

Will the 'uberfication' of U.S. jobs redefine worker classifications?

In the gig economy that has emerged in the past five years, an old battle over worker classification has taken on fresh urgency.

Companies such as Uber, Lyft, AmazonFlex and TaskRabbit rely on lots of independent contractors to drive, perform chores and deliver for customers who access company services via phone apps.

An increasing number of those workers are arguing they should be classified as employees—and they're filing lawsuits to demand such status.

The good news: Action by the U.S. Department of Labor along with a pair of recent court rulings offer good news for employers.

- 1) A federal court ruled in May that Uber drivers are properly classified as independent contractors rather than employees.
- 2) A separate federal court ruling earlier this year said food delivery drivers for GrubHub are independent contractors.
- 3) Last year, the DOL withdrew Obama-era guidance that generally presumed a worker is an employee, unless proven otherwise. The Trump administration's reversal makes it easier to classify a worker as an independent contractor.

The key point in the guidance and both court rulings was the same: The less control that your company exerts over workers and their schedules, the more likely they will be determined to be independent contractors.

Online resource Learn about the DOL's new six-factor test for deciding who is an employee and who is an independent contractor at www.theHRSpecialist.com/6factor.