

JUST IN: FEDERAL CONTRACTOR AGENCY SLIGHTLY DECREASES VETERANS' HIRING BENCHMARK FOR 2023

Insights
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The agency that oversees affirmative action obligations for federal contractors just released its 2023 Vietnam Era Veterans' Readjustment Assistance Act (VEVRAA) hiring benchmark. Effective March 31, the new benchmark is 5.4%, which is a slight decrease from the 2022 benchmark of 5.5%. What do contractors need to know about this adjustment from the Office of Federal Contract Compliance Programs (OFCCP)?

The Basics

Most federal contractors know that they must take affirmative action to not only employ and advance qualified covered veterans but also assess the effectiveness of those efforts on an annual basis. Contractors must assess their efforts by either establishing their own benchmarks – using five regulatory factors to do so – or by utilizing OFCCP's published benchmark.

Veteran's Benchmark Dips Slightly for 2023

OFCCP first established the VEVRAA hiring benchmark in 2014. That year, the annual hiring benchmark for protected veterans was at 7%.

As noted above, the benchmark for 2023 dipped slightly from 5.5% to 5.4%, marking its **ninth straight annual reduction**. The hiring benchmark is equal to the national percentage of veterans in the civilian labor force — the sum of people who are employed and those who are unemployed

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but looking for work in a specific area (nationwide or in a particular state).

What Should You Do?

To meet your regulatory requirements and to promote more veterans in the workforce, contractors should ensure you are listing employment openings with the appropriate employment service delivery system (ESDS) and increase veteran outreach and recruitment efforts. You should also assess your affirmative action programs for their effectiveness overall – and against the benchmark established by OFCCP (or your own benchmarks).

Conclusion

Fisher Phillips will continue to monitor any further developments in this area as they occur, so you should ensure you are subscribed to [Fisher Phillips' Insight system](#) to gather the most up-to-date information. If you have any questions about how this development impacts your organization, please consult your Fisher Phillips attorney, the authors of this Insight, or a member of Fisher Phillips' [Affirmative Action and Federal Contract Compliance Practice Group](#).