

Don't GIG Up, Never!

Country Case Study Report ESTONIA



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INTRODUCTION

This paper is part of a series of **Country Case Study Reports** published in the framework of the of the *Don't GIG up, Never!* Project. The Project, co-funded by the Directorate-General for Employment, Social Affairs and Inclusion of the European Commission, is aimed at improving expertise and knowledge on the role unions and social dialogue can play with regard to the protection of platform workers, building on the knowledge accrued through the *Don't GIG Up!* Project (1st ed. 2018–2020).

Running for 24 months (2021–2023), *Don't GIG Up, Never!* project combines desk and empirical research to analyse features and challenges of the platform economy in a set of selected countries, namely: Italy, Germany, France, Spain, Poland, Estonia and Sweden.

The **first phase** of *Don't GIG Up, Never!* consists of a preliminary desk review aimed at updating the results of the previous project with regard to platform workers' employment and social conditions, the dedicated political debate, the relevant legislative developments, and the trade unions and employers' organisations involvement in the covered countries. Seven **National State of the Art Reports** were published in 2022¹.

The **second phase** of the project consists of empirical qualitative research, in order to construct a number of national case studies for each country involved about labour platforms providing services outside the passenger transport and goods delivery sector, which was the focus of the previous edition of the project (*Don't GIG Up!*).

In the lights of the results of this Country Case Study Reports' series, the comparison of practices, taking place also by means of three mutual-learning workshops joined by project's partners, as well as during webinars open to stakeholders and the general public, shall lead to a comparative assessment on how the platform economy affects working conditions, social security, and industrial relations at both national and EU level, with a view to delivering policy recommendations. A **Final Report** shall collect these results.

¹ Don't GIG up, Never! State of the Art Reports are available here: <http://www.dontgigup.eu/resources/>

METHODOLOGY

The present Country Case Study Report, as well as all the other papers of the series, is based on a common methodology agreed and shared in advance with the project's consortium.

In particular, in order to achieve a consistent selection of case studies oriented towards the comparability of results, the selection of case studies was restricted to labour platforms falling into categories 3 and 4 of the table below (Table 1), while labour platforms falling into categories 1 and 2 were analysed in the framework of the *Don't GIG Up!* Project (1st ed. 2018–2020).

Table 1. Classification of labour platforms adopted in the project *Don't GIG up, Never!*

N.	Type of platform	Example
1	Platform matching passenger transport services	Uber, Lift, others.
2	Platforms matching goods delivery services	Deliveroo, Foodora, etc.
3	Platforms matching ' traditional gigs ' (gardening, cleaning, babysitting, etc.) up to ' skilled services ' (marketing, advertising, translating, etc.), possibly also by means of auctions	Task Rabbit, Helping, etc.
4	Platforms externalizing micro-tasks , often performed on web, to a 'crowd' of workers (crowd-work platforms)	Amazon Mechanical Turk, etc.

Each Country Case Study Report contains three or four case studies about digital labour platforms carried out at the national level. Where possible, an effort was made to select at least one type n. 3 (low skilled location-based activities) platform, one type n. 3 (skilled web-based activities) platform, and one type n. 4 (microtasks/crowd-work) platform for each country involved. An abridged version of the common template was used to implement a preliminary screening, in order to select practices deemed to be more interesting for the purposes of the project. The final choice was based as well on partners' assessments, the availability of contacts with platforms' management and workforce, and the feasibility of the case studies.

In particular, each case study was realised by national experts appointed by the project partners. Experts developed their research on the basis of a common **template** (Table 2), containing detailed guidelines for implementation.

Table 2. Template for realising national case studies in the project *Don't GIG up, Never!*

GENERAL INFORMATION
Labour Platform
<i>Full name</i>
Sector
<i>NACE Sector(s) addressed & brief description of the jobs</i>
Ownership
<i>Please, explain if the platform is for-profit or cooperative, and provide brief contextual information on its creation and on its links with transnational companies or with other organizations (e.g. if it is part of a multinational group, if it was founded by platform workers or supported by unions/employers' organisations/ public incentives).</i>
Size
<i>Estimated number of platform workers registered and active on the platform</i>
TERMS OF EMPLOYMENT AND WORKING CONDITIONS
Applicable legislation
<i>Please, explain if contracts with workers apply the country of employment legislation or if they opt for the legislations of other states (e.g. the platform's country of establishment).</i>
Type of relationship between platform and worker
<i>Please, explain which contract(s) is/are used by the platform, providing as well contextual elements on the related consequences in terms of labour rights and social protection. Please, specify also if there is or not a tripartite relation between the platform, the worker and the final client as per the terms of service.</i>
Membership costs for the workers
<i>Please, explain if workers are required to pay a membership fee in order to access the platform, its costs and the associated services.</i>
Assignment of tasks/jobs
<i>Please, explain how tasks/jobs are assigned and the possible role played by rating and ranking systems.</i>
Remuneration policy
<i>Please, explain: if and how the remuneration policy refers to statutory/collectively agreed minimum wages; to what extent is pay defined by the platform or by an algorithm as opposed to decision by the worker or bargaining between the worker and the final client; under which conditions workers can be refused pay by the platform or by the client.</i>
Non-competition clauses
<i>Please, explain if non-competition clauses are in place or if competition on other platforms is de facto discouraged due to the functioning of rating and ranking systems or for other factors.</i>
Intellectual rights
<i>Please, explain if any limitations apply to the intellectual property of contents sold via the platform, and their reuse by the creator (if applicable).</i>
Other terms of employment and working conditions
<i>Please, describe formal terms of employment and actual working conditions concerning: working time, health and safety, monitoring of the worker, (paid) holidays and leaves, liabilities and possible sanctions, termination of the relationship with the worker, training, anti-discrimination policies, and other aspects as relevant.</i>

SUPPORT AND DISPUTES

Platform services to the client

Please, describe the features and effectiveness of the services possibly provided to the clients (e.g. securing them from contractual risks, including reclassification of workers, providing global IT purchasing solutions to the client like tools to deal with contingent work, guaranteeing a new service for free if the delivered work is considered unsatisfactory...).

Platform support services to the workers

Please, describe the features and effectiveness of the support services possibly provided by the platform to the workers other than dispute resolution mechanisms (e.g. to help workers use the platform, get in contact with colleagues or establish working teams, to address disputes with the clients over quality of services or pay, to deal with administrative issues, to access work-related software, to insure workers against accidents or social risks).

Dispute resolution mechanisms

If in place, please describe the scope, the involved parties and the features of Dispute resolution mechanisms as per the terms of service/collective agreement and any evidence on their actual use and efficacy. Please, detect also any existing provisions in the terms of service/contracts limiting access to tribunals in favour of alternative dispute resolution mechanisms.

Evidence on support/activities by social partners targeting platform workers

If in place, please explain actors, goals and achievements of the activities

REFERENCES

Please enlist here sources / contacts mentioned above.

The aim of each case study is to give a brief overview of the platform's business model, the services provided to the costumers and to the workers, the working conditions, as well as the social partners involvement.

With a view to guaranteeing homogeneity and comparability of results, guidelines were shared with regard to sources and references to be used for the completion of the case study templates. In particular, the following categories were designated: official platform websites and platform terms and conditions of service (mandatory); scientific literature (previous research papers, reports, surveys, etc.); online and offline press articles; applicable collective agreements. Partners agreed as well to conduct semi-structured interviews for each case study with the following actors: platform's management and/or human resources staff; platform's workers; social partners involved at platform level. Interviews were conducted by phone or video-conference with the support of common questionnaires. In the framework of the interviews (if conducted), experts proceeded in compliance with EU and national General Data Protection Regulations as well as with partners organisations' internal policies.

The information gathered with the templates was later reviewed and reorganised into the Country Case Study Reports, according to the following common structure: i) Description of the platform; ii) Terms of employment and working conditions; iii) Social partners involvement; iv) Assessment; v) References.

CASE STUDIES

Case Study 1: CareMate

Description of the platform

CareMate is the only platform-based service in Estonia which provides **residential care activities** to “help people needing care assistance met by matching them to local caregivers with the right skills and ability” (CareMate website).

NACE Sector: Q (HUMAN HEALTH AND SOCIAL WORK ACTIVITIES) 87.9

Type of platform according to the *Don't GIG Up, Never!* classification: 3.

The platform is a private limited-liability company founded in 2017 in Estonia. It is 83.31% owned by Marion Teder with partial ownership (1.07-1.90%) by 7 other Estonian companies. The platform **operates only in Estonia** and has about **300 active entrepreneurs** (also referred to as caregivers and service providers). Since the platform maintains that it is not an employer, but a service provider to connect entrepreneurs and clients, there is no official data on the number of active men or women providing care service through the platform; interviews with management however, confirmed that most of the care providers are women and there are few if any men providing care through the platform. Additionally, around **1,000 are registered on the platform** but due to the sensitive nature of caregiving and home visits that the work entails, cannot be activated until they participate in the interviews and trainings required by the platform.

The platform connects caregivers or independent entrepreneurs with clients who are people in need of care at home. If necessary, the client can also get a team of people to work at suitable times. **Caregivers are individual entrepreneurs who have been interviewed by the platform management, received training, and had background checks.** According to the platform terms and conditions, the care services are home services and personal assistance services which include: preparing food (arranging the kitchen afterward), feeding, heating the home with wood, ironing, washing the laundry, helping out at the cleaning, accompanying and helping the person receiving the care service at shopping trips, helping the person receiving the care service in running errands, assisting in administering medicines, providing mobility assistance, removal of garbage, assistance in toilet operations, changing diapers, assisting in getting dressed, washing the recipient of the service, changing bed linen and towels when they are soiled, lawn mowing, assistance in gardening, and keeping company of the client.

To provide social services more broadly the platform cooperates with local governments such as the Tallinn city government. In this case, customers can

order services 'free of charge' and CareMate submits an invoice to the Tallinn city government. The platform also uses the Social Service Information System with a similar special agreement and has also worked together with the State Support Service Center/European Union Structural Fund to implement the pilot project to develop the CareMate information system to mediate home and individual care services.

Terms of employment and working conditions

The service **providers/caregivers** are independent entrepreneurs, most with **entrepreneur accounts** in Estonia (see state of the art report and source below). They do not work as individual workers with an employment contract by the platform but rather they **use the platform to register their service and set their hours, receive the training necessary to provide their service via the platform, and are responsible for paying their own taxes and social guarantees in accordance with Estonian law.** The platform insists on compliance with health and safety conditions and trainings which include ergonomics are also mandatory for the service providers on the platform. Thus, workers sign a training contract and an agreement that they are responsible for having the appropriate trainings and equipment to fulfil a service.

There are **no signed contracts** between the users on the platform. Both the client and the caregivers agree to the **terms and conditions** for using the platform when registering. The terms of use state the organization of the work, and the platform regulates the relationship between the client and the caregiver and registers the services through the platform. Based on the services provided, caregivers are responsible for paying their taxes and social guarantees if needed. The platform registers requests and documents the services via invoices between the client and caregiver and acts as an advisor between the client and the caregiver. The platform does not, however take responsibility for any damage caused by the caregiver's use of the Service portal or by the client.

While there are no membership fees to use the platform, service providers must complete a **compulsory training which costs up to 29 EUR** to be activated on the platform. Once a user is registered and activated on the platform, he or she can list their conditions: **service providers list their times, prices, and services (which they determine themselves) and clients list their specific care needs.** Much of the interaction is managed by algorithms which provide matches for caregivers and clients based on their specific services and needs. Clients can either search for caregivers that match their needs and book a time provided by the caregiver or caregivers can apply to work for a particular client. In the latter case the two parties negotiate the times and agree. Once a client has booked, the service provider will have the client's phone number and they can call the client to specify the details. If necessary, a customer service expert will call the platform user to specify a matter as well. The first visit by a caregiver can also be an acquaintance visit before the client and caregiver agree to more extended services. After providing a service, the platform receives **a commission of 10-20% from the caregiver's payment for the service. The amount of the commission fee changes but will not exceed 20%,** and the service providers are informed about these changes.

When it comes to payment and remuneration, the client pays the caregiver **via the app when the service is booked (or within 7 days). The caregiver then pays the platform commission once the service is performed**, but this is built into the system and **automatic** for clients. **The caregiver sets their own price (within the platform's established minimum and the maximum payment 10-15 EUR per hour)** and can take as many hours as needed. The platform has the right to cancel access for clients who do not pay within 7 days of an ordered and received service. Although 'caregiving' defines a range of tasks which vary in difficulty, **the payment is based on hours worked rather than task performed.**

Service providers using the platform **do not agree to a non-compete clause**, and in fact there are no competitors for this type of service in Estonia. There is a **non-exclusive clause** which means that service providers cannot use the logo and trademark of CareMate outside of their duties using the platform nor transfer their use to a third party at any time. The intellectual property of CareMate is protected by copyright, trademark and business secrecy laws and the provisions of international treaties. The use of the CareMate application, the CareMate service provider's portal, or other CareMate services does not give the service provider ownership of CareMate's intellectual property.

Service providers are by in large responsible for resolving their own disputes with clients. Since the service providers are independent entrepreneurs using the platform, **the platform acts as an advisor in disputes but not as the responsible party in resolving them.** In case the client does not pay the caregiver, the platform can send reminders and notices but does not take the responsibility for reimbursing the caregiver for unpaid invoices. The platform can also reduce or restrict the caregiver's payment in the case of fraud or malicious behaviour; however, these cases are rare. Most disputes are addressed by the caregivers themselves through negotiation with the client. As interviews with respondents working on the platform note: "the assumption is that I will solve situations myself, which is logical, because I know the client better". After each visit, the service provider reports on the situation with the client (this is important if a client has more than one caregiver) and if there is something wrong with the client or the situation the service provider can call the support contact person to communicate with both parties. Any disputes which cannot be solved via negotiation between the service provider and the client (advised by the platform) can be resolved in the County Court, Tallinn County Court, and the Estonian state.

Although the platform does not guarantee the quality of the service, it does share the **rating** of service providers to give options for clients. After each service, clients are invited to rate their service provider, and service providers who do not achieve the minimum ranking of 4 (on a 5-point scale) will have limited access to the platform. The platform provides **trainings** to the service providers to ensure they are ready for the work and provides a platform for them to find clients. Caregivers who are registered with CareMate have access to the Service Providers Portal where they can manage the orders they receive and accept. Caregivers also have access to the Fare Review function which helps them review any payments they received if they feel they have not been remunerated for their work. Since the workers are independent entrepreneurs, the

platform's service providers' portal also documents and invoices the services to make workers' compliance with their independent business tax obligations simple. The platform vets the workers for clients and shares the worker's reviews for future clients. If a caregiver needs support during a job, they have the right to contact the CareMate Client Support Office where the case will be handled. Therefore, the platform provides caregivers with support to provide services, and a pool of qualified caregivers for those in need of care services.

Assessment

Currently **the platform does not take any responsibility for the worker other than providing a Client Support Centre** where the caregiver and clients can both call to mediate concerns and share information. The service providers use an entrepreneur account which is encouraged by the Estonian state, however more public-private cooperation is needed. There are very few active trade unions in Estonia and while some health-oriented unions have been vocal about health workers' rights (see Rudi, 2022), **there are no active representatives for care workers in Estonia** (Whyte, 2021). Furthermore, as shown in the previous State of the Art Report, trade unions are not actively involved in platform work in Estonia and platform workers are more often represented by their traditional sector of work, in this case home care.

When it comes to the CareMate platform, **a great deal of responsibility is placed on the caregiver to use the platform properly** and the caregivers are fined for mistakes in the portal while they are not insured payment by the platform if a client fails to pay. **The health and safety conditions are also 'questionable'** (as stated in management interviews) since caregivers using the portal enter the client's homes. Whereas caregivers are interviewed and trained to use the platform (albeit to a limited degree), clients are not. Therefore, caregivers are responsible for their own hours, health and safety with support from a Client Support Centre or (as stated in the terms and agreement) the Estonian Police. Cases for conflict with the client are rare and most often addressed by the caregiver who works most closely with the client. The main challenges mentioned by entrepreneurs using the platform were that "due to the structure of the platform [meaning the portal itself] making changes to agreements is difficult". For example, when a client does not pay on time, a visit is not confirmed. On the one hand this protects the caregiver from not receiving payment, but on the other hand it reduces flexibility and provides little room for the entrepreneur to agree to individual circumstances with a client. At the same time, respondents who have worked on the platform agree that their independence to solve problems with clients is logical since they know the client better. Furthermore, they acknowledge that they *do receive* technical support to use the platform.

In making the agreements to use the platform for social service support, the city Government of Tallinn expects that the platform organize replacements for the workers and ensure worker qualifications (interview with the Tallinn City Social and Health Care Department), however, this happens to a limited degree. The workers themselves are responsible for organizing replacements and ensuring their own qualifications aside from the minimal training requirements. At the same time, those seeking care expect that the platform provides

assurance that the workers are trained and qualified to provide care. Yet, aside from the minimal required training made obligatory to use the platform, individuals providing care are responsible for their own training and qualifications. The primary reason for a client to use the platform is not for convenience, but because there is a shortage of caregivers in Estonia. Thus, although the platform is more expensive, clients may pay more for fewer services or with subsidised care (Interview with Client 1 and 2) and expect that the caregivers are vetted and the platform responsible for coordination.

Although there are no trade unions or active social groups to support the improvement of working conditions for platform workers or caregivers, there is an increasing social discussion around the latter in Estonian society. The common understanding is that **care workers are in increasing demand and yet they are underpaid and overworked**. Home care is by in large subsidized by the local government and this is also true in the case of CareMate. Caregivers using the CareMate platform have little interaction with other workers through the platform itself other than supplying information via writing about a case or agreeing to change shifts for a job. The main connections for the caregivers using the platform come not from platform work, but from the traditional sector of home care which many workers provide on and off the platform.

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Case Study 2: GoWorkaBit

Description of the platform

GoWorkaBit is a private limited-liability company which operates in Estonia providing for a **Communications Platform** to connect users to fulfil **small or large work tasks**. The company does not define itself as a labour platform in the traditional EU sense, but rather as a **technology enabled staffing service provider** (source: CEO interview).

NACE sector: J (INFORMATION AND COMMUNICATION) 63.1.2 (Web Portals)

Type of platform according to the Don't GIG Up, Never! classification: 3.

The company is managed by Kristjan Vanaselja. The company was established in 2013 at the Garage48 Women Special hackathon where the co-founders Gerly Veermäe (Co-Founder), Ethel Voites (Co-Founder and Development), Ingrid Laht (currently independent entrepreneur and training for start-ups) and Kei Karlson (Co-Founder and Recruiter) worked together to find a more flexible approach to working. Kristjan (the current CEO) participated as a mentor in the same event and joined the team a few months later (See Origin Story). From 2012, Kei Karlson had been recruiting people for the team and after this hackathon event, the company was established in 2014. Since its establishment in Estonia, it has expanded to the UK and the management board is registered in Great Britain. Although the company operates mainly in Estonia, the UK and Estonian offices both support data processing and platform support. Currently the company has over 100 new workers joining the platform monthly and over 200,000 workers registered in the database (GoWorkaBit Small Bit); because the platform is not an employer but a service provider, there is no official public data on the number of active workers.

Terms of employment and working conditions

The users of the platform are clients and service providers. The client is a company that uses the platform to look for workers and uses the platform to enter basic information about his/her Project. Service providers (workers) using the platform can request information about available projects to receive an email with more information about a new project. Service providers can express their interest in the project by applying via the platform and then the employer can choose the best service providers to complete a project. Once a service provider applies, he or she virtually accept the contract with the employer, accepting the price and number of working hours/days. If a worker would like to negotiate the working hours/days, this must be agreed upon before accepting the work to include it in the contract between the employer and service provider. After reviewing all interested workers, the chosen service provider(s) receive(s) and email from the user-company with additional information about the project, then the work starts.

Officially, **four types of tasks** can be performed via the platform:

1. small “bits” (or amps) which are short (sometimes one-day) projects (such as warehousing, manufacturing, retail or hospitality in busy seasons or when regular employees are sick temporarily);
2. big bits which are longer week or month-long projects (such as marketing, developers, logistics, or even research to fill a needed position seasonally);
3. multi bits which involve small projects over a longer period (such as customer service, warehousing, manufacturing, etc. for companies that regularly need more people for a few extra hours.);
4. job ads, which means being offered a salary and a labour contract with the client (this is accepting full time employment).

The worker agrees to the remuneration offered by the company posting a project when applying for the project. Interviews with platform workers and background research on the platform show that most workers take smaller gigs to earn extra income.

The Terms and Conditions specify that **the platform does not enter into agreements with either the service provider or company** (hereinafter “users” of the platform) using the platform. The worker and company of the platform are responsible for fulfilling their duty as a service provider and employer under the laws of the Republic of Estonia. The platform **does not take responsibility** for enforcing this **but** does offer **support for connecting service providers and employers and negotiating solutions to disputes** that may arise. If the platform cannot assist in an agreement where there is a dispute, the Harju County Court with the legislation in force in the Republic of Estonia has jurisdiction to settle disputes between users.

As a **Communications platform**, GoWorkaBit does not take part in the interaction between users and does not have control over the legality, failure to provide, or any aspect of the ratings of the company or the quality, timing, and legality of services provided. Rather, the platform **facilitates** the company and service provider to form their own relationship and agreement and assist with the burden of invoicing the work done under these agreements. While the platform may perform background checks on users, **the legal entities entering into a bilateral employment contract (between the service provider and company) are the company as the employer (which is responsible for workers’ rights and safe working environment) and the individual as a service provider (who is responsible to ensure they can work legally)**. The platform does not commence any service agreement with the Service provider (Terms and Conditions 6).

The platform holds the companies looking for workers responsible for selecting candidates for the work posted on the platform. If the company does not choose a service provider (because the project was cancelled, another service was found, etc.), GoWorkaBit has the right to invoice the user company for

100% of the cost of the project with the description “Negligence leads to sad candidates”.

According to the platform, the company hiring the work agrees to introduce the worker with a safe working environment and is responsible for following Estonian Legislation. However, worker interviews show that in some cases workers were paid in **cash** making it questionable whether taxes were paid for the work done, but the platform does not take legal responsibility for this interaction. There are **no fees for workers, but the employer pays a fee to the platform**. So, the platform offers services to the employer and, according to interviews with workers, it is just a marketplace to find additional work to supplement a full-time job or compliment studies (source: GWB2 Interview).

GoWorkaBit ensures service providers (workers) the receipt of payment even if the user-company fails to pay its invoices. Although the platform takes no responsibility for the employment of the worker, it is one way that they promote the advantages for workers to find different types of gigs through the platform. Workers are paid to their bank account registered in their user profile no later than 21 days after the work is done and usually after 14 days. Workers are responsible for providing their correct bank details. The workers agree to allow the platform to invoice the work and pay taxes from the worker's salary to ensure the work done is registered under the worker and social taxes paid as well according to Estonian Law. This is done in the intermediary stages between the service provider and company hiring work. For most types of work, workers still do not receive social security since they are temporarily employed. The Company is obliged to confirm the duration of the project within 3 days after the project was listed as ending. Any changes in this require the Service providers' consent. If the Company submits a project but does not choose a Service provider or take any additional actions or cancel the project, then the platform can invoice the Company according to the project posted. The company is obliged to pay within 14 days after it has been invoiced. The platform then pays the Service provider via bank transfer. If the work is not preformed according to the agreement (within the time or fulfilling the tasks agreed upon) the employer may change the pay accordingly and the user has to accept or dispute this change.

There are no non-competition clauses between workers and platform, but there may be in the contractual relation between the user-company and the workers. All “proprietary material” that users see or read through the service is owned by GoWorkaBit, with the exception of user generated contents. The platform has the right to sue for the cost of using this content without permission. This Proprietary material is protected by international copyright, patent and proprietary rights and laws. Users are not allowed to copy or use any content without the express prior written consent of the platform owner (12. Terms and Conditions). This does not concern the continued communication between the worker and employer that take place outside of the platform communications.

The platform does not establish the terms of employment or working conditions. This is the role of the user-company employing the worker. However, according to the interviews, workers do not expect to have insurance for their work and are flexible about the working environment, which is usually at the employer's location, but in case of technical work can also be the worker's own home. Platform representatives did not confirm this but specified that the user-companies (employers) are responsible for ensuring safe working con-

ditions (Terms and Conditions 4). The platform does ensure the worker with security of payment if the work is completed, and the client fails to pay. This means that unless the employer has filed a complaint explaining their reason for not paying or reducing the payment, the platform ensures responsibility for the payment of the worker. The platform also holds the client accountable for hiring a worker if they post a position. This ensures that workers are applying for work which is actually available.

Assessment

GoWorkaBit does not take the legal responsibility for the worker but rather is a communications platform that offers the service to look for a job (on behalf of the service provider) and for workers (on behalf of the employer) and pay taxes (on behalf of the employer and service provider).

In one interview it was mentioned that the worker was paid in cash suggesting that taxes were not paid for the work. The platform ensures the time and amount are paid to the worker unless the work is unfulfilled. In this case negotiations between the worker and employer are settled via the platform. The platform does not take legal responsibility for settling negotiations and if simple mediation cannot resolve the problem, parties to the employment contract (the worker and employer) must seek further legal action through the Republic of Estonia.

Workers typically do not receive, nor do they expect insurance or social protections from the employer or platform for their work and it is not guaranteed by the platform. The coverage of social services usually means a higher cost to the employer and thus less pay for the worker; therefore, many use platform work for smaller gigs that allow temporary work without the extra (in many cases unneeded since many workers are insured elsewhere through other work or studies) costs. The platform does however specify that the employer is responsible for following Estonian law related to employment and taxation and providing a safe working environment for the worker. Workers themselves agree to the payment offered for the service and the location. This type of platform requires a high level of trust in the worker and employer and relies on the high level of individual entrepreneurship promoted in the Estonian economy. While this structure may be unique in European terms, many platforms in Estonia operate in a similar fashion: placing larger amounts of trust in individuals and employees to follow their obligations under the bilateral contracts.

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- GoWorkaBit Small Bits: <https://goworkabit.com/tooamps>
- Story: <https://goworkabit.com/creators-of-hr-startup>
- Terms and Conditions: <https://goworkabit.com/temp-recruitment-terms#workbiter>

Case Study 3: Tremer

Description of the platform

Tremer is a Private, Limited-liability, start-up company meaning, according to Estonian law, it is a **technology-based company** less than 11 years old with a scalable business model and fast global growth potential. In Estonia there are 20,000 registered workers and 3,000 active workers, however, there is no data about the specific demographic makeup of these workers.

NACE sector: N (Administrative and support service activities) 78.2.0 (Temporary Employment Agency Activities)

Type of platform according to the *Don't GIG Up, Never!* classification: 3.

The company started in Finland in 2015 and began operation in Estonia in 2019. There are also plans to open in Latvia and Lithuania in 2023, so the company is growing and expanding operations. The company mainly facilitates traditional work such as **hospitality and retail** but is a temporary employment agency (Nace Code: 78.2.0). The platform helps clients find an efficient balance of workers to prevent over or underworking of staff during different times of the year and manages the legal aspects of drawing the contract between the worker and employer and paying employment taxes for the work performed. Although the company is 100% Finnish owned (Tremer Oy) company, Tremer Estonia OÜ is registered as operational in Estonia with representational rights by Mihkel Tembel and Peter Sazonov. The council and CEO with the management team are in Finland. There are four management teams in place. There are the following departments in both countries: sales, customer support, and product. The new Latvian and Lithuanian teams will eventually be under one management team (with Estonia).

The main management team is the executive management team which advises the other management teams and departments. The CEO management consists of a group including the Finnish head of country (responsible for everything in Finland), the head of sales, head of product, and the Estonian head of country (Mihkel Rembel who is responsible for everything in Estonia). Both Estonia and Finland are independent and local management teams make decisions; they make the budget and structure and if the need to change something in the local management they can. **The business model is B-B-C.**

The legislative framework between Finland and Estonia is different. Legislative framework in Finland is more simple (source: interviews with Estonian management) because platform work is clearly defined in Finland as involving: 1) three parties (platform, client, worker), 2) logging into an electronic system, 3) payment mediated through the platform, 4) platform or client control the work performance, 5) work is done by independent contractors (Mattila), it is

not so clearly defined in the Estonian case (see the case study on Goworkabit which does not consider itself involved in platform work despite fitting this criteria as an example). On the other hand, grey areas in Estonian legislation when it comes to platform work (such as who is responsible for the worker and how worker-company relations are managed) seem to create challenges for the platform to raise remuneration and operate consistently (and competitively) in multiple countries (source: Tremer team management).

Terms of employment and working conditions

There is a triangular relation between the client, platform, and worker. The worker is registered as the platform's worker in a work contract which is enacted when the worker agrees with the terms and conditions of the platform and accepts work from a client. **There is no cost for a worker to use the platform, but a client agrees to pay the recruitment fee separately once they enter into an employment relationship with the worker through the platform** (Terms and Conditions).

Workers can only register through the platform as a private worker. If they want to register their company to perform a task, this must be done manually.

Workers on the platform are contracted through a **work contract that the platform enacts between the client and worker**. The taxes and social coverage that are ensured under Estonian work contracts are paid by the platform on behalf of the worker (as an employee of the platform) and work performed according to the Estonian Tax Authority. **The client does not sign a contract with the platform but must agree to the terms and conditions** that they are responsible for the worker and following Estonian employment and tax legislation. This means that the worker is represented as an employee of the Estonian state by the platform and as an individual employee enters into an employment agreement with the client. The employment contracts are issued locally following labour law of the country where the work is performed. Thus, in this case the worker enters a legal relationship with Tremer that is subject to Estonian National legislation.

This structure means that the worker has a direct relationship and is registered as employed by the app, yet in the terms and agreement, the client takes responsibility for the worker. The client is responsible for the protection of the workers' rights and the, as a temporary employment agency, the platform is responsible for ensuring the work contract is followed and monitoring and providing customer support to negotiate solutions. The platform's relationship with the worker is as an intermediary and contractual (ensuring the contract between the worker and client), and the client's relationship is in providing work and protections that come with it. The client **offers the price they will pay via the platform for the work** and **pays the platform** up front for the work to be performed through an online bank payment for the work upon finding a worker (according to the terms and agreement of the work and including the recruitment fee to the platform).

Big data analysis based on simplified categories of input and sorting functions filters and matches workers with clients based on their declarations

about working hours, type of job, location, etc. Businesses and workers are categorized to find the best match for both, and this often involves seasonal work and opportunities to prevent over or underworked staff.

Workers can find tasks based on the filters and if interested apply for a Task. Treameer then informs the company that a worker applied, and the company can accept or reject. Once the company accepts the worker, they can communicate via the platform (Treameer can access the conversation). After learning more details from the company, the worker can agree to the task which enters them into a legally binding employment contract with the company to complete the task according to the work and time agreed upon in the work. This contract is between the worker (represented by Treameer) and the company (more details in the next section).

A worker is paid after completing the tasks agreed upon and once they have submitted the amount of time and details about the task in the platform to confirm the completion of their agreement. The client is obligated to confirm the completion of the task within 7 days so the worker can be paid within a week of submitting the completion of the task. The client has the right to say the work was not conducted correctly and adjust the price. In this case the account manager decides whether the adjustment is warranted depending on the customer and explanation. In some cases, if the customer says they will pay 50% of the agreed-on compensation, the management team may decide to compensate the customer. Since the money is paid in advanced by the employer, the platform can decide how to compensate the worker based on arguments from both sides about incomplete or partially completed tasks.

There are no non-compete clauses, but users are responsible for having all necessary copyright and other intellectual property rights to said submitted content (on the platform) and the Service is protected by copyright under Finnish law. The user may not, without the express written permission of the Service Provider or other right holders, distribute, reproduce, publish, circulate or otherwise commercially exploit said material unless permitted by applicable law.

Assessment

The platform draws up and ensures the contract between companies (clients) and workers by facilitating negotiations and paying taxes for work performed. The terms and conditions follow national legislation for traditional work in Estonia, but rather than taking personal responsibility for workers, holds the client offering work responsible for protecting workers' rights. **The platform is an intermediary to ensure that the contracts are upheld according to Estonian national and tax law; however, the grey areas in legislation regulating platform work in Estonia mean that there are few special rules or obligations to address the unique needs of workers.** Although Estonian legislation has an Entrepreneurship account which could support platform work, this platform (and many in Estonia) is only able to register private people who are then registered by the platform as workers.

The platform ensures the agreement between the worker and the client so that the task is fulfilled and takes the risk of settling disputes for undone work. The platform has a customer support department in Estonia which helps workers on a case-by-case basis. In some cases, the platform may compensate the worker when the client refuses to pay, but this depends on the account manager and the arguments by each individual case. Since it is a small company, and even smaller in Estonia, there is currently no common protocol for handling disputes. In case negotiations mediated by the platform are not successful, the dispute is settled in the Harju County Court in the Republic of Estonia between the customer and platform or platform and worker. Out of court settlements (including the European Online Dispute resolution platform) may also be used.

The community development seems rather limited in Estonia since the company is so new, but there are online social media platforms (Facebook, Instagram, LinkedIn, Twitter) for the entire Treamer network (so far in Estonia and Finland). There is a chat to support worker's needs. The app also helps workers monitor their earnings and gain better pay with their performance from client references. Although according to the worker web portal 450 companies hired 1800 workers on average in 55 minutes for 22,000 shifts, contact with workers on this portal gave the impression that the portal was unreliable for finding work and the customer support team could not provide solutions to help workers find employment.

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- Interview with Worker 1. Conducted by Heidi Erbsen.
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- Terms and Condition: <https://www.treamer.com/en/finland/terms>
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Case Study 4: Wisestly

Description of the platform

Wisestly is a Private Limited Company entirely Estonian owned and with shared ownership by 30% by Kristjan Kippar, 30% by Jarmo Pohla, 30% by Margo Koppelmann, and 10% by Kuno Kompus. The platform provides efficient information exchange and monitoring of communication between clients and potential workers who usually provide **internet-based services**.

NACE sector: J (INFORMATION AND COMMUNICATION) 63.1.2 (Web Portals)

Type of platform according to the *Don't GIG Up, Never!* classification: 3.

The company was established in 2018 and is fairly small with only a couple of 1,500 total users and a turnover of €299 in 2022. It is the local Estonian equivalent of larger international companies (such as Upwork and Fiverr) which offers side-gig options for mainly online platform work.

The platform places the **types of work** offered into eight categories: business services & trainings, design & graphics, photo, video & animation, music and sound, platforms & modules, programming & IT, content writing & translation, and marketing. Typically, clients post a job and then select the offer they like from bids by **freelancers** on the platform. The individual worker proposes the amount and time to finish. Workers can also post their skills, examples of their work, and payment rate to be contacted by possible clients in a similar bid format.

Terms of employment and working conditions

The company agrees to the terms and services of the platform and enters into a work agreement with the worker. The platform is a mediator of the relationship between the company and the worker but does not bare the legal responsibility or employment contract with the worker. **The client is the employer** and the one paying the worker and rating the work. **The platform does not employ the worker** but requires that the worker is themselves a 'service provider' who wants to find a company to contract them or provide services through their own company or person to be contracted by the client company. **There are therefore 2 types of relationships mediated by the platform: 1) individual freelancers contracted for short term work by the company (client); 2) individual entrepreneurs employed by their own company and providing a service to a client searching for a service.**

The **role of the platform** in the relationship between clients and service providers is "**information exchange**" and "monitoring activities" to ensure terms and conditions are kept (see section 3 Terms and Conditions). The platform

itself provides space for workers to find specific online based work either via the platform or often even via the Facebook page. The official companies (either the client companies contracting a freelancer OR the companies providing the service) are responsible for their own security and intellectual property and worker-employer relations, although ensuring these relations are not in the terms and conditions. In the case that the service provider is an independent entrepreneur (working under an Estonian company usually owned and operated by the individual themselves) providing a service, the service provider makes the contract with the platform to provide the service. Individual freelancers do not have a direct contract with the platform. They are either contracted with the client company or as employees of a registered business providing services on the platform.

The platform does not take any responsibility in these protections and maintains that it is “just a platform/place that brings users together” (See section 5 Terms and Conditions). The platform does not make any contracts with the users but enables the communication for the users to make their own agreements about the work. **The use of the platform is free for all users and a service fee of 5% is charged from the entity ordering the work.** Part of this fee includes the handling payment and invoicing for the project. 5% is also taken from the worker as a commission fee when the project is completed.

Workers decide how much to ask for a project based on their own calculation of the project. If the client agrees then the platform only mediates the payments through invoices and processing of the payments via the platform. First, the service provider pays the platform when they accept a bid from a worker or contract a worker. The payment to the platform is confirmation that the project is active. The workers are then paid to their service account on the Wisestly platform once the job has been completed and both the work orderer and the worker confirm the project is complete. The platform does not take responsibility for violations of users (including failure to pay or legal fees and costs due to tasks performed using the platform). The platform does not interfere in the communication between users unless a client or service provider has contacted the platform directly. **The platform does not have any control over the actual working conditions** and the responsibility for ensuring the health and safety of the worker is on the worker themselves or the company that contracts the worker. **This contract is not enforced through the platform.**

If a client has accepted the bid of a service provider by paying the cost of the service to the platform, the task is considered active. The task can then be cancelled in the following case: 1) the service provider/work orderer does not respond to questions related to the task within 48 hours 2) the service provider has not met the agreed deadlines or the work orderer has not added the tasks related to the project 3) the service provider seems to have given up the work completely the work orderer tries to prevent the completion of the project in anyway (Section 4 Terms and Agreement). To cancel a project a user has to push the problems button and select the appropriate condition to cancel, after which the order will remain on hold for three days and the party not cancelling can provide a solution. If no solution is provided the task is cancelled and money returned to the work orderer's account.

There are no non-compliance rules or intellectual rights in place which are enforced by the platform and the platform is not responsible for enforcing non-competition or intellectual property rules between the client and service provider.

Assessment

It is not a given that workers are covered with social security (particularly in the case of freelancers) and it is also not expected by the worker to receive this coverage from the platform or client for a task (according to interviews with workers). Payments can be made by invoice or bank transfer to both legal and private accounts, so it is not clear how the work is registered, and this registration of work depends on the client or service provider. There is no clause in the platform terms and conditions that holds the users liable for registering work.

The platform management team helps monitor and communicate between users to ensure the expected outcomes are reached through negotiations (Side gig Options). Besides this, the platform takes responsibility only for the issuing of invoices for work and managing communication in the initial stages of seeking work or finding workers. **The platform does not enter an employment contract with any workers but rather expects that the worker either a) has their own entrepreneurship** (is self-employed and registered in Estonia) **or b) enters a contact for the work performed with the employer.** Workers and employers are responsible for reporting their own work and paying taxes according to the Estonian legislation, but the platform terms and conditions take no responsibility nor specifically specify these conditions.

Since almost all jobs are done remotely via computer, the service provider (be they a freelancer or independent entrepreneur) is responsible for establishing their own working environment. In case there is location specific work, the contracting company (be it the individual entrepreneur or employer) is the responsible party according to the Estonian labour law.

The only dispute resolution mechanism provided through the platform are through the platform “problem” button where a user can cancel a project if the other party does not respond within three days. Otherwise, this feature can be used to negotiate a solution which is monitored by the platform. If the parties on the platform are not themselves able to reach a solution through the platform, then customers may contact the Consumer Dispute Commission² or the Harju County Court in Estonia to find a legal solution. The platform does not act as a party in this as the users of the platform agree in the terms and conditions that they are legally able to enter a contract with other platform users rather than the platform itself.

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- Terms and Conditions: <https://wisestly.ee/kasutustingimused>

² See <http://ec.europa.eu/bdr>



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