

SETTLEMENT RESULTS IN \$219,000 PAYMENT TO 69 JOB APPLICANTS



A defense contractor based in Houston, TX, has agreed to a settlement based on allegations of racial discrimination when hiring employees. The case involved 48 African Americans and 21 Caucasians who had applied for a job at the company but were rejected for longshoreman positions at a facility in Houston. The company in question is JacintoPort International, LLC, a government contractor. JacintoPort was investigated by the U.S. Department of Labor's Office of Federal Contract Compliance Programs (OFCCP). The company had previously been cited by the OFCCP for violating requirements of Executive Order 11246 for a matter ultimately settled in June of 2006. This Executive Order prohibits federal contractors and federally-assisted construction contractors and subcontractors who deal in government business exceeding 10,000 dollars annually from discriminating in hiring applicants based on race, color, religion, sex or national origin. Government contractors are additionally required to take affirmative action and ensure that



equal opportunity is a part of all aspects of their employment.

In the 2006 case, JacintoPort had failed to implement an applicant tracking system for new employees and had not developed and executed action-oriented programs to hire females and African Americans. The company agreed to a conciliation document, in which the violations would be rectified and the business would produce semiannual reports on the process in employing women and minorities. More recently, OFCCP investigators reviewed the semiannual reports and alleged that JacintoPort was giving "preferential treatment" to Latino applicants and "systematically discriminating" against African Americans and Caucasians who had applied for longshoreman jobs. As per the settlement, the company has agreed to pay 219,000 dollars in back wages and interest to the 69 applicants and make 17 job offers as longshoreman positions become open. JacintoPort will likewise undertake extensive self-monitoring initiatives to ensure that all employment practices are in full compliance with the law, including record-keeping requirements. "In this day and age, it is shocking that any company would allow race to be a factor in determining who gets hired," said Patricia A. Shiu, OFCCP's Director, in a Department of Labor press release. "This settlement should put all federal contractors on notice that, in the Obama administration, we will be persistent when it comes to rooting out workplace discrimination and will vigilantly monitor employers who violate the law until they get it right." JacintoPort is a wholly-owned subsidiary of Seaboard Corporation based in Shawnee Mission, KS, and currently holds more than 1.2 million dollars in contracts to store and transport cargo for the Defense Commissary Agency. The OFCCP enforces Executive Order 11246, Section 503 of the Rehabilitation Act of 1973, and the Vietnam Era Veterans' Readjustment Assistance Act of 1974. These laws require contractors and subcontractors working for the federal government to follow "the fair and reasonable standard" to avoid discrimination on the basis of race, gender, color, religion, national origin, disability or status as a protected veteran.