# Don't GIG Up, Never!

**Country Case Study Report FRANCE** 



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### **Country Case Study Report FRANCE**

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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 (1<sup>st</sup> 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 States of the Art Reports** were published in 2022<sup>1</sup>.

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.

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

### 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*, <u>Never!</u>

Ν.	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 ' <b>traditional gigs</b> ' (gardening, cleaning, babysitting, etc.) up to ' <b>skilled services</b> ' (marketing, advertising, translating, etc.), possibly also by means of auctions	Task Rabbit, Helpling, etc.
4	Platforms externalizing <b>micro-tasks</b> , often performed on web, to a 'crowd' of workers ( <b>crowd-work</b> 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* <u>up, Never!</u>

#### Don't GIG Up, Never!

#### **GENERAL INFORMATION**

#### **Labour Platform**

#### Full name

#### Sector

NACE Sector(s) addressed & brief description of the jobs

#### Ownership

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).

#### Size

Estimated number of platform workers registered and active on the platform

#### TERMS OF EMPLOYMENT AND WORKING CONDITIONS

#### Applicable legislation

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).

#### Type of relationship between platform and worker

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.

#### Membership costs for the workers

Please, explain if workers are required to pay a membership fee in order to access the platform, its costs and the associated services.

#### Assignment of tasks/jobs

Please, explain how tasks/jobs are assigned and the possible role played by rating and ranking systems.

#### **Remuneration policy**

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.

#### Non-competition clauses

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.

#### Intellectual rights

Please, explain if any limitations apply to the intellectual property of contents sold via the platform, and their reuse by the creator (if applicable).

#### Other terms of employment and working conditions

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.

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 platforms websites and platforms 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: WIRK.IO – YAPPERS. CLUB

#### **Description of the platform**

Wirk.io (for companies) and Yappers.club (for workers) platforms are brands of Lotomate SAS company. The company is registered in France. It is owned 90% by its partners, 10% by business engels. The company was created in 2014. Its founder Daniel Benoilid got the idea after seeing Amazon Mechanical Turk. Daniel Benoilid saw the opportunity to develop a micro-working service in France. He teamed up with a computer scientist, an engineering school graduate who passed through SFR and had already created two companies. In April 2014, their project was selected to be incubated at Microsoft Ventures, a subsidiary of Microsoft specializing in venture capital. In September 2014, they launched the online platform "Foule Factory". In 2020, Foule Factory became Wirk.io (for businesses) and Yappers.club (for workers). The company now presents itself (on the Wirk.io side) as a solution for steering back-office operations of companies (processing centres, operations management). The service combines AI-based solutions (pre-processing of operations). Customers can decide to use the Yappers.club platform. In this case, micro-workers perform the tasks. 90% of the turnover is generated by wirk.io, 10% by Yappers.

Nace Sector(s): Web Portals (6312Z).

Type of platform according to the Don't GIG Up, Never! classification: 4.

According to the information given by the managers of the platform, Yappers. club has 50,000 registered workers. Among them, 15 000 to 20 000 are active on an annual basis (they perform at least one task per year), and 7,000 workers are mobilizable on a monthly basis. The distribution of earnings follows a Pareto law: 80% of earnings are generated by 20% of workers.

#### Terms of employment and working conditions

As for the **employment relationship** established among workers and the platform, when workers register, they sign a service contract (with the platform) as well as a confidentiality clause. To be certified, the worker must answer a multiple-choice questionnaire (MCQ), with 5 to 10 questions to answer.

The applicable legislation is the French and European legislation. The specificity of the platform is to work only with workers located in France (mainland and overseas). Compliance checks are carried out to ensure the identity of the workers: proof of residence and identity, control of identity documents (ensure that the person is of age), registration in the company register ("KBIS document"). Registration with the company register and registration with URSSAF (collection of social security contributions, certificate of vigilance) is required when the worker's turnover exceeds 250 per month (3000 per year).

The platform's **commission** is paid by the clients, who pay a subscription to the wirk.io service for the management of their back-office operations. On average, the commission paid by the client is around 20%. The workers pay a 4% commission taken by the e-wallet provider<sup>2</sup>.

Social protection is related to the status: workers are considered a self-employed, therefore the social rights are those related to their respective status according to the French law.

The **remuneration** is decided by the client. The decision is in the hand of the worker: he decides if he will do the project or not. There is no penalty for refusing to do a job. The objective of the platform managers is to guarantee a minimum remuneration of EUR 12.00. Taking into account the processing time of the tasks, this remuneration can be more or less. For the record, the hourly rate (gross) of the legal minimum wage was EUR 11.07 EUR in November 2022, (EUR 11.37 in employer cost). The worker has a kitty. From EUR 5 he can make a withdrawal. When the amount of turnover exceeds EUR 250 per month (over a year), the worker must send proof of registration or a certificate of vigilance (to prove that he has paid his social contributions). A second ceiling is settled at approximately EUR 12.500 per year, to ensure that the activity remains a secondary activity. This ceiling also protects the platform against the risk of economic dependence.

**Modality of assignment of tasks/jobs & artificial intelligence:** Registered workers have access to a number of projects. Depending on his performance, he will have access to a higher or lower number of projects. To be assigned a task, the worker must be part of the eligible audience. A first certification is obtained at the beginning via the multiple choice questionnaire. If the worker is eligible, the project appears on the screen. The project is not assigned to a person, it is assigned to a skill/processing pool. When a worker connects to his space, he can immediately see the list of available projects. The list of calls for contribution mentions, in addition to project and client reference codes (always anonymous), a project name, a characterization of the type of project (data processing, research, transcription, panel, phoning, writing), the expect-

<sup>2</sup> In micro-working platforms, unlike freelance platforms, workers almost never pay a commission to the platform. See Chagny et al (2021) on this topic.

ed time per task, the fee per task, an indication of the hourly rate applied taking into account the two previous pieces of information, and, finally, the maximum time frame in which the client wants the project to be completed. The decision is in the hands of the worker, he is the one who decides if he will do the project or not. There are no penalties for refusing to do a task. A "learning" process is put in place: the treatments are doubled: several workers can treat the same task. The answers are compared. At the end of 100 tasks, if 25 are in error, then there will be systematically a multi treatment of the tasks that are assigned to the worker. **There is no grade given by the client**. **The evaluation is made by the multiprocessing of the tasks and the proportion of tasks in error.** A human control is done in case of dispute (see below).

As for the platform support services for clients, it is the customers of wirk.io (the back-office operations management solution) who decide either to manage internally or to outsource to Yappers.club. The tasks that are outsourced are low value-added tasks. Yappers helps customers to manage the seasonality of their back-office activities. Yappers.club is a flexibility outsourcing tool for companies. As for many B2B platforms, the business model has changed from a simple marketplace to a service solution with higher added value (for companies) (see Chagny et al. 2021). The security of the legal risk is ensured by the documents requested from the worker (see above).

**As for the platform** support services for workers, the platform defines itself as a platform to generate side income. According to a 2018 academic study (Barraud de Lagerie and Sigalo Santos, 2018), three types of worker profiles exist on the platform. These correspond to a differentiation in terms of the amount of time workers spend on the platform, but also to three different types of articulation of their time on the platform with the rest of their schedule, as follows:

- First profile: tasks are performed during moments of inactivity, for example in public transport (rare according to the study)
- Second profile: commodification of free time. This type of practice is found among people who have a main activity (generally a job, but it can also be an associative activity) and who use their free time to do tasks on the platform. The objective is to provide a complementary income
- Third profile (predominant): these are workers who spend entire days waiting for work on the platform. They are "full-time » workers.

A forum is intended for workers. The forum has a "projects-notification" section, which allows the platform to announce the publication of new projects. Members of the "staff" of Yappers.club are present. They answer questions which could be addressed to them by the workers. But the forum is mainly a space of exchange between the workers. The exchanges concern the mutual aid to the realization of the tasks, the forum also allows a digital sociability.

A **dispute resolution mechanism** between worker and platform/clients is available. Workers have the possibility to contest the refusal of their treatment via a mediation procedure available on the platform (dedicated e-mail address at workers' service). Two people are assigned to respond to complaints. So far, no legal action has been taken against the platform by a worker. There are no limitations in the service contract. As for social partners involvement, in 2018 the Union Force Ouvière commissioned a study from IRES and academics on micro-work and in particular the Wirk.io/Yappers.club platform (<u>Casilli et al. 2019</u>). The objective was to better understand the functioning of these platforms, the working conditions of workers, and to reflect on actions that could be implemented by unions.

#### Assessment

Positive: objective of providing additional income, to limit economic dependency, and to implement a minimum remuneration policy.

Negative: weak capacity of workers organisations; no formal conflict resolution mechanism; poor social protection.

Terms and conditions of the platform do not appear to breach conditions of employment applicable pursuant to EU/national legislation or to collective agreement. They could very well fall within the scope of the Platform Workers Directive (algorithmic management).

#### References

Websites:

- <u>https://www.wirk.io/</u>
- <u>https://www.yappers.club/conditions-generales-dutilisation/</u> (Terms and conditions)
- Barraud de Lagerie Pauline, Sigalo Santos Luc (2018) : « Et pour quelques euros de plus . Le crowdsourcing de micro-tâches et la marchandisation du temps », Revue Réseaux 2018/6 (n° 212), pages 51 à 84 <u>https://www.cairn.</u> info/revue-reseaux-2018-6-page-51.htm
- Casilli A., Tubaro P., Le Ludec C., Coville M., Besenval M., Mouhtare T., Wahal E. (209) : Le Micro-travail en France. Derrière l'automatisation, de nouvelles précarités au travail ? (juin 2019) <u>http://www.ires.fr/index.php/etudes-recherches-ouvrages/etudes-des-organisations-syndicales/item/6028-lemicro-travail-en-france-derriere-l-automatisation-de-nouvelles-precarites-au-travail
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- Chagny et al. (2021) : Les Nouveaux Intermédiaires du Travail B2B Comparer les modèles d'affaires dans l'économie numérique collaborative, rapport d'Etudes pour le Ministère du Travail
- https://dares.travail-emploi.gouv.fr/sites/default/files/df8794400d228e8eb66bd151da154134/Les%20Nouveaux%20Interm%C3%A9diaires%20 du%20Travail%20B2B.pdf
- · Interview with Daniel Benoilid, CEO de wirk.io (November 2022)

Case Study 2: WECASA

#### Description of the platform

Wecasa is a French-based labour platform funded in 2016. Capital divided between the founders and investment funds, notably the <u>Isai fund</u>. Some business angels, notably Frederic Mazella, the founder of Blablacar, Pierre Kosciusko-Morizet, founder of Price Minister. All the employees (70 in all) have holdings. Wecasa recently opened its capital to the platform's users (freelancers and clients). The fundraising was done on LITA.co, for EUR 100. 2000 subscribers have invested. The platform is active mainly in France and the United Kingdom.

Six different type of services are provided via the platform: **cleaning, childcare, beauty, hairdressing, massage, sports coaching.** The services are provided at home (B2C).

#### Nace Sector(s):

- Official NACE sector: Internet portal (6312Z)
- Actual NACE sectors concerned: Sports and recreation education (8551), Child day-care activities (8891), Hairdressing and other beauty treatment (9602), Physical well-being activities (9604), Other personal service activities n.e.c. (9609), Activities of households as employers of domestic personnel (9700).

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

Wecasa holds more than 200 000 customers, and more than 300 000 visitors/ month, 90% of which are women. The estimated no. of platform workers is 10 **000** registered workers.

Wecasa declared more than EUR 4 million turnover per year. Looking at the global dynamics, turnover doubled from one year to the next.

#### Terms of employment and working conditions

#### Employment relationship established among worker/platform/client:

- Contract with the client: clients use the platform to find a professional. The client validates the general conditions of use.
- Contract with the worker: all workers are self-employed; most of them are under the status of auto-entrepreneur. Labour rights and social protection are related to this status according to the French law.

The platform limits the travel time of workers by offering them appointments close to their homes. Consideration is also being given to combating discrimination (racism on the part of clients).

For cleaning services, a third of the household helpers are men. The platform deliberately does not allow household helpers to be selected according to gender.

French legislation is applicable for activities carried out in France, while UK legislation is applicable for activities carried out in the UK.

Several categories of services are offered, more or less regulated. For hairdressing and beauty care, the professions are regulated. The platform checks that the professional has the required diploma, has a SIRET number (SIRET is the registrant ion number for all establishments) and is registered with the Chamber of Trade. Massage treatments are not regulated. The platform asks for diplomas and certificates attesting to skills. Cleaning and childcare: these are personal services, which benefit from a tax credit in France (for private employers). The qualifications are low. The platform conducts video interviews and ensures that the partner is serious and experienced. For all workers, the platform checks the criminal records.

**The platform** holds a **commission** of 25% on average, of the amount excluding tax. VAT is borne by the platform.

With regard to the **remuneration policy**, the platform sets the prices in order to avoid downward pressure on prices if the workers using the platform were to compete with each other on prices. **The tariffs are based on feedback from professionals** relating to the local situation for each services provided (comparison with tariffs proposed by professionals offering their services). **The aim is not to offer low-cost services**. The prices are comparable, for example, for a massage or manicure service, to a mid-range salon. It is modulated geographically. The average basket is about EUR 60. The hourly wage is set at a minimum of EUR 16 HT. The average net income per month is EUR 250. It is variable per month.

As for the modality of **assignment of tasks/jobs,** an **algorithm** launches a query of the professionals. At the time of the first booking, the algorithm matches them, taking into account what both sides are looking for: time flexibility, geographical wishes, etc. The freelancer can accept or refuse or propose another schedule. The client can ask to book the same professional for subsequent requests.

The objective of the platform is to provide service to both categories of users of the platform.

**Services and support offered to customers**: ease of use, availability, trusted third party in case of dispute, cancellation of the service, protection against material and physical damage, allowing customers to benefit from an advance on the tax credit (case of services to individuals). Any cancellation fee will be charged to the client.

As for **support services for workers**, a minimum number of hours is set for housework and childcare services (minimum two hours). A minimum amount of 10 orders is set for wellness services. Freelancers have a page to put forward their profile. It allows young people to test an activity. The platform organises meetings several times a month to encourage networking between freelancers. It offers a private Facebook group where more than 600 partner professionals chat daily.

Evaluation by clients and professionals via a shared **rating mechanism** is in place.

As for the platform relations with social partners, the platform is a **member of the CareTech professional association**. The CareTech is a professional association created in January 2018 in Paris and which brings together platforms involved in personal and home services: FrizBiz, Helpling, Needhelp, Stootie, Yoopies, YoupiJob and Wecasa. An interesting approach is taken by CareTech, which positions itself as a professional association collaborating with the professional associations already established in the sectors in which it operates, and with collaborations with the chambers of trade and crafts).

#### Assessment

The aim of the platform is to protect against any risk of requalification. The self-employed who use the platform are entirely free to accept or refuse any assignment without penalty and decide for themselves on their working hours. Most of them are looking for additional income in addition to their usual clientele. The platform does not impose the exclusivity of the platform, they are free to decide their working days and hours, their holidays, without having to justify themselves.

#### References

Terms and conditions: https://www.wecasa.fr/page/conditions-generales-wellness

Roland Berger, December 2019 (not published document) : Emplois des plateformes numériques, Direction Générale des Impots

Interview of one of the co-founders of the platform and the RSE responsible

### Case Study 3: HUBL

#### Description of the platform

Hubl is a company under private law (SAS). 33% is owned by the start-up Startin'Blox, 66% by the founders. The company was created in December 2019 by Startin'Blox and the three founders: Claude Tempe (Freelance.com), Alexandre Bourlier and Sylvain Le Bon, co-founders of the digital freelance collective <u>Happy Dev</u> and <u>Startin'Blox</u>. They were joined by Cyril Thiriet (<u>Studios Singuliers</u>, coworking space).

Startin'blox develops an **innovative and ethical technology** based on **interoperable standards**. It goes against the multiplication of siloed proprietary platforms logic and argues that a **truly open web** must be built now. Interoperability is the ability to exchange information and to make mutual use of exchanged information. In the case of platforms, interoperability allows different players to exist together in the market, by sharing "network effects".

Nace Sector(s): 6201Z computer programming.

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

Hubl is a **decentralised collective of freelancers**. It is a decentralised platform, whose operation is based on the interoperable SOLID technology (created by Tim Berners Lee, the founder of the web). The originality of Hubl is to federate freelance collectives that remain autonomous and to create a distributed network effect, thanks to interoperability.

Hubl gathers different collectives, among them three main ones: Happy Dev https://www.happy-dev.fr/fr/ (500-1000 freelancers), La Collab https://lacollab.com/ (500-1000 freelancers), Digital Village https://www.digital-village.com/ (500-1000 freelancers) and about forty other smaller collectives. In total, the platform brings together between 1,500 and 3,000 workers for the three main collectives, 10,000 in all taking into account all the collectives. 90% are located in France.

#### Terms of employment and working conditions

The self-employed are integrated into the distributed collectives. Their **working conditions are mainly regulated by the collectives they belong to**. **Many types of contractual relationships are possible**. Freelancers can be employees in employment and activity cooperatives, or in wage portage (umbrella) companies. **They can be self-employed**. In this case, they are mainly micro-entrepreneurs. They can also have a simplified single shareholder company status (SASU), or single-owner limited liability companies (EURL). **The associated rights are therefore dependent on the status chosen by each freelancer.** When freelancers have an employee status, they benefit from all the rights associated with being an employee. Hubl only acts as a business provider. **The freelancers are generally subcontractors of the collectives.** They can also be owners (members, shareholders, etc.) of the collectives.

The contract with the client is carried by the collectives. The collective therefore bears the contractual risk of non-performance of the contract with the client. This is a big difference from most platforms, which make the worker bear the contractual risk.

*Typical example*: a freelancer from a collective entrusts an assignment to Hubl, which will find the collective that can carry it out. Hubl signs a contract with the freelancer who has brought in the project and the collective that is carrying the project. A **tripartite relationship is established between Hubl, the collective and the business contributor**.

Workers on this platform can have different legal status, which entail different labour rights and social protection:

- Wage portage (portage salarial) is a **new form of employment characterized by a tripartite relationship** involving an umbrella company, an employee and a company that is the client. An agreement is signed between the client and the umbrella company which collects the fees paid by the client and then pays a salary to the freelancer after deduction of management fees and all the social charges. Wage porting cumulates the advantages of being independent and being salaried.
- Employment and activity cooperatives (cooperatives d'activité et d'emploi) in France assist business project holders for the launching of their activity by offering them to become 'contracted-entrepreneurs' (entrepreneurs-salariés). The project holder can work with full autonomy to find clients and deliver his services. However, he is bound to the cooperative by an employment contract. The cooperative collects the business sales revenue and gives it back to the project owner in the form of a salary once societal charges and management fees have been deducted. This work status is close to the wage portage (portage salarial) but goes further by offering real individual support to the project owner. It's an alternative to the creation of a company or working freelance (micro-enterprise). The legal status of employment and activity cooperatives in France was specified by the law n°2014-856 of 31 July 2014 on Social and Solidarity Economy. Activity and employment cooperatives are part of the social and solidarity economy. In 2021, there are 155 CAEs in France, 60% of which are Scops (Société Coopérative de Production), 30% are Scics (Société Coopérative d'Intérêt Collectif) and 10% are Cooperatives under the 1947 law. They represent a total turnover of more than 260 million Euros (source: Fédération des CAE).
- **Micro-entrepreneurs:** the status was created in 2008 (Law no. 2008-776 of 4 August 2008 on modernisation of the economy). The regime fell within the scope of two measures already in force: the 1991 micro-fiscal regime and the 2003 micro-social regime. It was conceived as part of a long-term policy implemented by the public authorities and boosted by a shift in the political discourse started at the end of the 1990s in favour of occasional entrepreneurs (Abdelnour 2017). This change was reflected by the

encouragement of multiple revenue sources, in particular the possibility to combine self-employed income with social assistance. The regime was thought as an instrument of income accumulation 'for everyone'. It was then amended in 2016 (since then, the AE regime is called <sup>4</sup>micro-enterprise regime') and in 2018 (when the thresholds were raised). The regime is a social, fiscal, and regulatory regime that individual entrepreneurs can opt for in the trade, craft, and service sectors. The regime is accessible to entrepreneurs with a turnover below a certain threshold. Initially, these thresholds were set as follows: EUR 80,000 (raised to EUR 170,000 in 2018, 188 700 in 2023) for sales activities, and EUR 32,000 (raised to EUR 70,000 in 2018, 77 700 in 2023 equivalent to EUR 1,494 per week) for service activities and professionals. Gig workers fall under the second category since the contractor can conclude a contract with the platform for the provision of services (louage d'ouvrage, as defined in Article 1710 of the Civil Code). The advantage for the platform lies in the set of conditions applicable to workers: fee-for-service arrangement, possibility to terminate the employment relationship at any time, and possibility to circumvent labour law.

Another independent status presents some administrative and social advantages for gig workers: the simplified single shareholder company (société par action simplifiée unipersonnelle, SASU). The entrepreneur who creates its business is affiliated with the general social security regime (i.e., the employee regime). He/She also benefits from a better pension insurance than workers under the AE status. On the other hand, there is no coverage against unemployment risk, with the exception of the allowance for the self-employed created in November 2019.

The applicable legislation is mainly the French legislation for French collectives, and the legislation of other countries where applicable.

No membership costs are applicable to the workers, apart from **referral fees**. The amount of the referral fee is a maximum of 13%. All costs are passed on to the end customer.

Regarding **remuneration policy,** each collective has its own pricing policy. Some collectives have rules (examples: La Collab sets ranges of daily rates; at Happy Dev the daily rate is freely set by the freelancer; rate setting is centralised at Digital Village). The collective is responsible for any disputes. No freelancer is exposed to legal risk with the client.

Collectives assign the tasks. Each collective has its own model for organising itself and setting up teams. The principle is decentralisation in the assignment of tasks, staffing, responsibilities, etc. **No algorithms intervene**, but a **federated machine learning project is under study** (see YouTube reference). This involves applying AI without centralising control of the data, letting each collective apply the AI algorithm to its own data. The algorithm is trained on the members, who only provide training data. Application example 1: Using chat discussions to find out the interests of freelancers. Find the right project for the person. Application example 2: use work schedules to improve staffing between projects and freelancers. No AI.

Regarding **platform support services for clients,** Hubl secures the sourcing of profiles and staffing. For the time being, there is no mechanism for securing

the client in the event of a conflict with the collective.

As for **platform support services for workers,** Hubl maximises opportunities to find customers and monetise untapped business opportunities. No services are offered by Hubl itself; these are delegated to collectives.

The settlement of disputes is delegated to the collectives. Disputes are settled by the General Conditions of each collective.

Interest of social partners was demonstrated for the interoperability technology developed for Hubl.

#### Assessment

The actual working conditions as emerging from the analysis does not appear to breach conditions of employment applicable pursuant to EU/national legislation or to collective agreement. The collectives put in place what is necessary to ensure that there is no subordination between the collective and the freelancer.

#### References

- Platform website: <u>https://hubl.world/</u>
- Interviews with the co-founders Sylvain Le Bon and Alexandre Bourlier
- https://www.youtube.com/watch?v=gbRJPa9d-VU



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