITF.” International Transport Workers’ Federation, 23 Jan 2025.](#)

¹¹² [“2024 Worst Year on Record for Seafarer Abandonment, Says ITF.” International Transport Workers’ Federation, 23 Jan 2025.](#)

¹¹³ [Yan, Holly. “They’ve Been Stuck for 7 Weeks on the Ship That Crashed into a Baltimore Bridge. This is What Life is Like for The Dali Crew.” CNN, 20 May 2024.](#)

members, primarily from India and Sri Lanka, were confined on board for several months, as their one-month visas expired during the months they were onboard. During this period, their mobile phones were confiscated by the Federal Bureau of Investigation and they endured challenging living conditions, including limited communication with the outside world.¹¹⁴

Outside the United States, but illustrative of the issue as a global risk, seafarers on a cargo vessel were left stranded in Bangladesh in March 2023 without pay or provisions for months after the ship's owner failed to meet financial obligations. The crew, primarily from the Philippines and Myanmar, relied on donations from local charities for food and water while they waited for a resolution. Workers from these countries are commonly employed in the maritime industry due to their specialized skills and willingness to work for lower wages, but their economic vulnerability often leaves them at greater risk of exploitation and abandonment.¹¹⁵

This issue of abandonment globally is exacerbated by systemic gaps in maritime governance. The use of flags of convenience allows shipowners to register vessels in countries with lower costs and weak enforcement of labor rights and safety standards.¹¹⁶ Examples of countries with lower ship registration costs and limited regulatory oversight include Panama, Tanzania, Palau, and Togo. These countries account for a disproportionate share of ship abandonment cases,¹¹⁷ with Panama having the greatest number in 2024.¹¹⁸

¹¹⁴ [Yan, Holly. "They've Been Stuck for 7 Weeks on the Ship That Crashed into a Baltimore Bridge. This is What Life is Like for The Dali Crew." CNN, 20 May 2024.](#)

¹¹⁵ [Tulloch, Aidan. "Seafarers Left to Rot Along with Their Abandoned Ships." The Times, 16 Dec 2024.](#)

[Wieffering, Helen and Joshua Goodman. "Stuck at sea for Years, a Sailor's Plight Highlights a Surge in Shipowner Abandonment." Associated Press, 30 May 2024.](#)

[Wieffering, Helen and Joshua Goodman. "Takeaways from The Associated Press' Reporting on Seafarers Who are Abandoned by Shipowners in Ports." Associated Press, 30 May 2024.](#)

¹¹⁶ ["2024 Worst Year on Record for Seafarer Abandonment, Says ITF." International Transport Workers' Federation, 23 Jan 2025.](#)

¹¹⁷ [Wieffering, Helen and Joshua Goodman. "Takeaways from The Associated Press' Reporting on Seafarers Who are Abandoned by Shipowners in Ports." Associated Press, 30 May 2024.](#)

¹¹⁸ [Minchin, Joshua and Tomer Raanan. "Seafarer Abandonment Rising Problem in Small Registries." Lloyd's List, 23 May 2025.](#)

4.2.2.5 Supply Chain: Shipbuilding

The shipbuilding industry worldwide is marked by significant labor risks, including some instances of documented forced labor indicators.¹¹⁹ The use of contract workers recruited by third-party labor agents is common.¹²⁰ (Refer to Section 3.1.1 for discussion of risks.)

In the United States, workers, who are often immigrants, are likely to be classified as independent contractors. Under the Fair Labor Standards Act (FLSA), workers should only be classified as independent contractors when they have significant freedom to dictate the terms and conditions of their work—including hours worked, schedule, and how the work is carried out.¹²¹ Workers classified as independent contractors are not guaranteed access to legal protections granted to employees under FLSA—such as minimum wage, overtime pay, eligibility for state and federal unemployment insurance, and Workers’ Compensation coverage—and employer contributions toward Social Security and Medicare are also not available.¹²²

Outside the United States, social audits have documented the global nature of forced labor risks in this subsector. Auditors have found that among foreign contract workers in shipbuilding, particularly in the Middle East and Asia, labor agents charge recruitment fees, withheld workers’ passports, and restrict workers’ freedom of movement, resulting in debt bondage and situations of forced labor.¹²³ (See Section 3.1.1 above for further details.)

4.2.2.6 Downstream: Shipbreaking

Bangladesh plays a significant role in the global shipbreaking industry, accounting for roughly 30 to 50 percent of shipbreaking activity globally, according to recent estimates.¹²⁴ Ships from all over the globe,

¹¹⁹ [“The shipping industry’s long voyage toward supply chain transparency.” Splash247.com, 2 Sept 2024.](#)

¹²⁰ [“Addressing Labor Shortages in the Shipbuilding Industry Through Flexible Staffing Solutions.” CTR Group Recruiting & Staffing, 6 Nov 2023.](#)

¹²¹ [Schmitt, John et al. “The economic costs of worker misclassification.” Economic Policy Institute, 25 Jan 2023.](#)

¹²² [Schmitt, John et al. “The economic costs of worker misclassification.” Economic Policy Institute, 25 Jan 2023.](#)

¹²³ [“The shipping industry’s long voyage toward supply chain transparency.” Splash247.com, 2 Sept 2024.](#)

¹²⁴ [Ali, Mohammad. “Bangladesh Top in Global Ship Recycling Again.” TBS News, 29 Nov 2022.](#)

[“Bangladesh Still Top Shipbreaking Destination.” India Shipping News, 6 Feb 2025.](#)

[“Bangladesh Retains Its Position as the Leading Shipbreaking Country.” Marine Insight, 5 Apr 2024.](#)

including the United States and Europe, end up in the shipbreaking yards of Bangladesh,¹²⁵ although there is no comprehensive database of all ships dismantled. According to USDOS, shipbreaking is one of the sectors in which human traffickers use coercive debts to force Bangladeshi adults and children and Indian migrants to work.¹²⁶ Interviews with workers in shipyards have found that debt bondage is prevalent in Bangladesh; in some cases, labor contractors seek out cheap child labor by promising advances to impoverished parents and then require the child to work in shipbreaking to pay off the advance as a bonded laborer.¹²⁷ The work is so dangerous that, according to the ILO, the average life expectancy of a shipbreaker in Bangladesh is 20 years lower than the national average.¹²⁸

The shipbreaking industry in India, Bangladesh, and Pakistan has set off alarms surrounding environmental hazards and worker safety since the 1990s. In 2004, the ILO issued a report on health and safety in shipbreaking.¹²⁹ It voiced many causes for concern: 20- to 30-year-old ships containing heavy metals, asbestos, Polychlorinated Biphenyls (commonly known as PCBs), and other toxic chemicals; workers unprotected by labor law; use of “casual, contract, or migrant” laborers; lack of access to proper waste disposal; and the alarming frequency of worker injuries and fatalities, among others.¹³⁰ In 2010, a World Bank report concluded that there existed “widespread varying contamination” in shipbreaking yards in Chittagong, Bangladesh, and “less contamination” in Gadani, Pakistan, both of which violated the 2009 Hong Kong Convention on ship recycling.¹³¹ Workers wear no protective equipment and often no shoes, leaving them vulnerable to toxic waste in oil, paint, and cargo material. Local Bangladeshi

¹²⁵ [“Press Release – Platform Published List of Ships Dismantled Worldwide in 2021.” NGO Shipbreaking Platform, 2 Feb 2022.](#)

¹²⁶ [“Bangladesh: Shipping Firms Profit from Labor Abuse.” Human Rights Watch, 27 Sept 2023.](#)

¹²⁷ [“2024 Trafficking in Persons report: Bangladesh.” U.S. Department of State, 2024.](#)

¹²⁸ [“In-Country Research and Data Collection on Forced Labor and Child Labor in the Production of Goods: Bangladesh.” Macro International Inc.](#)

¹²⁹ [“Profitably Fatal: Bangladeshi Shipyards.” Freedom United, 27 Sep 2023.](#)

¹³⁰ [“Safety and Health in Shipbreaking: Guidelines for Asian Countries and Turkey.” International Labor Organization \(ILO\), Geneva, 2003.](#)

¹³¹ [“Safety and Health in Shipbreaking: Guidelines for Asian Countries and Turkey.” International Labor Organization \(ILO\). Geneva, 2003.](#)

¹³² [Sarraf, Maria et al. “Ship Breaking and Recycling Industry in Bangladesh and Pakistan.” The World Bank, December 2010.](#)

NGOs claim that in Chittagong, on average, a worker is injured daily and one worker dies per week.¹³² In the year 2011 alone, at least 20 shipyard workers died and 150 were injured in Pakistan.¹³³

4.2.3 Cruise Line Industry

Many of the workers on cruise ships are recruited internationally via employment mechanisms characterized by complex subcontracting arrangements, limited legal oversight, and jurisdictional ambiguity. Major operators often register their vessels under flags of convenience in countries with weaker legal frameworks, including labor laws.¹³⁴ This allows cruise companies to resolve employment-related disputes through private arbitration mechanisms, which are frequently funded by the employer.¹³⁵

Filipinos make up almost 30 percent of the overall industry workforce, with others coming from India, Southeast Asia, Eastern Europe, and China. Hiring is typically conducted through third-party labor agencies,¹³⁶ sometimes called “hiring partners.”¹³⁷ There is some evidence that these agencies use deceptive and coercive practices. Allegations include misleading job advertisements, contract substitution upon arrival, and repayment obligations tied to recruitment or travel costs.¹³⁸ While cruise lines are not supposed to charge fees to workers directly, there is some evidence that some recruitment agencies do charge fees.¹³⁹

¹³² [Vidal, John. “Bangladeshi Workers Risk Lives in Shipbreaking Yards.” *The Guardian*, May 2, 2012.](#)

¹³³ [Hulsen, Isabell, Wieland Wagner, and Bernhard Zand. “Booming Scrap Business: Ship-Breaking Lessons from the Exxon Valdez.” *Der Spiegel*, 14 Feb 2013.](#)

¹³⁴ Terry, W. C. “Flags of Convenience and the Global Cruise Labour Market.” *Cruise Ship Tourism*, p. 72-85, 25 Jan 2017. doi.org\10.1079\9781780646084.0072

¹³⁵ Terry, W. C. “Flags of Convenience and the Global Cruise Labour Market.” *Cruise Ship Tourism*, p. 72-85, 25 Jan 2017. doi.org\10.1079\9781780646084.0072

¹³⁶ [Raub, S. and Streit, E. M. “Realistic Recruitment: An Empirical Study of the Cruise Industry.” *International Journal of Contemporary Hospitality Management*, 18\(4\), p. 278-289, 2006.](#)

[“Recruiting Partners.” Viking Careers.](#)

¹³⁷ [“Recruiting Partners.” Viking Careers.](#)

¹³⁸ [Bonmati, Damia S. “Sweatshops on the High Seas.” *Univision Noticias*, 27 Dec 2015.](#)

[“Cruising and migrant workers.” *Rural Migration News*, 1 Aug 2022.](#)

¹³⁹ [Chin, Christine. “Labour Flexibilization at Sea: ‘Mini U\[nited\] N\[ations\]’ Crew on Cruise Ships.” *International Feminist Journal of Politics*, 10\(1\), p. 1-18, 11 Feb 2008.](#)

Workers are frequently employed on contracts requiring nine-month terms with no scheduled full days off, up to 14 hours a day.¹⁴⁰ In some studies, workers have described working up to 100 hours per week, with hours including frequent nights and weekends. Overtime is not optional.¹⁴¹ Workers often reported that their supervisors did not allow them to go ashore, even during designated time off.¹⁴² Workers have stated that even when not on the clock, their employer maintains some degree of control over their personal time while they are on the ship. Further, workers have reported that their employers limit their access to port when docked, even during their personal time.¹⁴³ Physical risks for workers include tiring positions, repetitive movements, carrying heavy loads, chemical exposure, loud noises, and extreme temperatures.¹⁴⁴

State-sponsored labor deployments may be a forced labor risk in some cases. For example, cruise lines employing Cuban nationals through government-affiliated agencies have been the subject of scrutiny.¹⁴⁵ Reports suggest that workers retained only a fraction of their wages, with the remainder remitted to the Cuban government. These arrangements reportedly limited workers' ability to change employers or terminate contracts without incurring penalties, such as travel restrictions or future employment bans.¹⁰ There are also allegations of document withholding.¹⁴⁶ Testimonies from former crew members describe long hours, exploitation, bullying, and feeling trapped, with those who do not return to Cuba facing potential eight-year prison sentences for "desertion" and being banned from entering Cuba, leading to separation from family.¹⁴⁷

Cruise ship workers are typically dependent on their employer for basic needs, including housing, meals, health care, and transportation.¹⁴⁸ This dependency may heighten barriers to reporting workplace

¹⁴⁰ [Bonmati, Damia S. "Sweatshops on the High Seas." Univision Noticias, 27 Dec 2015.](#)

["Crew Advocate Pushes for Monthly Full Day Off." Cruise Industry News, 12 Dec 2024.](#)

¹⁴¹ [Ariza-Montes, A. et al. "Job Quality and Work Engagement in the Cruise Industry." *Asia Pacific Journal of Tourism Research*, 26\(5\), p. 469–487, 2021.](#)

¹⁴² [Bolt, Ester Ellen Trees and Conrad Lashley. "All at Sea: Insights into Crew Work Experiences on a Cruise Liner." *Research in Hospitality Management*, 5\(2\), 199-206, 18 Jan 2017.](#)

¹⁴³ [Bolt, Ester Ellen Trees and Conrad Lashley. "All at Sea: Insights into Crew Work Experiences on a Cruise Liner." *Research in Hospitality Management*, 5\(2\), 199-206, 18 Jan 2017.](#)

¹⁴⁴ ["Common Injuries Suffered by Cruise Ship Crew Members." The Vucci Law Group, 26 Feb 2023.](#)

¹⁴⁵ [Badcock, J. "World's Largest Cruise Liner Accused of Knowingly Hiring 'Slave Labour' Cubans." *The Telegraph*, 26 Jan 2022.](#)

¹⁴⁶ [Badcock, J. "World's Largest Cruise Liner Accused of Knowingly Hiring 'Slave Labour' Cubans." *The Telegraph*, 26 Jan 2022.](#)

¹⁴⁷ [Badcock, J. "World's Largest Cruise Liner Accused of Knowingly Hiring 'Slave Labour' Cubans." *The Telegraph*, 26 Jan 2022.](#)

¹⁴⁸ [Bonmati, Damia S. "Sweatshops on the High Seas." Univision Noticias, 27 Dec 2015.](#)

concerns. Qualitative accounts describe fear of retaliation, contract termination, or deportation as factors deterring complaints.¹⁴⁹ Female workers have described elevated exposure to sexual harassment, a lack of confidential reporting channels, and inconsistent disciplinary follow-up.¹⁵⁰

Legal frameworks governing labor protections at sea are fragmented. A notable development occurred in 2006, when a U.S. federal court ruling (*Bautista v. Star Cruises*) determined that cruise employment contracts constitute commercial agreements, limiting the jurisdiction of U.S. courts in labor disputes.¹⁵¹ Since then, cruise line employees have been subject to arbitration requirements that may restrict access to judicial remedies and investigations into injuries or fatalities.¹⁵²

4.2.4 Commercial Fishing

The fishing industry is considered one of the most hazardous and at high risk for forced labor. It is covered in existing resources on [ResponsibleSourcingTool.org](https://responsible sourcing tool.org), including:

Commodity Reports

Seafood Sector Report

Seafood Due Diligence Toolset

4.2.5 Oil Rigs

Workers employed on oil platforms, and in the oil and gas industry more broadly, face a variety of risk factors. These include unpaid wages, low wages, and accounting practices that deny workers benefits,¹⁵³ dangerous, isolated, and difficult work;¹⁵⁴ and the casualization of the workforce in which workers are

¹⁴⁹ [Bonmati, Damia S. "Sweatshops on the High Seas." Univision Noticias, 27 Dec 2015.](#)

¹⁵⁰ [Bonmati, Damia S. "Sweatshops on the High Seas." Univision Noticias, 27 Dec 2015.](#)

¹⁵¹ [Bautista v. Star Cruises, 396 F.3d 1289 \(11th Cir. 2005\).](#)

¹⁵² [Bonmati, Damia S. "Sweatshops on the High Seas." Univision Noticias, 27 Dec 2015.](#)

¹⁵³ [Sadasivam, Naveena. "For Oil and Gas Companies, Rigging Seems to Involve Wages, Too." ProPublica, 25 Sept 2014.](#)

¹⁵⁴ [Segnini, Nicole. "In their own words: Oil and gas industry workers don't want to be left behind." The Wilderness Society, 19 Mar 2024.](#)

often subcontracted or employed by staffing agencies.¹⁵⁵ The industry increasingly depends on immigrants and temporary workers.¹⁵⁶

There is no data available to indicate recent situations of forced labor, but several cases from a decade ago illustrate risks involving guestworkers (also referred to as foreign contract workers) working on U.S. oil rigs:

In 2013, a major staffing agency that provides skilled and unskilled workers to U.S.-based clients in numerous industries, including oil field fabrication, was ordered to pay nearly USD 2 million in overtime back wages to workers following a USDOL investigation.¹⁵⁷

In 2013, more than 100 Filipino workers filed a class action lawsuit against the oil company where they worked on oil platforms, alleging a range of labor abuses including deceptive recruitment, “slave-like” working conditions including working 24-hour shifts and up to 400 hours a month, withholding of wages, inflated dormitory costs, and being surveilled and locked into housing at night.¹⁵⁸

In 2015, a jury found that a marine industry company, a U.S.-based lawyer, and India-based recruiter engaged in labor trafficking, fraud, racketeering, and discrimination in the recruitment and employment of hundreds of guestworkers from India who were employed as pipefitters, welders, and scaffolders to repair oil rigs in New Orleans following Hurricane Katrina.¹⁵⁹ In this case, workers were recruited with false assurances that they would be able to become lawful permanent U.S. residents and made to pay tens of thousands of dollars in recruitment fees. Upon arrival in the United States, they experienced squalid living conditions, threats of harm, and were in some cases physically detained.¹⁶⁰ They further experienced fraudulent payment practices and passport and visa retention at the hands of their employer.¹⁶¹ The marine industry

¹⁵⁵ [Biven, Megan Milliken and Leo Lindner. “The Future of Energy & Work in the United States: The American Oil & Gas Worker Survey.” True Transition, March 2023.](#)

¹⁵⁶ [Villagran, Lauren. “Trump's promises to drill for oil and kick out migrants are at odds.” USA Today, 21 Apr 2024.](#)

[Segnini, Nicole. “In their own words: Oil and gas industry workers don’t want to be left behind.” The Wilderness Society, 19 Mar 2024.](#)

¹⁵⁷ [“Major staffing agency Hutco to pay nearly \\$2 million in overtime back wages to workers following US Labor Department investigation.” U.S. Department of Labor, 6 May 2013.](#)

¹⁵⁸ [McMahon, Ada. “Delegation visits New Orleans, as Filipino workers fight Labor Abuses in Oil Industry.” Bridge the Gulf Project, 27 Feb 2013.](#)

[McCarthy, Brendan. “In Depth: Pipeline of Alleged Human Trafficking from Philippines to the Gulf.” 4WWL, 5 Feb 2013.](#)

¹⁵⁹ [“David, et al. v. Signal International, LLC, et al.” ACLU, 29 May 2013.](#)

¹⁶⁰ [“David, et al. v. Signal International, LLC, et al.” ACLU, 29 May 2013.](#)

[“Signal International Lawsuits.” Sothern Poverty Law center.](#)

¹⁶¹ [“David, et al. v. Signal International, LLC, et al.” ACLU, 29 May 2013.](#)

company and its representatives were ordered to pay USD 14 million to five of the victims in the case.¹⁶²

4.3 Automotive

4.3.1 Background

In 2024, the United States produced over 10.56 million vehicles, including 1.43 million passenger cars and 9.13 million commercial vehicles¹⁶³, according to the International Organization of Motor Vehicle Manufacturers.¹⁶⁴ This positions the United States as one of the world's top vehicle producers, accounting for roughly 11 percent of global output, behind only China.¹⁶⁵ Globally, motor vehicle production in 2024 surpassed 93 million units.¹⁶⁶ Approximately 997,300 people are employed in motor vehicle manufacturing and production in the United States,¹⁶⁷ with about 9 million people employed globally.¹⁶⁸ In addition, the industry supports a vast network of indirect jobs; for every autoworker on the factory floor, many more work in upstream supply industries and downstream sales/service. In total, well over 50 million jobs worldwide are estimated to be supported indirectly by the automotive sector (e.g., suppliers, dealers, maintenance, etc.).¹⁶⁹

The industry includes vehicle and parts manufacturing, wholesale trade, retail trade, and repair and maintenance services.¹⁷⁰

¹⁶² ["David, et al. v. Signal International, LLC, et al." ACLU, 29 May 2013.](#)

¹⁶³ Note: SUVs, minivans, and pickup trucks are classified as commercial vehicles.

¹⁶⁴ ["2024 statistics." International Organization of Motor Vehicle Manufacturers \(OICA\), 2024.](#)

¹⁶⁵ ["2024 statistics." International Organization of Motor Vehicle Manufacturers \(OICA\), 2024.](#)

¹⁶⁶ ["2024 statistics." International Organization of Motor Vehicle Manufacturers \(OICA\), 2024.](#)

¹⁶⁷ ["Automotive industry: Employment, hours, and earnings from the current employment statistics survey \(national\)." U.S. Bureau of Labor Statistics.](#)

¹⁶⁸ ["A Growth Industry." International Organization of Motor Vehicle Manufacturers \(OICA\).](#)

¹⁶⁹ ["Auto jobs." International Organization of Motor Vehicle Manufacturers \(OICA\).](#)

¹⁷⁰ ["How many cars are built in the US?" USA Fast Facts, 2 May 2025.](#)

["Automotive Industry: Employment, Earnings, and Hours." U.S. Bureau of Labor Statistics.](#)

There are documented human trafficking risks in the automotive industry supply chain in vehicle manufacturing and in the production of some of the raw materials and components.¹⁷¹ These risks are described in the sections below.

4.3.2 Manufacturing – Child Labor and Human Trafficking Risks

Much of the risk in the manufacturing segments of automotive supply chains stem from the use of workers employed by labor agencies, as described in Section 3.1.1 above. These agencies, which operate in the United States and globally, act as intermediaries between manufacturers and workers, allowing factories to outsource business functions like hiring, age verification, and regulatory compliance.¹⁷² Companies in all industries that rely on such third-party labor agents put themselves at risk of using child labor (including hazardous child labor and forced child labor), and of human trafficking.¹⁷³

Investigations in 2022 found that in many instances, labor agencies failed to verify workers' age or knowingly accepted falsified documents. In some cases, recruiters working for these agencies helped minors obtain forged identification papers, enabling children as young as 12 to take jobs in manufacturing plants for a major automotive company.¹⁷⁴ For example, a 13-year-old girl was hired by a staffing agency to work at a plant in Alabama, where she operated machinery and worked excessive hours.¹⁷⁵ These cases in automotive manufacturing reflect an increase in child labor violations in the U.S. employment landscape more broadly. Since 2019, USDOL has documented an 88 percent increase in children employed in violation of federal labor law.¹⁷⁶

Reporting revealed that many children were unaccompanied minors living in precarious housing conditions provided by the labor agencies themselves or by factory-affiliated landlords. For instance, two

¹⁷¹ [“Driving Force Automotive Supply Chains and Forced Labor in the Uyghur Region.” Sheffield Hallam University, Dec 2022.](#)

[“Child workers found throughout Hyundai-Kia supply chain in Alabama.” Reuters, 16 Dec 2022.](#)

¹⁷² [“Child workers found throughout Hyundai-Kia supply chain in Alabama.” Reuters, 16 Dec 2022.](#)

[“Department of Labor Accuses Hyundai of Child Labor Violations for Supplier Conduct.” WilmerHale, 5 Jun 2024.](#)

¹⁷³ [Responsible Sourcing Tool.](#)

¹⁷⁴ [“Child workers found throughout Hyundai-Kia supply chain in Alabama.” Reuters, 16 Dec 2022.](#)

[“Department of Labor Accuses Hyundai of Child Labor Violations for Supplier Conduct.” WilmerHale, 5 Jun 2024.](#)

¹⁷⁵ [“Child workers found throughout Hyundai-Kia supply chain in Alabama.” Reuters, 16 Dec 2022.](#)

[“Department of Labor Accuses Hyundai of Child Labor Violations for Supplier Conduct.” WilmerHale, 5 Jun 2024.](#)

¹⁷⁶ [“Field Assistance Bulletin No. 2023-4: Child labor provisions of the Fair Labor Standards Act \(FLSA\).” U.S. Department of Labor, Wage and Hour Division, 2023.](#)

Guatemalan brothers, aged 13 and 15, were found to be living in housing owned by the president of the staffing agency that hired them.¹⁷⁷

Recruiters reportedly targeted vulnerable migrant children through informal networks and community connections by exploiting their need for work and stability. The children were presented with job opportunities as a pathway to financial support for their families. After borrowing to pay recruitment fees and travel expenses, they arrived in the United States where they were additionally charged placement fees, often for jobs in hazardous industries, as well as living expenses, which perpetuated a cycle of debt that trapped them in conditions of forced labor.

In some cases, staffing agencies providing workers for these automotive manufacturing plants were run by individuals with close ties to plant managers or even factory owners, creating a network that prioritized filling labor shortages over legal compliance.¹⁷⁸ The ownership structures of many of these agencies are opaque—they may change their name, dissolve, or reorganize to avoid scrutiny—making it difficult to trace accountability.

4.3.3 Raw Materials and Extended Supply Chain

The most upstream segment of automotive extended supply chains is primary production, where raw materials, like steel, aluminum, rubber, lithium, and other metals for electronics, are mined and processed. Each of these materials has its own complex supply chain that begins with extraction or mining. These raw materials are sourced from diverse global locations, where they undergo various stages of processing and refinement before changing hands and heading downstream through the supply chain tiers.

The following are examples of risk relating to sample materials.

¹⁷⁷ [“Child workers found throughout Hyundai-Kia supply chain in Alabama.” Reuters, 16 Dec 2022.](#)

[“Department of Labor Accuses Hyundai of Child Labor Violations for Supplier Conduct.” WilmerHale, 5 Jun 2024.](#)

¹⁷⁸ [“Child workers found throughout Hyundai-Kia supply chain in Alabama.” Reuters, 16 Dec 2022.](#)

[“Department of Labor Accuses Hyundai of Child Labor Violations for Supplier Conduct.” WilmerHale, 5 Jun 2024.](#)

4.3.3.1 Rubber

As noted in Section 3.3.3.1 above, forced labor risk has been documented in the supply chain of both synthetic and natural rubber.¹⁷⁹

The majority of automobile tires are primarily produced from synthetic rubber (i.e., 60 percent of the rubber used in the tire industry is synthetic rubber,¹⁸⁰ and most tires are made from a combination of synthetic rubber, natural rubber, and other metals and compounds¹⁸¹). Research conducted by Sheffield Hallam University found that some companies that produce synthetic rubber used for manufacturing tires operate in XUAR.

Sheffield Hallam University's research has also documented that downstream tire manufacturing companies operate in XUAR and utilize labor transfer programs.¹⁸² Two major tire manufacturers operating in XUAR have been linked to these labor practices, and their products, including tires, are sold to car manufacturers and retailers in markets including the United States and the United Kingdom.¹⁸³

4.3.3.2 Metals

NOTE: A number of the metals listed are used in other transportation industries. They are being covered in this section of the report because of the availability of detailed reporting specific to the automotive industry.

Recent investigations and reporting have focused on the exposure of metals used in the automotive industry to forced labor in XUAR. Similar risks are faced by other sectors in the transportation industry with extended manufacturing supply chains.

¹⁷⁹ ["2024 Trafficking in Persons Report." U.S. Department of State, 2024.](#)

["Tires - Automotive Supply Chains and Forced Labor in the Uyghur Region." Sheffield Hallam University Helena Kennedy Centre for International Justice, Dec 2022.](#)

¹⁸⁰ ["Materials." Michelin.](#)

¹⁸¹ ["Citadel Research in National Geographic: 'Tires, the Plastic Polluter you Never Thought About.'" Today, 24 Sept 2019.](#)

¹⁸² ["Tires - Automotive Supply Chains and Forced Labor in the Uyghur Region." Sheffield Hallam University Helena Kennedy Centre for International Justice, Dec 2022.](#)

¹⁸³ [Wormington, Jim. "Asleep at the Wheel: Car Companies' Complicity in Forced Labor in China." Human Rights Watch, 1 Feb 2024.](#)

[Murphy, L., Salcito, K., Uluyol, Y., & Rabkin, M. "Driving Force: Automotive Supply Chains and Forced Labor in the Uyghur Region." Sheffield Hallam University Helena Kennedy Centre for International Justice, Dec 2022.](#)

An investigation conducted in 2022 found 96 companies connected to the auto industry through mining, processing, or manufacturing in the XUAR region, with 38 of these companies, including major producers like the China Baowu Steel Group Corp., Ltd., actively engaging in labor transfer programs.¹⁸⁴ As a result, over 100 international car and parts manufacturers face potential exposure to sourcing from these entities.¹⁸⁵ The materials implicated include steel, aluminum, zinc, magnesium, and lithium. All essential to vehicle production, their production is backed by substantial Chinese government subsidies and incentives designed to expand industrial output in XUAR.¹⁸⁶

China is the world's top producer of steel¹⁸⁷ and home to the world's largest steel supplier, located in XUAR.¹⁸⁸ Steel used in vehicle manufacturing is produced in XUAR by workers engaged in labor transfer programs.¹⁸⁹ XUAR ore mining operators have been found to use state-sponsored labor transfer programs and have been placed on the Uyghur Forced Labor Prevention Act Entity List by the U.S. Government.¹⁹⁰ Use of the labor transfer programs has also been documented in coal mining and in coal power plants in XUAR.¹⁹¹

In 2022, XUAR produced nine percent of the world's aluminum with a heavy reliance on labor transfer programs.¹⁹² Metal trading companies' opaque equity ownership in XUAR smelters compounds the

¹⁸⁴ [Murphy, L., Salcito, K., Uluyol, Y., & Rabkin, M. "Driving Force: Automotive Supply Chains and Forced Labor in the Uyghur Region." Sheffield Hallam University Helena Kennedy Centre for International Justice, Dec 2022.](#)

[Wormington, Jim. "Asleep at the Wheel: Car Companies' Complicity in Forced Labor in China." Human Rights Watch, 1 Feb 2024.](#)
["DHS Places First Steel and Aspartame PRC-Based Companies on the UFLPA Entity List." U.S. Department of Homeland Security, 2 Oct 2024.](#)

¹⁸⁵ [Murphy, L., Salcito, K., Uluyol, Y., & Rabkin, M. "Driving Force: Automotive Supply Chains and Forced Labor in the Uyghur Region." Sheffield Hallam University Helena Kennedy Centre for International Justice, Dec 2022.](#)

¹⁸⁶ [Wormington, Jim. "Asleep at the Wheel: Car Companies' Complicity in Forced Labor in China." Human Rights Watch, 1 Feb 2024.](#)

[Murphy, L., Salcito, K., Uluyol, Y., & Rabkin, M. "Driving Force: Automotive Supply Chains and Forced Labor in the Uyghur Region." Sheffield Hallam University Helena Kennedy Centre for International Justice, Dec 2022.](#)

¹⁸⁷ ["World Steel in Figures 2022." World Steel Association.](#)

¹⁸⁸ ["Steel - Automotive Supply Chains and Forced Labor in the Uyghur Region." Sheffield Hallam University Helena Kennedy Centre for International Justice, Dec 2022.](#)

¹⁸⁹ ["Steel - Automotive Supply Chains and Forced Labor in the Uyghur Region." Sheffield Hallam University Helena Kennedy Centre for International Justice, Dec 2022.](#)

¹⁹⁰ ["Notice Regarding the Uyghur Forced Labor Prevention Act Entity List." Federal Register, 15 Jan 2025.](#)

¹⁹¹ [Wormington, Jim. "Asleep at the Wheel: Car Companies' Complicity in Forced Labor in China." Human Rights Watch, 1 Feb 2024.](#)

¹⁹² [Wormington, Jim. "Asleep at the Wheel: Car Companies' Complicity in Forced Labor in China." Human Rights Watch, 1 Feb 2024.](#)

traceability challenge, as any materials sourced from these facilities may be blended with others and exported globally, making it difficult for automakers to trace their true origins.¹⁹³

Another material linked to forced labor in XUAR is copper, which is essential for vehicle electrical wiring and components.¹⁹⁴ Companies such as Xinjiang Nonferrous Metals Company have been documented as using forced labor in their operations.¹⁹⁵ Copper from these facilities, like aluminum and steel, is integrated into the broader supply chain, further entangling international car manufacturers in potential labor violations.

The forced labor risk extends to less significant parts of vehicles, as well. Factories near internment centers in XUAR have been reported to produce seat cushions and floor mats, raising a risk flag for labor abuses seen elsewhere in the region and underscoring the difficulties in ensuring supply chain integrity for companies sourcing without clear visibility in China.

For electronic components needed for virtually all current vehicles, risks in the electronics sector are described in Section 3.3.3.2 above.

[Murphy, L., Salcito, K., Uluyol, Y., & Rabkin, M. "Driving Force: Automotive Supply Chains and Forced Labor in the Uyghur Region." Sheffield Hallam University Helena Kennedy Centre for International Justice, Dec 2022.](#)

¹⁹³ [Wormington, Jim. "Asleep at the Wheel: Car Companies' Complicity in Forced Labor in China." Human Rights Watch, 1 Feb 2024.](#)

¹⁹⁴ [Wormington, Jim. "Asleep at the Wheel: Car Companies' Complicity in Forced Labor in China." Human Rights Watch, 1 Feb 2024.](#)

[Murphy, L., Salcito, K., Uluyol, Y., & Rabkin, M. "Driving Force: Automotive Supply Chains and Forced Labor in the Uyghur Region." Sheffield Hallam University Helena Kennedy Centre for International Justice, Dec 2022.](#)

¹⁹⁵ ["DHS Announces Addition of 37 PRC-Based Companies to UFLPA Entity List." U.S. Department of Homeland Security, 14 Jan 2025.](#)

4.4 Trucking

4.4.1 Background

The trucking sector dominates the freight transportation industry within the United States, making up 72.7 percent of freight tonnage and 76.9 percent of revenue in 2024, to an estimated USD 906 billion in revenue.¹⁹⁶ As of May 2025, the Bureau of Labor Statistics estimates that 1.52 million Americans are employed in the trucking sector.¹⁹⁷ The American Trucking Association estimates that 8.5 million people were employed in trucking-related jobs in 2023, including 3.55 million professional drivers.¹⁹⁸ The trucking industry is largely comprised of small businesses.¹⁹⁹ After two years of decline, truck freight volumes are expected to bounce back, relative to a softening of freight volumes across industrial and retail sectors.²⁰⁰ In 2020, trucks moved 68.6 percent of total weight of freight within the United States.²⁰¹ Between 2010 and 2020, the number of trucks in the United States increased by 25.2 percent, amid a decline in the number of freight rail cars.²⁰²

While often characterized as the backbone of the U.S. economy, transportation and goods delivery is in many cases characterized by part-time, low-paid work and has one of the highest rates of workplace fatalities in the United States.²⁰³ Deregulation of the industry, including the 1980 Motor Carrier Act, left truck drivers engaged in interstate commerce and in safety-sensitive activities (e.g., driving, loading and unloading, and vehicle maintenance) exempted from the overtime pay provided by the FLSA.²⁰⁴ Additionally, tasks such as loading, unloading, fueling, and maintenance are often unpaid, as drivers are

¹⁹⁶ [“Truck Freight to Bounce Back in 2025, ATA Projects.” American Trucking Associations, 2025.](#)

¹⁹⁷ [“Industries at a Glance: Truck Transportation.” U.S. Bureau of Labor Statistics, 2025](#)

¹⁹⁸ [“ATA American Trucking Trends 2024.” American Trucking Associations, 2024.](#)

¹⁹⁹ [“ATA American Trucking Trends 2024.” American Trucking Associations, 2024.](#)

²⁰⁰ [“Truck Freight to Bounce Back in 2025, ATA Projects.” American Trucking Associations, 16 Jan 2025.](#)

²⁰¹ [U.S. Federal Motor Carrier Safety Administration. “2022 Pocket Guide to Large Truck and Bus Statistics.” 2022.](#)

²⁰² [U.S. Bureau of Transportation Statistics. *Freight Transportation System Extent & Use*.](#)

²⁰³ [“Civilian occupations with high fatal work injury rates.” U.S. Bureau of Labor Statistics, 2023.](#)

²⁰⁴ [“Fact Sheet #19: The Motor Carrier Exemption under the Fair Labor Standards Act \(FLSA\).” U.S. Department of Labor, Nov 2009. Nardo, Raymond. “Overtime Exemptions of Truck Drivers under the FLSA: Understanding the Motor Carrier Act.” The Law Office of Raymond Nardo, 28 Mar 2023.](#)

commonly compensated only for miles driven.²⁰⁵ By one estimate, inflation-adjusted wages since deregulation have decreased by up to 50 percent.²⁰⁶

Compounding these pressures, truck drivers are commonly classified as independent contractors rather than employees²⁰⁷ despite many drivers meeting the legal characteristics of an ongoing relationship with a single employer.²⁰⁸ Independent contractors are not protected by the FLSA and therefore have limited access to such legal protections as minimum wage, overtime pay, unemployment, and workers' compensation insurance, and employer contributions toward Social Security and Medicare.²⁰⁹ Further, these drivers are often required to pay for the costs of truck maintenance, fuel, and tires, as well as collision costs, even when they do not own the trucks they operate.²¹⁰

USDOL has successfully brought suits on behalf of truck drivers, resulting in multi-million dollar settlements for drivers misclassified as independent contractors.²¹¹ In lawsuits, truck drivers have argued that due to the degree of control some motor carriers wield over their hours and work assignments, they are not functioning as independent contractors.²¹² The drivers point to the companies' extensive requirements around specific policies, procedures, and directives regarding duties, frequency of contact with dispatchers for assignments, installation of tracking hardware, drug testing, background checks, and significant restrictions during time-off, even when it is unpaid.²¹³

²⁰⁵ [Murphy, Brett. "Rigged. Forced into debt. Worked past exhaustion. Left with nothing." *USA TODAY*, 16 Jun 2017.](#)

²⁰⁶ [Lezaic, Angela. "The Trucking Industry is Corrupt." *The Daily Utah Chronicle*, 3 Jun 2022.](#)

²⁰⁷ [Press, Alex. "American Truckers are Getting Squeezed. Hard." *Jacobin*, 16 Apr 2023.](#)

²⁰⁸ [Premack, Rachel. "Why most of America's 2 million long-haul truck drivers aren't unionized." *FreightWaves*, 20 Apr 2023.](#)

²⁰⁹ [Schmitt, John et al. "The economic costs of worker misclassification." *Economic Policy Institute*, 25 Jan 2023.](#)

²¹⁰ ["Misclassification of Employees as Independent Contractors Under the Fair Labor Standards Act." U.S. Department of Labor.](#)

²¹¹ [Schmitt, John et al. "The economic costs of worker misclassification." *Economic Policy Institute*, 25 Jan 2023.](#)

²¹² ["Findings on Common Leasing Arrangements Available to Drivers of Commercial Motor Vehicles Including Lease-Purchase Agreements." U.S. Department of Transportation Truck Leasing Task Force, Jan 2025.](#)

²¹³ [Davis, Christopher. "Trucking Company Settles Class Action Over Misclassification Ending Nine Year Litigation." *Working Solutions*, 26 Dec 2022.](#)

²¹⁴ [Fisher, Tyson. "Misclassification, lease-purchase lawsuit revived by Illinois federal court." *Landline.Media*, 2 Dec 2024.](#)

²¹⁵ [Fisher, Tyson. "New Jersey sues trucking company accused of misclassifying truckers." *Landline.Media*, 14 Dec 2023.](#)

²¹⁶ [Fisher, Tyson. "Misclassification, lease-purchase lawsuit revived by Illinois federal court." *Landline.Media*, 2 Dec 2024.](#)

²¹⁷ [Fisher, Tyson. "Misclassification, lease-purchase lawsuit revived by Illinois federal court." *Landline.Media*, 2 Dec 2024.](#)

4.4.2 Predatory Leasing in the U.S.

While the independent contractor designation makes truck driving an increasingly challenging occupation, the greatest financial risk for drivers in the United States is entering lease-purchase agreements, also referred to as a “lease-to-own” agreement. In the typical agreement, presented as a path to truck ownership, the driver receives financing to obtain a new or used truck from a motor carrier in exchange for working exclusively for that carrier under often precarious terms.²¹⁴ The agreements usually span a period of three to five years.²¹⁵ Advertising and recruitment pitches assure drivers that the carrier’s work assignments will allow them to cover the lease payments and related expenses and ultimately own their vehicle by the end of the term.²¹⁶ However, in reality, successful completion of the lease-purchase program is rare.²¹⁷

The benefit of the lease-purchase programs to the carriers is that their labor costs are reduced with the shifting of truck ownership and maintenance to the drivers, while retaining significant control. Carriers may determine where the driver purchases parts, where maintenance is performed, where fuel is bought, what training programs are required (at the driver’s expense) as well as setting the fuel surcharge (to cover fluctuations in fuel prices,) vehicle insurance payments, and the terms of compensation.²¹⁸ Critically, the carriers also control the assignment of work to drivers, which controls the income needed to cover these expenses.²¹⁹

²¹⁴ [“Findings on Common Leasing Arrangements Available to Drivers of Commercial Motor Vehicles Including Lease-Purchase Agreements.” U.S. Department of Transportation Truck Leasing Task Force, Jan 2025.](#)

²¹⁵ [“Findings on Common Leasing Arrangements Available to Drivers of Commercial Motor Vehicles Including Lease-Purchase Agreements.” U.S. Department of Transportation Truck Leasing Task Force, Jan 2025.](#)

²¹⁶ [“Findings on Common Leasing Arrangements Available to Drivers of Commercial Motor Vehicles Including Lease-Purchase Agreements.” U.S. Department of Transportation Truck Leasing Task Force, Jan 2025.](#)

²¹⁷ [“Findings on Common Leasing Arrangements Available to Drivers of Commercial Motor Vehicles Including Lease-Purchase Agreements.” U.S. Department of Transportation Truck Leasing Task Force, Jan 2025.](#)

²¹⁸ [“Findings on Common Leasing Arrangements Available to Drivers of Commercial Motor Vehicles Including Lease-Purchase Agreements.” U.S. Department of Transportation Truck Leasing Task Force, Jan 2025.](#)

²¹⁹ [“How Does Fuel Surcharge Work For Owner Operators?” Quality Carriers, 23 Oct 2023.](#)

In many cases, drivers receive little to no net compensation after their carrier deducts these expenses from their pay.²²⁰ A negative balance is carried forward and deducted from future earnings, keeping drivers in a cycle of trying to “catch up” on their debt and therefore less able to freely terminate work.²²¹

Some lease purchase agreements give carriers further leverage by allowing them to classify drivers as being in default for relatively minor issues and assign severe consequences in any case.²²² If a driver is found to be in default, the contract may permit the carrier to accelerate all remaining lease payments, repossess the truck (including any equity the driver may have built up), and report the default to the DAC (Drive-A-Check) system, which is commonly used to evaluate truck driver employment history.²²³

Investigations have found that punitive terms may be used to pressure and coerce drivers to continue working under the established conditions.²²⁴ At California ports, where a large share of U.S. imports are processed, drivers have reported participating in lease-purchase programs that resulted in significant debt; according to investigations, some drivers reported working long hours—up to 20 hours per day—yet still being unable to cover basic expenses.²²⁵ Drivers reported cases of ending the workweek with a negative balance, with some reporting ultimately owing more than USD 100,000.²²⁶ Aside from the fear

²²⁰ [Murphy, Brett. “Rigged. Forced into debt. Worked past exhaustion. Left with nothing.” *USA TODAY*, 16 Jun 2017.](#)

[Lezaic, Angela. “The Trucking Industry is Corrupt.” *The Daily Utah Chronicle*, 3 Jun 2022.](#)

[Press, Alex. “American Truckers are Getting Squeezed. Hard.” *Jacobin*, 16 Apr 2023.](#)

²²¹ [Murphy, Brett. “Rigged. Forced into debt. Worked past exhaustion. Left with nothing.” *USA TODAY*, 16 Jun 2017.](#)

[Lezaic, Angela. “The Trucking Industry is Corrupt.” *The Daily Utah Chronicle*, 3 Jun 2022.](#)

[Press, Alex. “American Truckers are Getting Squeezed. Hard.” *Jacobin*, 16 Apr 2023.](#)

²²² [“Findings on Common Leasing Arrangements Available to Drivers of Commercial Motor Vehicles Including Lease-Purchase Agreements.” U.S. Department of Transportation Truck Leasing Task Force, Jan 2025.](#)

²²³ [“Findings on Common Leasing Arrangements Available to Drivers of Commercial Motor Vehicles Including Lease-Purchase Agreements.” U.S. Department of Transportation Truck Leasing Task Force, Jan 2025.](#)

[“What Is a DAC Report and How Can It Affect Your Driving Record?” *Logity Dispatch*, 9 May 2025.](#)

²²⁴ [“Findings on Common Leasing Arrangements Available to Drivers of Commercial Motor Vehicles Including Lease-Purchase Agreements.” U.S. Department of Transportation Truck Leasing Task Force, Jan 2025.](#)

²²⁵ [Murphy, Brett. “Rigged. Forced into debt. Worked past exhaustion. Left with nothing.” *USA TODAY*, 16 Jun 2017.](#)

[Press, Alex. “American Truckers are Getting Squeezed. Hard.” *Jacobin*, 16 Apr 2023.](#)

[Murphy, Brett. “Rigged. Forced into debt. Worked past exhaustion. Left with nothing.” *USA TODAY*, 16 Jun 2017.](#)

[Press, Alex. “American Truckers are Getting Squeezed. Hard.” *Jacobin*, 16 Apr 2023.](#)

of default for infractions, drivers also described their fear of being reassigned to less profitable routes, or termination, if they raised objections to conditions.²²⁷

Estimates suggest that more than 200,000 interstate commercial driver's license (CDL) holders in the United States have participated in lease-purchase programs with these dynamics, with some estimates as high as 400,000.²²⁸ Some of the lease-purchase arrangements have been litigated as situations of forced labor.²²⁹ Most of these cases (over 90 percent) end up settling out of court, resulting in limited monetary compensation for drivers, but no finding of wrongdoing by motor carriers.²³⁰

In response to ongoing concerns, USDOT's Federal Motor Carrier Safety Administration (FMCSA) formed the Truck Leasing Task Force (TLTF) in 2022, as required by the 2021 Infrastructure and Investment Jobs Act (P. L. 117-58)²³¹ to study the fairness and impact of lease-purchase agreements. Following its investigation, the TLTF released a [final report](#) in January 2025. The report's primary recommendation was that Congress consider banning lease-purchase agreements between motor carriers and drivers. The task force cited consistent patterns of financial harm to drivers and limited documented benefits.²³² The report further recommended enhanced federal oversight of the sector—including increased funding and regulatory authority for FMCSA, USDOL, and the Federal Trade Commission (FTC) to monitor and enforce standards—in the event that a ban was not implemented. Additional recommendations included mandatory disclosure requirements, contract fairness provisions, accurate worker classification, recordkeeping standards, whistleblower protections, and public reporting of safety concerns. The task

²²⁷ [Murphy, Brett. "Rigged. Forced into debt. Worked past exhaustion. Left with nothing." USA TODAY, 16 Jun 2017.](#)
[Press, Alex. "American Truckers are Getting Squeezed. Hard." Jacobin, 16 Apr 2023.](#)

²²⁸ [Schremmer, Mark. "More than 200K truck drivers affected by predatory lease-purchases, task force says." Landline.Media, 30 Oct 2024.](#)

²²⁹ ["Findings on Common Leasing Arrangements Available to Drivers of Commercial Motor Vehicles Including Lease-Purchase Agreements." U.S. Department of Transportation Truck Leasing Task Force, Jan 2025.](#)

²³⁰ ["Findings on Common Leasing Arrangements Available to Drivers of Commercial Motor Vehicles Including Lease-Purchase Agreements." U.S. Department of Transportation Truck Leasing Task Force, Jan 2025.](#)

²³¹ ["Findings on Common Leasing Arrangements Available to Drivers of Commercial Motor Vehicles Including Lease-Purchase Agreements." U.S. Department of Transportation Truck Leasing Task Force, Jan 2025.](#)

²³² ["Findings on Common Leasing Arrangements Available to Drivers of Commercial Motor Vehicles Including Lease-Purchase Agreements." U.S. Department of Transportation Truck Leasing Task Force, Jan 2025.](#)

force also advised targeted USDOL enforcement related to worker classification and encouraged support for worker organizing.²³³

4.5 Local Commercial Drivers (Taxi, Limousine, Rideshare, Delivery)

4.5.1 Background

Local commercial drivers constitute a rapidly expanding segment of transportation services, with distinct growth patterns between passenger transport and goods delivery services. According to the Bureau of Labor Statistics, the passenger transport sector, which includes rideshare, taxi, and limousine services, employed 393,400 workers in 2023, with 11 percent projected growth through 2033.²³⁴ Growth is driven primarily by major rideshare services, which employ a larger share of contingent workers than represented by the number of workers employed. One app-based platform reported that 1 million Americans had driven goods or passengers through its app in 2019.²³⁵ In 2017, Reuters reported that another app-based platform had over 700,000 drivers within the United States.²³⁶ The U.S. rideshare market reached USD 175.73 billion in 2025 and is projected to grow at a rate outpacing global GDP.²³⁷

Documented instances of forced labor or human trafficking risks were not found among local commercial drivers. However, there is evidence of predatory leasing and lending, as well as deceptive recruitment practices among rideshare companies and specific regulatory practices in some regions that can create vulnerability to debt and exploitation.

4.5.2 Rideshare

Rideshare companies have been found to exaggerate the amount of money that can be earned when communicating with prospective drivers.²³⁸ Companies have also been found to mislead prospective

²³³ [“Findings on Common Leasing Arrangements Available to Drivers of Commercial Motor Vehicles Including Lease-Purchase Agreements.” U.S. Department of Transportation Truck Leasing Task Force, Jan 2025.](#)

²³⁴ [U.S. Bureau of Labor Statistics, *Occupational Outlook Handbook: Taxi Drivers, Shuttle Drivers, and Chauffeurs*. 2025](#)

²³⁵ [Uber. *A First Step Toward A New Model For Independent Platform Work*. 2020.](#)

²³⁶ [Reuters. *Judge approves \\$27 million driver settlement in Lyft lawsuit*. 2017.](#)

²³⁷ [Statista. *Ride-hailing – Worldwide*. 2025.](#)

²³⁸ [“Uber Agrees to Pay \\$2 Million to Settle FTC Charges That It Recruited Prospective Drivers with Exaggerated Earnings Claims.” Federal Trade Commission, 19 Jan 2017.](#)

drivers regarding the terms of vehicle financing and lease options.²³⁹ In 2017, an FTC charge alleged that less than 10 percent of all drivers for one specific rideshare company earned the yearly income the company claimed on its website.²⁴⁰ The rideshare company ultimately agreed to pay USD 20 million to resolve the charges, with the money being used to provide refunds to affected drivers across the country.²⁴¹

Aside from claims of potential income, drivers can be “locked out” or “deactivated” from the rideshare app platform by the company if there is a perceived lack in demand for rides.²⁴² Drivers misled as to income potential face a debt burden if they have taken on vehicle leases or rentals. In some locations, like New York City, these leases and rental contracts are offered only through companies that are affiliated with rideshare companies; they can have terms that are predatory and exploitative, including with inflated rates.²⁴³ When the number of rideshare vehicle licenses are limited in a location by local regulations, leasing or renting through these pre-licensed company-approved entities is the only access for prospective drivers.

4.5.3 Taxi

Taxi drivers can also face significant debt burdens, particularly in New York City, due to a variety of factors, including predatory lending schemes related to securing medallions, small metal plates that act as licenses for New York City’s yellow cabs.²⁴⁴ Over a roughly ten year period, the value of taxi medallions rose from USD 200,000 to over USD 1,000,000; though many taxi drivers had taken loans to secure these

²³⁹ [“Uber Agrees to Pay \\$2 Million to Settle FTC Charges That It Recruited Prospective Drivers with Exaggerated Earnings Claims.” Federal Trade Commission, 19 Jan 2017.](#)

²⁴⁰ [“Uber Agrees to Pay \\$2 Million to Settle FTC Charges That It Recruited Prospective Drivers with Exaggerated Earnings Claims.” Federal Trade Commission, 19 Jan 2017.](#)

²⁴¹ [“Uber Agrees to Pay \\$2 Million to Settle FTC Charges That It Recruited Prospective Drivers with Exaggerated Earnings Claims.” Federal Trade Commission, 19 Jan 2017.](#)

²⁴² [Desai, Bhairavi and Francisco Moya. “Give Uber & Lyft drivers a lift: Crack down on predatory loans that ensnare app-hail workers.” *Daily News*, 25 Sept 2019.](#)

²⁴³ [Desai, Bhairavi and Francisco Moya. “Give Uber & Lyft drivers a lift: Crack down on predatory loans that ensnare app-hail workers.” *Daily News*, 25 Sept 2019.](#)

[Kalra, Jaspreet Singh. “Uber, Lyft Drivers Forced to Depend on Rental Companies after TLC’s Cap on Licenses.” *Medium*, 14 Jan 2020.](#)

²⁴⁴ [Schisgall, Elias. “‘I Don’t See No Future’: Hundreds of Taxi Drivers Left in Debt as Lenders Balk at Loan Deal.” *New York Focus*, 3 Sept 2024.](#)

medallions, their value ensured a worthwhile debt burden.²⁴⁵ However, the artificial inflation of the value of medallions by some lenders, the rise of rideshare companies, and the Covid-19 pandemic lead to a crash in the value of medallions and the taxi driving industry more broadly, resulting in drivers being unable to make their medallion loan payments—reportedly at thousands of USD a month.²⁴⁶

4.5.4 Delivery

Delivery drivers using app-based digital platforms can experience exploitative practices, though research did not find any documented evidence of forced labor indicators. Working for digital labor platforms is associated with a lack of employment protections due to classification status, low wages, unpaid wages, lack of identification verification mechanisms to utilize app-based accounts on digital labor platforms, and significant driver safety concerns.²⁴⁷ A 2025 Human Rights Watch investigation into exploitation in digital platform work—including delivery work—found that digital labor platforms undermine U.S. labor law and deny workers’ rights to an adequate standard of living and safe and healthy working conditions.²⁴⁸

Workers who provide delivery services for digital platforms—like app-based food and grocery ordering programs—are classified as independent contractors and do not have access to standard labor protections, protective company policies, grievance mechanisms, or confidential reporting channels.²⁴⁹ As independent contractors, delivery drivers are vulnerable to wages below a living and minimum wage.²⁵⁰ In some cases, delivery jobs are so low-paying that workers lose money in the course of work,

²⁴⁵ [Schisgall, Elias. “‘I Don’t See No Future’: Hundreds of Taxi Drivers Left in Debt as Lenders Balk at Loan Deal.” *New York Focus*, 3 Sept 2024.](#)

²⁴⁶ [Schisgall, Elias. “‘I Don’t See No Future’: Hundreds of Taxi Drivers Left in Debt as Lenders Balk at Loan Deal.” *New York Focus*, 3 Sept 2024.](#)

[Michael, Katina. “Modern Indentured Servitude in the Gig Economy: A Case Study on the Deregulation of the Taxi Industry in the United States.” *IEEE Technology and Society Magazine*, Jun 2022.](#)

²⁴⁷ [Witts, Sophie. “Deliveroo, Uber Eats and Just Eat to Crack Down on Illegal Workers.” *The Caterer*, 30 Apr 2024.](#)

[“The Price We Don’t Pay: Modern Slavery in Food Delivery and Distribution.” *Unseen UK*, 13 Aug 2024.](#)

[“The Gig Trap: Algorithmic, Wage, and Labor Exploitation in Platform Work in the US.” *Human Rights Watch*, June 2025.](#)

[“Gig Safety Now!”](#)

²⁴⁸ [“The Gig Trap: Algorithmic, Wage, and Labor Exploitation in Platform Work in the US.” *Human Rights Watch*, June 2025.](#)

²⁴⁹ [Wells, Katie and Isabella Stratta. “The Instant Delivery Workplace in D.C.” *Georgetown University*, April 2023.](#)

[“The Price We Don’t Pay: Modern Slavery in Food Delivery and Distribution.” *Unseen UK*, 13 Aug 2024.](#)

²⁵⁰ [Wells, Katie and Isabella Stratta. “The Instant Delivery Workplace in D.C.” *Georgetown University*, April 2023.](#)

once their out of pocket expenses are factored in (e.g. gas money to deliver an order, business insurance for vehicles, vehicle maintenance), rather than earning money, resulting in personal debt.²⁵¹

Underpayment or no payment of wages for deliveries has been reported by drivers, and the payment system used by digital platforms is reportedly opaque, making it nearly impossible for workers to predict or understand the compensation being offered to them for each delivery job.²⁵² Delivery companies have also been found to “deceptively use tips from customers to reduce” their own payments to delivery workers, effectively misleading workers about the compensation they would receive.²⁵³ Other exploitative practices include delivery platforms monitoring drivers’ GPS locations, encouraging drivers to complete orders within set time frames, and altering algorithms to determine workers’ schedules and influence their work behaviors in ways that benefit the platform.²⁵⁴

4.5.5 Limousine

No relevant information indicating exploitation risk among drivers of limousines was available at this time.

4.6 Transit, Rail, and Busing (Subways, Light Rail, Commuter Rail, Freight Rail, Trolleys, Buses, Ferries)

4.6.1 Background

Transit, rail, and bus transportation services form a critical backbone of American mobility and freight movement. The following illustrative data provides an indication of the scale and growth of these subsectors: The USDOT Federal Transit Administration reports that ridership on transit increased 17 percent from 2022 to 2023, growing twice as fast as domestic air travel within the same period.²⁵⁵ The transit sector employs over 388,000 Americans, representing a 4 percent increase from 2022 (double the

[“The Gig Trap: Algorithmic, Wage, and Labor Exploitation in Platform Work in the US.” Human Rights Watch, June 2025.](#)

²⁵¹ [Wells, Katie and Isabella Stratta. “The Instant Delivery Workplace in D.C.” Georgetown University, April 2023.](#)

²⁵² [Wells, Katie and Isabella Stratta. “The Instant Delivery Workplace in D.C.” Georgetown University, April 2023.](#)

²⁵³ [Linhorst, Micahel. “The Delivery App Industry Has Abandoned Its Immigrant Workforce.” *New Republic*, 21 Mar 2025.](#)

²⁵⁴ [Wells, Katie and Isabella Stratta. “The Instant Delivery Workplace in D.C.” Georgetown University, April 2023.](#)

[“Delivering Justice: A Worker Justice Centered Vision for Street Safety.” The Worker’s Justice Project.](#)

²⁵⁵ [U.S. Federal Transit Administration. *Travel Trends Report: Transit Ridership on the Rise Nationwide, Industry Supports Hundreds of Thousands of Jobs.* 2025.](#)

national average).²⁵⁶ According to the Bureau of Labor Statistics, bus transportation, encompassing intercity, transit, school, and charter bus services, employed 559,300 workers in 2023.²⁵⁷

The U.S. freight rail network covers approximately 140,000 miles, generating USD 80 billion in annual revenue.²⁵⁸ Freight rail is somewhat unique within U.S. transportation, as both the physical infrastructure and operations are privately owned and vertically integrated under rail companies.²⁵⁹ This differs from sectors like air and road transport that rely on publicly funded infrastructure and operations like roads or public airports. Rail companies are responsible for maintaining and upgrading their own infrastructure and systems, requiring annual investments of approximately USD 25 billion annually, or an estimated 19 percent of total revenue.²⁶⁰ Another implication of this ownership structure is that many employees are employed directly by rail companies rather than outsourced; the freight rail industry supports 167,000 direct jobs.²⁶¹

Common potential risk areas for these categories of transportation modes are described in Section 3 above: materials like steel and aluminum sourced in extended supply chains; use of labor agents for placement of temporary workers in manufacturing; and outsourcing of functions like maintenance and food services for passenger terminals and facilities. Given the private ownership of rail infrastructure, many workers in freight rail yards and associated warehouses appear to be directly employed by rail companies, per a review of relevant job postings and reporting from the American Association of Railroads.²⁶² However, given freight rail's integration into intermodal shipping systems,²⁶³ some associated workforce engaged in warehousing, logistics, or similar tasks—particularly at hubs or sites that are served but not owned by rail companies—may be provided by third parties and/or sourced by labor agents.

²⁵⁶ [U.S. Federal Transit Administration. *Travel Trends Report: Transit Ridership on the Rise Nationwide, Industry Supports Hundreds of Thousands of Jobs*. 2025.](#)

²⁵⁷ [U.S. Bureau of Labor Statistics. *Occupational Outlook Handbook: Bus Drivers*. 2025](#)

²⁵⁸ [U.S. Department of Transportation, Federal Railroad Administration. \(n.d.\). *Freight rail overview*.](#)

²⁵⁹ [U.S. Department of Transportation, Federal Railroad Administration. \(n.d.\). *Freight rail overview*.](#)

²⁶⁰ [U.S. Department of Transportation, Federal Railroad Administration. \(n.d.\). *Freight rail overview*.](#)

²⁶¹ [U.S. Department of Transportation, Federal Railroad Administration. \(n.d.\). *Freight rail overview*.](#)

²⁶² [Association of American Railroads. \(2024, October\). *Rail Jobs Report 2024*.](#)

²⁶³ [Association of American Railroads. \(n.d.\). *Freight Rail: Intermodal*. Retrieved August 5, 2025.](#)

Another potential risk is present in upstream production of rail cars and components. In May 2025, U.S. Customs and Border Protection (CBP) agents confiscated several train shells and associated rail car components that had been shipped from China by a Beijing-based company that operates a manufacturing facility in Springfield, Massachusetts, and supplies rail cars to the Massachusetts Bay Transportation Authority (MBTA). Investigative research into Swedish public transport procurement has linked this company's activities, and the locomotive and rolling stock industry in China in general, to state-imposed forced labor.²⁶⁴ The CBP action was reportedly based on the potential violation of the UFLPA which prevents the import of products made with the use of workers in the state-sponsored labor transfer program in XUAR. The company was in the process of responding to the CBP's withhold release order at the time of publication of this report.

Noted below are potential risks in the electric bus and ferry subsectors.

4.6.2 Electric Buses

Recent reports have detailed risks of forced labor in the electric (EV) bus supply chain in China. There is evidence that facilities involved in battery production in XUAR are likely to use or benefit from the use of workers subject to the state sponsored labor transfer program (as described in Section 3.2).²⁶⁵ There is evidence of state-sponsored forced labor in mining and processing of the minerals that go into electric car and bus batteries as well,²⁶⁶ including lithium, nickel, cobalt, and manganese.²⁶⁷

²⁶⁴ ["Human Rights Risks Behind Trains and Trams in Swedish Public Transport: A Challenge Requiring Collaboration." ETI Sweden and Globalworks, Mar 2024.](#)

²⁶⁵ [Brehm, S., and Magnusson, H. "Supply chain screening: Forced labour at battery and electric bus manufacturers in China." Globalworks Lund AB, Jun 2023.](#)

²⁶⁶ [Swanson, A., and Buckley, C. "Red flags for forced labor found in China's car battery supply chain." The New York Times., 20 Jun 2022.](#)

[Brehm, S., and Magnusson, H. "Supply chain screening: Forced labour at battery and electric bus manufacturers in China." Globalworks Lund AB, Jun 2023.](#)

["Human and labour rights violations at BYD, CATL and EVE Energy: A comparison. A human rights due diligence analysis based on online documents and social media posts." Globalworks Lund AB, Feb 2024.](#)

²⁶⁷ [Swanson, A., and Buckley, C. "Red flags for forced labor found in China's car battery supply chain." The New York Times., 20 Jun 2022.](#)

["Human and labour rights violations at BYD, CATL and EVE Energy: A comparison. A human rights due diligence analysis based on online documents and social media posts." Globalworks Lund AB, Feb 2024.](#)

There is also evidence that workers under the control of the labor transfer program have been sent to work in factories that produce batteries in eastern and southern China.²⁶⁸ Upon relocation, workers are highly surveilled and freedom of movement is restricted.²⁶⁹

4.6.3 Ferries

No indicators of forced labor were found in the research for this subsector. However, like many other companies operating vessels globally, U.S. ferry supply chains are potentially exposed to risks related to Chinese-built vessels and components sourced from suppliers linked to XUAR. For instance, Baowu Steel, a major supplier to the Chinese private and state-owned shipbuilding industry, has been documented to use forced labor in XUAR.²⁷⁰ Ferries are often built in the same shipyards and use the same suppliers (e.g., steel, engines, electronics) as other commercial vessels.²⁷¹

Additionally, while recent information on labor abuses in ferry production specifically was not available, in 2013 a major industrial services employment agency that provided labor to clients in a variety of industries, including vessel construction, was ordered to pay nearly USD 2 million in back wages owed to over 2,000 employees who had been assigned to client worksites.²⁷²

4.7 Pipelines

4.7.1 Background

Pipelines are a specialized but economically vital sector within the transportation industry that facilitates the movement of approximately 65 percent of America's energy supply through over 2.6 million miles of pipelines.²⁷³ As of May 2025, the Bureau of Transportation Statistics reports that the sector employs

²⁶⁸ [“Human and labour rights violations at BYD, CATL and EVE Energy: A comparison. A human rights due diligence analysis based on online documents and social media posts.” Globalworks Lund AB, Feb 2024.](#)

²⁶⁹ [“Against their will: The situation in Xinjiang” \[Fact sheet\]. U.S. Department of Labor, Bureau of International Labor Affairs, 2020.](#)

²⁷⁰ [“Report on China’s Targeting of the Maritime, Logistics, and Shipbuilding Sectors for Dominance.” Office of the U.S. Trade Representative, 16 Jan 2025.](#)

²⁷¹ [“Report on China’s Targeting of the Maritime, Logistics, and Shipbuilding Sectors for Dominance.” Office of the U.S. Trade Representative, 16 Jan 2025.](#)

²⁷² [“Major staffing agency Hutco to pay nearly \\$2 million in overtime back wages to workers following US Labor Department investigation.” U.S. Department of Labor, 6 May 2013.](#)

²⁷³ [U.S. Pipeline and Hazardous Materials Safety Administration. General Pipeline FAQs. 2018.](#)

59,900 workers nationwide, with 8.9 percent year-over-year growth.²⁷⁴ The gas pipeline market reached USD 41.6 billion in 2025, while oil pipelines generated USD 15.9 billion.²⁷⁵ Together, both subsectors support a highly skilled workforce.²⁷⁶ No forced labor risk indicators specific to this industry were found in the research for this report. Documented labor risks include the following:

Pipeline construction and repair projects in the United States rely on subcontracted and sometimes poorly protected workers, often laboring under precarious employment relationships.²⁷⁷ Labor shortages—especially during oil booms and related to seasonal demand fluctuations—can drive intense short-term labor needs, making companies rely on skilled and unskilled contract laborers who may be more vulnerable to coercive practices, wage disparities, and unsafe working conditions, often with minimal protections.²⁷⁸

The oil and gas industry has been increasingly relying on outsourcing, third party contracting, and subcontracting since the mid-2000s, resulting in the casualization of the workforce (i.e., a process in which employment shifts from full-time/permanent work to “as needed” and contract positions). On any given worksite, workers may be hired as contractors or through a third-party contracting firm rather than as an employee. On some sites, “triangular employment relationships” are common; in these situations, two employers are in charge of a job site: an exploration and production company owns the drilling rights for the site, while another company provides the drilling crew. Each employer may have different labor policies and each employer carries different percentages of liability. In other cases, workers operate as self-employed independent contractors. These dynamics, coupled with the labor-intensive nature of work and the often remote and temporary work sites, can drive the risk of abuse. The constant

²⁷⁴ [“May 2025 U.S. Transportation Sector Unemployment \(4.4%\) Falls Below the May 2024 Level \(5.5%\) but Rises Above the Pre-Pandemic May 2019 Level \(4.3%\).” U.S. Bureau of Transportation Statistics, 6 Jun 2025.](#)

²⁷⁵ [“Gas Pipeline Transportation in the US - Market Research Report \(2015-2030\).” IBISWorld, 2025.](#)
[“Oil Pipeline Transportation in the US - Market Research Report \(2014-2029\).” 2024.](#)

²⁷⁶ [“Industries at a Glance: Pipeline Transportation.” U.S. Bureau of Labor Statistics, 2025.](#)

²⁷⁷ [Graham, Ian. “Working Paper No. 276: Working Conditions of Contract Workers in the Oil and Gas Industries.” International Labour Office, 2010.](#)

²⁷⁸ [Graham, Ian. “Working Paper No. 276: Working Conditions of Contract Workers in the Oil and Gas Industries.” International Labour Office, 2010.](#)

[Hay, Andrew. “‘Broken System’ Starves U.S. Oil Boom of Immigrant Workers.” Reuters, 13 Oct 2019.](#)

demand for labor can lead employers to rely on temporary or migrant workers who are in precarious states, creating opportunities for exploitation.²⁷⁹

5. Recommendations: Due Diligence Steps to Address Risks

5.1 Conclusions

This report examined the forced labor risks in the operations and supply chains of companies supplying services, materials, and products across nine industries or modes of the transportation sector. A number of the modes shared the same risks of exploitation of workers, most of which traced to similarly inadequate due diligence processes of third-party services providers, labor agencies, and suppliers, particularly in the raw materials supply chains. The manufacturing modes whose products include such raw materials as aluminum, magnesium, lithium, and rare earth metals were exposed to forced labor risks in their extended supply chains, which may include the forced use of workers in the state-controlled labor program centered in XUAR. Research on trucking and commercial driving enterprises revealed risks to drivers of exploitation and potential accumulation of debt in contracting and leasing arrangements.

The findings highlighted in the report will require further and broader research to assess the full nature and extent of the risk to individual modes.

The findings largely point to potential gaps in companies' due diligence systems or approaches to managing risk. The following recommendations for addressing these potential process gaps (which are aligned with the Organisation for Economic Co-operation and Development's Due Diligence Guidance for Responsible Business Conduct) offer transportation entities practical guidance for implementing comprehensive measures to control forced labor risks and protect their operations and individuals who may be vulnerable to exploitation within their supply chains. Effective due diligence requires a systematic approach that integrates risk assessment, prevention and mitigation, capacity building, and monitoring. This involves developing comprehensive frameworks that can identify and address potential forced labor indicators across diverse operational contexts, from trucking and logistics to maritime and aviation services. The goal is not merely to achieve compliance but to create sustainable systems that protect vulnerable populations while maintaining operational efficiency and competitive advantage.

²⁷⁹ [Biven, Megan Milliken and Leo Lindner. "The Future of Energy & Work in the United States: The American Oil & Gas Worker Survey." True Transition, March 2023.](#)

The [ResponsibleSourcingTool.org](https://www.responsibleSourcingTool.org) site overall and [Transportation Sector Due Diligence Toolset](#) specifically provide technical tools to support the implementation of the following recommendations. Tool 1 of the Transportation Sector Due Diligence Toolset provides a model effective practice due diligence program for identifying potential risks of human trafficking within a supply chain, evaluating and prioritizing identified risks, implementing solutions, and monitoring and improving supplier performance over time.

5.2 Recommendations

5.2.1 Policy and Embedding Forced Labor Prevention Standards and Practices in Business Functions

- 5.2.1.1 Companies should include clear prohibition against forced labor in their Codes of Conduct and supplier performance standards. *(See Transportation Tool 2.)* This should include the “employer pays” principle, which requires that all fees and expenses relating to the recruitment and placement of a worker are paid to by the employer.
- 5.2.1.2 The policy should be clearly communicated to all business entities, including third-party service providers and labor agents, and included in business contracts. *(See Transportation Tool 5.)* The contracts should also require that the policy be cascaded to the suppliers’ suppliers.
- 5.2.1.3 Procurement staff should be formally assigned, trained, and supported to screen prospective suppliers, including third-party service providers and labor agents, for their commitment and capacity to meet the policy standards on avoiding forced labor. *(See Transportation Tools 3, 7 and 8.)* There should be clear consequences established for supplier performance on achieving the standards.
- 5.2.1.4 Review of a supplier’s management of forced labor risks should be incorporated in regular supplier engagements, such as quarterly business reviews, quality audits, and other existing supplier management processes.

5.2.2 Risk Assessment and Prioritization

- 5.2.2.1 Conduct a combined supply chain mapping and forced labor risk assessment as a key first step in creating a targeted strategy for segmenting and prioritizing risks to address. *(See Transportation Tool 6.)* High level risk factors to consider include

characteristics of country of operation, product or production processes involved, and workforce demographics (e.g., prevalence of migrant workers). Other factors to consider include a company's ability to influence suppliers based on volume/spend and the degree of harm to people that practices may cause.

5.2.3 Needs Assessment and Capacity Building

5.2.3.1 Based on the results of a risk assessment, companies should conduct deep dives (e.g., targeted research, risk assessments, rapid appraisals, supplier assessments) to develop and implement action plans to address the underlying causes of identified risk or issues. The activities, which should be informed by clear objectives and measurable success indicators, may range widely from supplier training to engagement in multistakeholder initiatives where companies individually lack the leverage to drive positive changes in an operating environment (e.g., where economic or political factors are immovable in the immediate term).

5.2.4 Monitoring

5.2.4.1 Companies need to routinely evaluate whether they are implementing their due diligence processes as planned (e.g., new suppliers screened for forced labor risks, review of corrective action plans during regular supplier business reviews).

5.2.4.2 The effectiveness of due diligence activities should be tracked to ensure the desired impacts are on target and sustainable (e.g., worker-paid recruitment fees are avoided, foreign migrant workers are in full control of their identification documents, workers have access to remedy).

Appendix I: Regulatory Standards

In the United States, [the Trafficking Victims Protection Act of 2000](#) and its subsequent reauthorizations recognize and define two primary forms of human trafficking:

Sex trafficking: The recruitment, harboring, transportation, provision, obtaining, patronizing, or soliciting of a person for the purpose of a commercial sex act in which a commercial sex act is induced by force, fraud, or coercion, or in which the person induced to perform such act has not attained 18 years of age. (22 U.S.C. § 7102(11)(A)).

Labor trafficking: The recruitment, harboring, transportation, provision, or obtaining of a person for labor or services, through the use of force, fraud, or coercion for the purpose of subjecting to involuntary servitude, peonage, debt bondage, or slavery. (22 U.S.C. § 7102(11)(B)).

Additional [provisions in the U.S. Code \(Chapter 77 of Title 18\)](#) address trafficking in persons, with statutes covering peonage/debt servitude (18 U.S.C. §1581), involuntary servitude (18 U.S.C. § 1584), forced labor (18 U.S.C. §1589), Trafficking with Respect to Peonage, Slavery, Involuntary Servitude, or Forced Labor (18 U.S.C. §1590), Sex Trafficking of Children or by Force, Fraud, or Coercion (18 U.S.C. §1591), and Unlawful Conduct with Respect to Documents in Furtherance of Trafficking, Peonage, Slavery, Involuntary Servitude, or Forced Labor (18 U.S.C. §1592).

Under Section 1589 of Title 18 (18 U.S.C. §1589) it is unlawful to provide or obtain the labor or services of a person through one of three prohibited means:

- (1) by threats of serious harm to, or physical restraint against, that person or another person;
- (2) by means of any scheme, plan, or pattern intended to cause the person to believe that, if the person did not perform such labor or services, that person or another person would suffer serious harm or physical restraint; or
- (3) by means of the abuse or threatened abuse of law or the legal process.

[Section 207 of the Tariff Act of 1930](#) (19 U.S.C. § 1307) defines forced labor as: “all work or service which is exacted from any person under the menace of any penalty for its nonperformance and for which the worker does not offer work or service voluntarily.” Section 207 of the Tariff Act states that “all goods, wares, articles, and merchandise mined, produced, or manufactured wholly or in part in any foreign country by convict labor and/or forced labor and/or indentured labor under penal sanctions shall not be

entitled to entry into the U.S.” U.S. Customs and Border Protection enforces forced labor trade law under 19 U.S.C. § 1307 through a number of measures, including enforcing the Uyghur Forced Labor Prevention Act (UFLPA).

Enacted in 2021, the [Uyghur Forced Labor Prevention Act](#) established a rebuttable presumption (presumed in violation unless evidence shows otherwise) that goods mined, produced, or manufactured wholly or in part in the Xinjiang Uyghur Autonomous Region of the People’s Republic of China, or by an entity on the UFLPA Entity List, are prohibited from U.S. importation under Section 207 of the Tariff Act of 1930 (19 U.S.C. § 1307).

Internationally, the International Labour Organization defines forced labor in [Co29 – Forced Labour Convention, 1930 \(No.29\)](#) as "all work or service which is exacted from any person under the menace of any penalty and for which the said person has not offered himself voluntarily."