

**Fourth Study Commission
Public and Social Law**

Questionnaire 2024

**Digital Revolution Impact on the Labor Market: Platform or Gig Economy and
Artificial Intelligence
ESTONIA**

1. Provide a brief description of the presence of the “gig” or “platform” economy in your country. If possible, base your answer on official public data or academic reports, although we recognize that in some cases data may not be available.

According to a 2021 study¹ 7% of working age population of Estonia work weekly and 11,9% of working age population of Estonia work monthly using digital platforms. Those numbers have not significantly changed compared to a similar study from 2018. Income from platform work is usually extra income for the worker. Almost half of people who work regularly through platforms work up to 10 hours per week, a quarter of people work for 11–25 hours per week, a fifth of people work for 25–40 hours per week and 7,2% work more than 40 hours per week. Platform work is their only income for only 4,4% platform workers. On the average the income from platform work for regular platform workers is 18,4% of their total income.

2. How does this development affect the traditional employee/employer relationship? What is the status of platform or gig workers in your country: employees, independent contractors or a third category? Is there any jurisprudential divergence regarding the status of these workers? Cite relevant examples.

There is no specific regulation in Estonia for the status of platform workers. Their status as an employee or an independent contractor depends on the nature of their work. According to § 1 section 2 of Employment Contracts Act “If a person does work for another person which, under the circumstances, can be expected to be done only for remuneration, it is presumed to be an employment contract.” According to § 1 section 2 of Employment Contracts Act “The provisions concerning employment contract are not applied to a contract where the person obligated to perform the work is to a significant extent independent in choosing the manner, time and place of performance of the work.” There is no jurisprudence on how to interpret these norms in context of platform work. In practice most if not all platform workers are labelled as independent contractors².

¹ https://arenguseire.ee/wp-content/uploads/2021/08/2021_platvormitoo_uuring.pdf

² https://www.sm.ee/sites/default/files/documents/2022-10/Platvormit%C3%B6%C3%B6%20tegijate%20organiseerumine%20Eestis_17.06.2022.pdf, p 7

3. What is the impact of artificial intelligence on the labor market of your country? If possible, base your answer on official public data or academic reports. Outline the positive and negative impacts.

According to a study from April 2024 (commissioned by Google)³ 5% of Estonian companies used generative AI in 2023. According to the study new jobs in the AI-powered economy are expected to replace those lost due to automation, resulting in unchanged employment levels. 5% of jobs are likely fully or partially displaced. At the same time 61% of jobs are expected to see a boost in productivity.

4. Do you have any laws regulating and/or relevant judicial decisions about artificial intelligence on the labor market? What are the challenges for employers, such as privacy, transparency, secrecy, plagiarism, and the claim that artificial intelligence will be replacing workers? What are the concerns of employees?

At the moment there are no laws or court decisions about artificial intelligence on the labour market. There has been a lot of discussion on possible impact of artificial intelligence but there is much uncertainty. On the positive side there is hope for more efficient work process. On the negative side there are fears of job losses.

³ https://cms.implementconsultinggroup.com/media/uploads/articles/2024/The-economic-opportunity-of-generative-AI-in-Estonia/2024_The-economic-opportunity-of-AI-in-Estonia.pdf