

DOL Delivers - Federal Contracts are Big Business

Article By:

U.S. Department of Labor

Federal contracts are big business. In fact, nearly one-quarter of the American workforce works for a federal contractor or subcontractor. That's nearly 200,000 businesses with almost \$700 billion in contracts. And it's why rules that ensure fairness for both job applicants and for employers who do the right thing are so important.

At FedEx, **DOL's** [Office of Federal Contract Compliance Programs](#) uncovered discriminatory hiring practices that affected more than 21,000 job applicants at 22 FedEx Ground facilities and one FedEx SmartPost facility between 2003 and 2011. This morning, OFCCP signed a conciliation agreement with FedEx Ground and FedEx SmartPost to resolve those allegations.

Check out our [press release](#) on this major settlement.

Our agreement concludes a process that began when OFCCP investigators found that FedEx's hiring practices resulted in discrimination based on race, national origin and gender – not just at one location, but at 23 facilities in 15 states. We looked at both anecdotal evidence and statistical data on who applied for the jobs and who actually got them. The agreement concludes more than seven years of compliance reviews – an impressive example of both government efficiency and the unyielding dedication of OFCCP investigators. Our agency protects anyone who works for a federal contractor or applies for a job with them.

Getting a federal contract can be lucrative business. But it comes with a legal obligation to ensuring fair and equal treatment of workers and job applicants – regardless of sex, race, color, religion, national origin, disability or status as a protected veteran. When they sign on the dotted line, contractors promise that they won't use taxpayer dollars to discriminate. It's a privilege, not a right, and means you absolutely, positively have to comply with the law.

My agency is committed to the belief that people have a right to compete for work on fair and equal terms—and we deliver. The agreement with FedEx will deliver \$3 million in back wages and interest to 21,635 rejected applicants. It will deliver job offers to more than 1,700 of the rejected applicants. And it will deliver fair consideration to all future FedEx applicants because the company has committed to corporate-wide reform at more than 500 facilities across the country. That's not just a temporary fix; it's lasting relief.

As Secretary Solis has said, "We are committed to building an economy that lasts – one in which

every qualified worker gets a fair shot to compete for jobs and where every employer plays by the same set of rules.”

For more than 21,000 American workers, this agreement demonstrates our success at doing just that.

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National Law Review, Volume II, Number 85

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