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Press Release

DOL's Independent Contractor Classification Proposed Rule Will Disrupt the Labor Market

PAULINA ENCK | OCTOBER 13, 2022

The Department of Labor (DOL) recently published a proposed rule that would widen the scope of the test used to determine whether a worker is an employee, making it harder for workers to be classified as independent contractors. In a new insight, Labor Market Policy Analyst Isabella Hindley explains the rule's intention, how it would work, and how it would create immense churn in an already volatile labor market.

Hindley concludes:

Many workers will likely be reclassified as employees under the DOL's new independent contractor rule, causing significant disruptions to the already volatile labor market. In attempting to protect workers from unfair misclassification, the rule is more likely to harm a greater percentage of gig workers than it would help.

Read the analysis