



## Labor Secretary Again Speaks Out On The Gig Economy

Insights

11.10.17

U.S. Department of Labor Secretary Alexander Acosta made the news again this week due to his remarks on the ever-growing gig economy and the need for increased legislative attention on this topic. As we discussed in [an earlier blog post from just a few weeks ago](#), Acosta is already on the record as saying that he believes the current administration should consider how to update existing laws to keep up with the rise of the gig economy and technology changes in general. His comments yesterday, repeating and amplifying his statement, demonstrate that his October 25 statement wasn't just a passing remark.

On November 9, 2017, Acosta spoke publicly on the gig economy once again, this time clarifying that it is Congress' job, not the Department of Labor's, to put together legislation to deal with the wave of new issues that have arisen from the continued popularity of non-traditional working relationships. Specifically, after being asked how the Department of Labor will approach independent contractors and the gig economy at an American Bar Association event, Acosta stated: "We're a democracy, which means that Congress should take the lead....It's very easy for the executive branch through guidance documents to say 'this is what we think,' but that's not the way democracy works. You don't make laws through executive fiat, you make laws through the legislative process."

While Acosta's comments appear relatively mundane, it is noteworthy that he has made several references to the gig economy just in the last few weeks. Such attention would indicate that the Department of Labor understands that the laws have not kept up with the quick pace of change in employment issues resulting from less-than-traditional working relationships. Further, his comments can also be seen as actively inviting Congress to directly address this current gap in the law with some targeted legislation.

Legislation addressing current hot topic issues for gig workers and those who use them could include wage and hour issues, unemployment, workers compensation, and benefits. These topics, which have been regulated in detail for generations in the traditional employer-employee model, remain a gray area in the on-demand economy world. Due to the absence of clearly applicable laws, the courts have seen an on surge in litigation over what, if any, protections to on demand workers are available in any given situation.

As [we discussed earlier this week](#), some members of Congress have indicated they are likewise interested in tackling some of these issues, or at least providing some protections for companies

who make classification errors when this subject is so in flux. The gig economy now seems to have captured the attention of the government, and some targeted legislation is likely on the horizon.

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