Boeing and U.S. Department of Labor Establish Landmark Agreement and Join in Settlement of Open Compliance Audits

The Boeing Company and the U.S. Department of Labor's Office of Federal Contract Compliance Programs (OFCCP) have reached a landmark four-year agreement establishing a framework for partnership between government and industry. The OFCCP is the agency responsible for ensuring compliance with federal affirmative action guidelines.

"This agreement is part of our efforts to resolve outstanding matters from the companies that now comprise Boeing," said Phil Condit, Boeing chairman and CEO. "We want to ensure that the new Boeing promotes inclusion and diversity and that all of our employees are treated fairly and respectfully in the workplace."

In support of this new partnership, the OFCCP and Boeing have established a joint compliance forum where the parties will meet to discuss and resolve issues. As part of the agreement, the OFCCP has approved Boeing plans for monitoring its compensation practices for salaried non-union and executive employees. Boeing has also agreed to redesign its tracking processes for hiring and promotions and, for the term of the agreement, Boeing will provide the OFCCP with information concerning large layoffs of employees.

Under the agreement, the DOL will immediately close 10 open audits (some of which date back to 1994) at Boeing facilities around the country and a corporate management review at Company Offices in Seattle. Boeing will create a $4.5 million pool of funds to address salary differences among certain salaried and executive female and minority employees at six Boeing locations: Philadelphia; Huntsville, Ala.; Wichita, Kan.; Tulsa, Okla.; Long Beach, Calif.; and Company Offices in Seattle. The agreement does not constitute an admission by Boeing of any violations of its obligations as a federal contractor.

"Boeing is committed to equity in the workplace for all of our employees," Condit said. "This agreement provides a satisfactory means by which we can continue our efforts to ensure fairness for our entire work force."

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