

USDOL Recruits Whistleblowers for Misclassification Claims: Will Gig Workers Even Notice?

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The United States Department of Labor (USDOL) recently revised its wage and hour poster to include information on the misclassification of workers as independent contractors. As noted in our previous <u>legal alert on this issue</u>, the revised poster includes language informing workers on the importance of knowing the difference between being an employee versus a contractor "because employees (unless exempt) are entitled to the FLSA's minimum wage and overtime pay protections."

The public policy behind the new misclassification language is clear. The USDOL wants to educate workers on their right to raise concerns about how they are compensated. The agency believes that some workers may see the new poster and report their employer for misclassifying them as an independent contractor instead as employee.

The recent rise of the gig economy, where many workers are employed on a paid-per-task basis, undoubtedly played a part in the USDOL's creation of the new poster. There may be more independent contractor workers in the current U.S. economy than ever before.

But will gig workers take notice of the new USDOL poster? Do they even want to be employees?

Probably not. Several studies regarding the mindset of gig workers, like <u>this one</u>, revealed that they don't value the benefits that accompany a full-time position. One noted, "people who are independent contractors want more flexibility and greater control over their careers, so they may be willing to forgo traditional company benefits like health insurance and paid holidays."

A gig worker may pay no attention to the USDOL's new poster. A "gig" job is what the worker wants; he or she desires flexibility. The permanence of a full-time job as an "employee" offers no value to him or her.

Although the updated USDOL poster may play a part in correcting some misclassifying issues, don't look for gig workers to seek relief under its new provisions.

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