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**Economic Dependency-Based Employment Relations: The Establishment of a
Hybrid Category as an *Ius Constituendum* for Indonesian Gig Workers**

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Abstract

The rapid development of the gig economy in Indonesia has given birth to a paradox, on the one hand creating millions of job opportunities, but on the other hand perpetuating precarious working conditions under the legal fiction of “partnership”. Employment relationships that substantively contain elements of subordination through algorithmic management have systematically denied gig workers access to basic employment rights. This research aims to move beyond the identification of the problem by designing a concrete regulatory solution. The main focus of the study is to construct a model for a new hybrid legal category, “Economic Dependency-Based Employment Relations”, which is able to strike a balance between worker protection and the flexibility of digital business models. Using normative legal research methods enriched by conceptual approaches and comparative laws, this study formulates a detailed technical proposal. The result of this research is a regulatory construction that rests on three fundamental pillars. First, the Gig Economy Sectoral Minimum Wage Scheme, a dynamic formula that includes components of labor wages, real operating costs, and waiting time compensation. Second, the Tripartite Social Security Scheme, which requires proportional contributions from platforms, workers, and the state for the Employment Social Security Administration program through a digitally integrated mechanism. Third, the Portable Benefits Fund, a flexible paid leave system funded by the platform's mandatory contributions. Collectively, these three pillars form a comprehensive and implementable policy blueprint, offering an ideal middle ground to reform the labor law system to realize decent work for millions of workers in Indonesia's digital economy.

Keywords: Gig Economy, Gig Worker, Social Security, Algorithmic Management.

1. Introduction

In the past decade, Indonesia's socio-economic landscape has been fundamentally transformed by the digital economy wave, with the gig economy at its epicenter. Digital platforms such as Gojek, Grab, and ShopeeFood are no longer just business entities, but have become vital infrastructure that supports urban mobility, logistics, and consumption for millions of people. At the heart of the tech giant's operations are millions of individuals (motorcycle taxi and online car drivers, food and package delivery couriers) who are the backbone of on-demand services. They are the face of the 21st-century

workforce, which is flexible, decentralized, and managed by algorithms. However, behind the narrative of technological progress and microeconomic empowerment, there is a profound legal and social paradox, which has now reached a critical point and demands decisive policy intervention (Annazah et al., 2024).

The paradox centers on the legal status of these workers. Consistently, platform companies (applicators) classify them as “partners”, a term that deliberately places the relationship in the realm of civil law. This partnership contract is, theoretically, implied the existence of an equal relationship, where both parties are independent business entities collaborating for mutual benefit. However, the reality on the ground paints a completely different picture. Various studies, including the convincing juridical analysis of Dananjaya et al., have proven that this narrative of “partnership” is a legal fiction (Dananjaya et al., 2023). The relationship fails to meet the fundamental principle of freedom of contract which requires an equal bargaining power (Collins, 1992). On the contrary, it substantively and undeniably contains the essential elements of a traditional employment relationship as defined in Law Number 13 of 2003 concerning Manpower, namely the existence of work, wages, and orders (De Stefano, 2015).

The element of “command” or subordination, which is the main characteristic of labor relations, is no longer present in the form of a human foreman, but has been transformed into algorithmic management (Aloisi, 2016). This opaque computing system unilaterally allocates work, determines the structure of tariffs and incentives, monitors the performance of workers constantly through a rating system, and even imposes sanctions in the form of suspension to unilateral termination of relations. This form of digital control, according to labor law experts, is often more intrusive and absolute than traditional human surveillance, because it operates non-stop and without room for negotiation (Prassl, 2018). Thus, this misclassification of employment status is no longer a debate, but a juridical fact that must be acknowledged. This practice effectively becomes a legal avoidance strategy that allows platforms to escape all responsibilities as employers, including the obligation to pay the minimum wage, register workers in social security (Employment Social Security Administration), provide leave rights, and pay severance pay.

The consequences of the evasion of the law are a very serious problem. Millions of gig workers are thrown into precarious work, a term used to describe unstable, unsafe, and socially protected work (Standing, 2011). Gig workers bear all the risks of the business, from the cost of fuel, maintenance and depreciation of vehicles, to the risk of accidents on the road. Meanwhile, the platform enjoys the benefits of a highly efficient asset-light business model. This condition is diametrically contrary to the constitutional mandate to guarantee the right of every citizen to work and a decent livelihood for humanity, and specifically betrays Indonesia's commitment to the Sustainable Development Goals (SDGs) Point 8, which is to promote decent work and inclusive economic growth.

Seeing this condition, academic discourse and public policy in Indonesia must now evolve beyond the problem identification phase. The relevant question is no longer “do gig workers need to be regulated in employment law?”, a question that has been normatively answered, but has shifted to a more pressing question, “how to design the most appropriate, fair, and implementable regulatory model to protect gig workers?”. Answering “yes, it needs to be regulated” without offering a concrete

solution will only prolong the exploitative status quo. On the other hand, rigidly imposing the traditional framework of employment relations (Fixed/Indefinite Time Work Agreements) also risks killing the flexibility that is the main attraction of the gig economy, both for workers who value autonomy and for the continuity of the business model itself (Parrott & Reich, 2018).

Therefore, this research is here to fill this void. Rather than repeating the debate over classification, this study proactively aims to design a middle ground in the form of a regulatory model for hybrid legal categories. This category, which in various countries is known by terms such as “worker” or “dependent self-employed”, honestly acknowledges that gig workers are not true self-employed entrepreneurs who have economic freedom, but also have different characteristics from traditional office workers. As such, they need a set of basic rights protections specifically designed in accordance with the reality of their work that is non-standardized, flexible, and mediated by technology.

To achieve the goal of designing these solutions, this research will focus its analysis on the design of the three pillars of basic rights that are most fundamental and urgent for the welfare of gig workers. The research questions that will be answered in depth are as follows: first, how is a fair and relevant minimum wage scheme for gig workers, who are not tied to traditional monthly working hours and are accurately able to cover the real operational costs they incur? Second, how can a proportional, inclusive, and easily administered social security contribution model (Employment Social Security Administration) be administered through digital integration, involving the participation of gig workers, platforms, and the state? Third, how to have a flexible mechanism of rest and paid leave, which can be accessed by gig workers to recover their physical and mental condition without having to lose their income completely, through a portable benefits system?

By answering these three questions in detail and based on evidence from international best practices tailored to the Indonesian institutional context, this research is expected to produce a comprehensive regulatory blueprint. This blueprint is not only useful for academic discourse, but can also serve as a policy paper that is ready to be advocated to stakeholders in the legislative and executive spheres, in order to realize social justice in the digital economy era.

2. Research method

This research uses normative legal research paradigms or doctrinal law research. This approach was chosen because of its relevance and precision in answering the formulation of a prescriptive problem, namely designing a new regulatory model (Soerjono Soekanto & Sri Mamudji, 2015). The focus of the research is not to explain the social facts in the field empirically, but to conduct an in-depth analysis of legal norms, principles, concepts, and comparisons in order to find solutions to the existing legal void (*rechtsvacuum*). The nature of this research is *sui generis*, which distinguishes it from social science research, since its purpose is to provide an argument about how the law should (*das sollen*) be reconstructed to achieve justice (Marzuki, 2011).

This research is operationalized through two complementary approaches, as stated by Peter Mahmud Marzuki. First, the conceptual approach, in which this research moves beyond the text of

laws and regulations by analyzing the underlying legal concepts. Concepts such as subordination, economic dependence, algorithmic management, and dependent self-employment will be dissected in depth with reference to contemporary labor law doctrines and theories (De Stefano, 2015). This approach also utilizes the fundamental legal principle, namely substance over form, as the main analytical knife to unravel the formalities of the partnership contract and uncover the real reality of the employment relationship. Second, the comparative approach, which is to formulate innovative and tested solutions, this study uses legal comparisons with other jurisdictions that have previously grappled with similar issues. The comparative focus is on the technical regulatory model that has been implemented in the UK (with a hybrid “worker” status), Spain (through Ley Rider), and the progressive regulatory framework in the EU Platform Work Directive (Proposal for a Directive of The European Parliament and of the Council on Improving Working Conditions in Platform Work, 2021). This comparative analysis does not aim to imitate, but rather to adopt and adapt the principles and mechanisms that are most relevant to the institutional context and legal system in Indonesia.

The sources of legal materials used include primary legal materials (laws and regulations), secondary legal materials (textbooks, international and national scientific journals, research reports, and articles), and tertiary legal materials (legal dictionaries and others). All of these legal materials are analyzed deductively through interpretation, argumentation, and legal construction to produce a coherent, comprehensive, and juridically accountable regulatory model.

3. Results and Discussion

3.1. Decent Wage Schemes for Gig Workers

The formulation of the central problem that must be solved in regulating the gig economy is about wages. The current revenue model, which is completely dictated by the platform's algorithms under the pretext of market mechanisms, has been shown to create exploitative working conditions and volatile income (Dananjaya et al., 2023). The existing minimum wage scheme in Indonesia, namely the Provincial/Regency Minimum Wage, is completely irrelevant for gig workers because of three fundamental factors. First, a non-conforming time basis, where the Province/County Minimum Wage is calculated on a monthly basis for full-time jobs, while gig workers work highly flexible and erratic hours. Second, the waiver of operational costs, where the Provincial/Regency Minimum Wage assumes that the cost of work is borne by the employer, while the gig worker bears the entire operational cost as a personal burden (Bachtiar et al., 2020). Third, the absence of waiting time compensation, where the Provincial/Regency Minimum Wage does not take into account standby time which is an integral part of the reality of gig workers (International Labour Office, 2021b).

Therefore, any effort to create justice for gig workers must begin with reformulating the concept of the minimum wage itself. The solution proposed in this study is the establishment of a Sectoral Minimum Wage for the Gig Economy. Furthermore, the concept is not just a single number, but rather a dynamic formula designed to accurately reflect the real costs and effort incurred by gig workers. This formula should be established periodically (e.g., annually) by the Provincial/County Wage Board

involving representatives from gig worker associations, academics, and platform companies (Annazah et al., 2024). The proposed comprehensive formula is as follows:

$$\text{Sectoral Minimum Wage for the Gig Economy / Active Hours} = (\text{Labor Wage Component}) + (\text{Operating Cost Component}) + (\text{Waiting Time Compensation})$$

Figure 1. Formula Sectoral Minimum Wage for the Gig Economy
Source: Results of Researcher Analysis (2025)

This mechanism changes the paradigm from simply paying for results (piece-rate) to rewarding the time, effort, and capital invested by gig workers.

3.1.1. Labor Wage Component: Ensuring Parity with the Formal Sector

The first pillar of the Gig Economy Sectoral Minimum Wage formula is the recognition that the time dedicated by gig workers to work should be valued on an equal footing with workers in the formal sector. Therefore, the Labor Wage Component must be determined based on the applicable Provincial/Regency Minimum Wage standards. The calculation mechanism is to divide the monthly Province/Regency Minimum Wage by the number of standard effective hours of work in a month (generally 173 hours for 40 hours of work per week).

$$\text{Labor Wage Component / Hours} = \text{Monthly Province/Regency Minimum Wage} / 173 \text{ Hours}$$

Figure 2. Formula Labor Wage Component
Source: Results of Researcher Analysis (2025)

For example, with the Minimum Wage of DKI Jakarta Province/Regency in 2025 of IDR 5,396,761, the Hourly Labor Wage Component is around IDR 31,195. The determination of the Labor Wage Component based on the Province/Regency Minimum Wage has three strong juridical and social justifications. First, it meets the principles of social justice and non-discrimination, ensuring that workers in the new sector do not receive wages below the minimum eligibility standards that the state has set. Second, it functions as a social safety net that protects gig workers from extreme income fluctuations that often occur due to algorithm changes or quiet market demand. Third, it implicitly acknowledges that the time that gig workers spend under the control of the platform (while actively working on orders) is legitimate working time and should be compensated appropriately, in line with court rulings in various countries affirming the status of gig workers (Reed et al., 2021).

3.1.2. Operational Cost Component: Internalizing Negative Externalities

One of the most fundamental forms of exploitation in the gig economy business model is the practice of cost externalization, in which risks and costs that should be the responsibility of the company are transferred entirely to gig workers (Weil, 2014). In which, gig workers bear the burden of fuel costs, credit/data packages, routine vehicle maintenance (oil change, service), vehicle insurance, to the cost of amortization or depreciation of the value of their vehicle. Ignoring these costs

in wage calculations is tantamount to legitimizing “hidden subsidies” from the pockets of gig workers to the platform's profitability (Dubal, 2016).

To correct this structural injustice, the Gig Economy Sectoral Minimum Wage formula should include realistically defined Operational Cost Components. The Operational Cost component cannot be generalized throughout Indonesia, but must be determined at the provincial or even district/city level to reflect the difference in fuel prices and living costs. The Wage Board, through an independent survey involving gig worker associations, must set a standard of operating costs per kilometer.

For example, a feasibility study found that the average total operating cost for a motorcycle in a big city is IDR 500 per kilometer. If in one active hour a driver travels an average distance of 10 kilometers, then the Operational Cost Component for that hour is IDR 5,000. This component should be added on top of the Labor Wage Component. Thus, the platform can no longer claim to have paid a living wage if the income the worker receives is not even enough to cover the operational costs they incur. The obligation to include the Operating Cost Component in the minimum wage formula is the recognition that the gig worker vehicle is the primary means of production in the platform business, and the costs associated with such means of production must be taken into account.

3.1.3. Waiting Time Compensation: Valuing Standby Time as Work Time

A unique characteristic of gig work is that there is a significant period where workers are online and ready to take on a job, but are not on their way to deliver passengers or goods. This period, known as standby time, is often not considered working time by the platform, so it is not compensated. Whereas, during the waiting time, gig workers are under the indirect control of the platform. Where, they are not completely free to do other activities because they have to be on standby to respond to order notifications, and their position is constantly tracked by the platform's GPS system (Prassl, 2018). Research in different countries shows that wait times can reach 25% to 40% of a worker's total online time, which is a very significant portion of time (Mas & Pallais, 2016).

$$\text{Waiting Time Compensation} / \text{Active Hours} = 25\% \times \text{Labor Wage Component/Hours}$$

Figure 3. Formula Waiting Time Compensation

Source: Results of Researcher Analysis (2025)

Ignoring waiting times means effectively cutting the real hourly wages that workers receive. For this reason, the Gig Economy Sectoral Minimum Wage formula must include Waiting Time Compensation. Where, Waiting Time Compensation can be formulated as a percentage of the Labor Wage Component. Based on existing studies, the 25% figure can be a fair starting point for negotiations in the Wage Board. Using the previous example of the DKI Jakarta Province/Regency Minimum Wage, the Waiting Time Compensation will be $25\% \times \text{IDR } 31,195 = \text{IDR } 7,798$. By adding this component, the Gig Economy Sectoral Minimum Wage formula holistically recognizes the entire spectrum of time that workers dedicate to the platform, not just productive time alone.

3.1.4. Implementation Mechanism: Commission Upper Limits and Algorithmic Transparency

A good minimum wage formula would be useless without a strong implementation and oversight mechanism. There are two key mechanisms that must accompany the implementation of the Gig Economy Sectoral Minimum Wage:

a. Setting the cap on commission

To prevent platforms from simply charging gig workers higher wage costs through higher commission cuts, the government should set a legal upper limit on commissions, such as a maximum of 20% of the total rate paid by consumers. This practice has been proven effective in various cities in the United States to protect workers' net income (Patel, 2022).

b. Algorithmic transparency obligations

Platforms should be legally required to provide workers with transparent details regarding their revenue calculations on a daily basis. These details should include total active hours, total kilometers traveled, bonus details, and total deductions. Without this transparency, the practice of “algorithmic wage theft”, in which workers cannot verify whether they are being paid according to the rules, will continue to be rampant (Dubal, 2016). The employment supervisory authority should be given the mandate and technical capacity to conduct periodic audits of this data.

By combining the Gig Economy's comprehensive Sectoral Minimum Wage formula with robust implementation mechanisms, states can effectively intervene to correct power imbalances and ensure that jobs in the digital age are decent, fair, and humane work.

3.2. Inclusive and Proportionate Social Security Model for Gig Workers

If a decent wage is at the heart of fairness for gig workers, then social security is the backbone that sustains their survival. Jobs as an online driver have inherent and high risks, especially the risk of traffic accidents that can lead to disability or death, as well as the risk of losing income due to illness. However, under the current “partnership” scheme, these workers are thrown into the abyss of vulnerability, fully bearing the financial impact of the disaster that befalls them. The absence of this social safety net is not only an individual problem, but a systemic failure and neglect of the country's constitutional mandate to provide social security for all its citizens (Bachtar et al., 2020).

The employment social security system in Indonesia, administered by Employment Social Security Administration, currently has two main schemes that have both proven ineffective in protecting gig workers (Annazah et al., 2024). The Wage Recipient Scheme cannot be implemented because the platform company expressly refuses to acknowledge the existence of an employment relationship. On the other hand, the Non-Wage Earner scheme, which is theoretically available to them, puts the entire burden, both administrative (self-registration) and financial (payment of full dues), on the shoulders of gig workers. As a result, the participation rate of gig workers in the Non-Wage Earner scheme is very low (Laratmase et al., 2025). This is due to a combination of fluctuating income, the complexity of the registration process and monthly payments, and a low awareness of the importance of long-term protection.

To overcome this fundamental failure, a regulatory breakthrough is needed that creates a protection scheme designed specifically for the reality of gig work, namely a mandatory, proportional,

and digitally integrated model. The model proposed in this study is the Tripartite Social Security Scheme for Economic Dependency-Based Employment Relationships (Proposal for a Directive of The European Parliament and of the Council on Improving Working Conditions in Platform Work, 2021).

3.2.1. Burden Proportionality: Tripartite Contribution Scheme

Given the nature of hybrid employment relationships that place gig workers between the status of workers and self-employed entrepreneurs, charging the entire cost of social security to one party is an unfair and unrealistic act. Therefore, the most proportional model.

a. Platform Responsibility (Contribution: 50%)

As the entity that designs the system, controls the work through algorithms, and becomes the largest economic beneficiary, the platform has a primary responsibility. The 50% contribution is not a form of philanthropy, but rather a juridical recognition of their role as “digital employers” or entities that are closest to an employer figure (Aloisi & De Stefano, 2022). This model is a form of internalization of social costs that has been externalized to workers and society. This obligation is in line with a global trend where regulators are increasingly demanding platforms to contribute to the social protection of their workers (International Labour Office, 2021b).

b. Gig Worker Participation (Contribution: 30%)

Workers' involvement in paying some of the dues is important to foster a sense of ownership of their social security program. It is also a recognition of the element of autonomy and flexibility they enjoy, which sets them apart from traditional full-time workers. However, the percentage of contributions should be set at an affordable level (e.g., 30%) so as not to burden their already fluctuating income (International Labour Office, 2021a).

c. Role of the State (Subsidies: 20%)

State intervention in the form of subsidies is crucial and justifiable from two perspectives. First, in recognition of economic contributions. The gig economy sector absorbs millions of workers and contributes significantly to the Gross Domestic Product (Izza et al., 2024). Contribution subsidies are a form of state reinvestment to maintain the sustainability and stability of this workforce. Second, as a fulfillment of the constitutional mandate. The state has the ultimate responsibility to ensure that every citizen gets social security. Providing subsidies for vulnerable groups of workers such as gig workers is a tangible manifestation of the state's presence in protecting its citizens (Wahyudi et al., 2024).

3.2.2. Inclusivity and Ease of Administration: The Key to Success Through Full Digital Integration

Even the fairest contribution scheme design will fail if the administrative process is complicated. The key to ensuring inclusivity and a high level of compliance is to eliminate all bureaucratic barriers through full digital integration between the platform system and the Employment Social Security Administration system. This mechanism will transform social security from a burdensome administrative task into an automated feature inherent in every work transaction.

a. Automatic Enrollment on Onboarding

The protection process begins from the first second a person becomes a gig worker. When an individual registers and is accepted as a partner on a platform, their data (such as NIK and full

name) must be automatically sent by the platform system to the Employment Social Security Administration system through the Application Programming Interface (API). Employment Social Security Administration then automatically creates a membership number. This mechanism completely eliminates the self-registration process that has been a major obstacle (International Social Security Association, 2022).

b. Micro-contribution deduction per transaction (micro-contribution)

The monthly contribution payment model is not suitable for workers with daily income. Instead, workers' dues (amounting to 30% of the total) must be automatically deducted by a very small amount from each transaction they complete. For example, if the total monthly contribution is estimated at IDR 36,800 (for Work Accident Insurance & Death Insurance), then the gig workers' share is around IDR 11,040. If an average worker completes 250 orders per month, then the deduction per order is only around IDR 44. This “micro-contribution” model is psychologically much more acceptable and less burdensome than having to pay a large sum of money at the end of the month (International Social Security Association, 2025a).

c. Monthly Deposits Aggregated by Platform

At the end of each period (for example, at the end of each month), the platform's system automatically calculates the total dues to be paid. This calculation includes a 50% share of the platform plus the total accumulated micro-dues that have been deducted from all their drivers over the course of a month. The platform then deposits this aggregated amount in one transaction to Employment Social Security Administration. The subsidy from the government (20%) can be distributed directly to Employment Social Security Administration based on data on the number of active participants reported by the platform (Bachtiar et al., 2020).

3.2.3. Program Focus: Prioritizing the Most Essential Safety Net

Given the high physical risks faced by gig workers on the streets, this mandatory scheme should prioritize two of the most essential and relevant social security programs as the main safety net (International Labour Office, 2012), including:

a. Work Accident Insurance

Providing comprehensive protection ranging from unlimited medical treatment costs according to medical needs, wage compensation during inability to work, to permanent disability compensation.

b. Death Insurance

Providing cash compensation to the heirs if the worker dies not due to a work accident.

Meanwhile, other social security programs such as Old Age Security and Retirement Security may be offered as voluntary (opt-in) programs. Workers can choose to enhance their coverage by authorizing the platform to deduct additional contributions from their income for these programs. This phased approach ensures that the most urgent safeguards can be implemented immediately without incurring an undue cost burden upfront (Packard et al., 2019). By adopting this digitally integrated tripartite model, Indonesia can make a big leap in modernizing its social security system. This model not only provides much-needed protections for millions of vulnerable workers, but it also sets an important precedent that in the digital age, technological innovation and social justice must go hand in hand (Huda et al., 2023).

3.3. Flexible Rest and Leave Rights Mechanism Through Portable Benefits Fund for Gig Workers

One of the most fundamental aspects of decent work is the right to rest. This right, which is universally recognized (Universal Declaration of Human Rights, 1948), It is not just a luxury, but a biological and psychological necessity that is essential for physical recovery, mental health, and long-term productivity. However, in today's gig economy architecture, the right to rest has effectively been eliminated. The narrative of “flexibility”, the ability to work at any time, also implicitly means the freedom not to receive income at any time. For gig workers, every hour spent resting, recovering from illness, or taking care of family is an hour without earnings. This “flexibility”, in the absence of a financial safety net, turns into a constant pressure to keep working (hustle culture), which ultimately leads to extreme burnout, deteriorated health, and an increased risk of road accidents (Neufeind et al., 2018).

Implementing traditional leave mechanisms, such as the 12-day annual leave entitlement stipulated in Law Number 13 of 2003 concerning Manpower, has proven to be impractical and irrelevant to the gig work model (Annazah et al., 2024). The untethered nature of the job, erratic hours of work, and per-transaction based income make conventional leave schemes impossible to administer. Therefore, an institutional breakthrough is needed that is able to reconcile the need for flexibility with the fundamental right to rest. The solution proposed in this study is the creation of the Portable Benefits Fund, a system inspired by the concept of portable benefits that is now at the center of policy debates in various developed countries (Harris & Krueger, 2015).

A Portable Benefits Fund is a personal savings account tied to individual workers, not to the platform company. This account is funded by a mandatory contribution from the platform and can be accessed by workers to compensate for lost income during periods of non-work. This model intelligently transforms the concept of “paid leave” into a flexible, portable, and pro-rated financial safety net system.

3.3.1. Fundraising Mechanism: Proportional Mandatory Contribution of the Platform

The foundation of the Portable Benefits Fund is a consistent and sustainable flow of funds. This source of funds should not be charged to workers through wage cuts, as it will only reduce the income of those who are already vulnerable. Instead, the source of funds must come from the mandatory contribution paid by the platform company. This contribution should be viewed not as an additional expense, but as part of the normal operating costs (cost of doing business), just like marketing or technology development costs. This is a form of recognition that the health and well-being of the workforce is an investment, not an externality that can be ignored (Weil, 2014). The contribution mechanism should be designed to be fair and proportionate to work activities (Libby Reder et al., 2019):

a. Contribution Basis

Contributions are calculated as a percentage of the total gross value of each transaction completed by a gig worker, before being deducted commission by the platform. Assigning contributions based on transaction value ensures that the more workers contribute to the platform's revenue, the greater the benefit fund that accumulates for them.

b. Percentage Quantity

The percentage amount must be determined through government regulations after going through social dialogue with stakeholders. As a starting point, the figure of 3% to 5% of the transaction value can be a realistic reference. This figure is significant enough to build adequate funds for workers, but small enough not to drastically disrupt the platform's business model.

c. Automatic Deposit Process

To ensure compliance and efficiency, the deposit process must be digitally integrated. For each completed transaction, the platform's system automatically calculates the amount of the contribution (e.g., 3% of the rate) and sets it aside. Periodically (for example, at the end of each month), the platform deposits the total accumulated contributions of all its workers into each worker's Portable Benefits Fund account.

3.3.2. Fund Administration: The Central Role of a Trusted Third Party

To guarantee neutrality, security, and portability, the Portable Benefits Fund should not be managed by the platform's own companies. These funds must be managed by a third party that is independent, trusted, and has strong institutional capacity. In the Indonesian context, the most logical institution to carry out this role is Employment Social Security Administration. Assigning Employment Social Security Administration as the administrator of the Portable Benefit Fund has several strategic advantages:

a. Leveraging Existing Infrastructure

Employment Social Security Administration already has technology infrastructure (such as the Jamsostek Mobile application), office network, and experience in managing very large trust funds (such as the Old Age Insurance fund). Creating a new institution from scratch would be time-consuming and inefficient.

b. Guaranteeing Public Trust

As a public legal entity supervised by the state, Employment Social Security Administration has a higher level of trust than private institutions. This is important to ensure gig workers feel their funds are safe (International Social Security Association, 2025b).

c. Achieving True Portability

If a worker works for multiple platforms at once (e.g., Gojek in the morning and Grab in the afternoon), both platforms will deposit contributions into one of the same Portable Benefit Fund accounts on behalf of that worker at Employment Social Security Administration. This portability is the most crucial feature of this model (Huda et al., 2023). If a worker decides to quit the gig economy, the funds that have accumulated remain his/her own, similar to the Old Age Security fund.

3.3.3. Disbursement Mechanism: Flexibility as Key

The advantage of the Portable Benefits Fund model is its flexibility in use. Workers have the autonomy to access their funds according to real needs, not based on rigid leave rules. The disbursement process should be designed to be easy, fast, and fully digital through an application managed by an administrator (e.g., Social Security Mobile) (Libby Reder et al., 2019). Some of the use scenarios that can be accommodated include:

a. Sick Leave

If workers fall ill and are unable to work, they can file a disbursement claim by attaching digital evidence, such as a doctor's certificate or a diagnosis result from a telemedicine app. The amount that can be disbursed can be based on their average daily income over a given period.

b. Annual Leave

Workers can plan for vacation time and apply for a disbursement of funds from their Portable Benefits Fund account to replace lost income during the vacation period.

c. Emergency Family Leave

For urgent needs such as caring for sick family members or dealing with disasters, workers can access their funds with a simplified verification process.

d. Maternity Leave

For female workers, the Portable Benefits Fund fund can serve as an important supplement to compensate for lost income during periods of maternity leave.

To maintain the sustainability of the funds and ensure their use as intended, some basic rules may apply, such as a minimum waiting period (e.g., after 3 months of work) before the first disbursement can be made, or the maximum limit of disbursements in a calendar year. By adopting the Portable Benefits Fund model, Indonesia will not only provide humane rest rights for millions of gig workers, but will also position itself as a leader in labor policy innovation in the digital era. This model elegantly proves that flexibility and protection are not two opposites, but two sides of the same coin in creating a fairer and more sustainable future of work (Seth D. Harris & Alan B. Krueger, 2015).

4. Conclusion and Recommendations

The main conclusion of this study is that the rigid binary employment legal framework (worker vs. self-employed) has been shown to fail to respond to the non-standard work realities mediated by digital platforms. Therefore, the fairest solution is the creation of a hybrid legal category, which in this study is termed as “Economic Dependency-Based Employment Relations”. This new category honestly acknowledges the duality of gig worker status. Where, gig workers are not true self-employed entrepreneurs because they are under algorithmic control and strong economic dependence, but also not traditional office workers because they have high work flexibility.

Under this new legal umbrella, the study has designed three mutually supportive technical regulatory pillars to guarantee the basic rights of gig workers. First, in terms of wages, the solution offered is the determination of the Gig Economy Sectoral Minimum Wage. Furthermore, the Gig Economy Sectoral Minimum Wage is not a dead number, but a dynamic formula that includes a labor wage component equivalent to the Provincial/Regency Minimum Wage, real operational cost compensation, and waiting time compensation. Reinforced with the platform's commission upper limit and algorithmic transparency obligations, this model ensures decent and fair revenue. Second, in the aspect of social security, the fully digitally integrated Tripartite Social Security Scheme model is the answer. By proportionally dividing the contribution burden between the platform (50%), workers (30%), and the country (20%) for the Work Accident Insurance and Death Insurance programs, and automating the registration and payment process, this model guarantees inclusive, mandatory, and

easy-to-administer coverage. Third, on the aspect of resting rights, the creation of a Portable Benefit Fund funded by the platform's mandatory contribution is the most relevant breakthrough. This model transforms leave rights into a flexible and portable financial safety net, allowing workers to rest and recuperate without having to lose their income completely. Collectively, these three pillars form a coherent regulatory blueprint. This is not a utopia, but rather a synthesis of global best practices that have been carefully adapted to Indonesia's institutional context. This design proves that labor protection and technological innovation are not two conflicting forces, but can be reconciled through smart policy design.

Based on the above conclusions, this study formulates policy recommendations aimed at stakeholders, especially the Government (Ministry of Manpower) and the House of Representatives. First, make limited changes to Law Number 13 of 2003 concerning Manpower. These changes should focus on adding a new chapter that specifically recognizes and regulates “Economic Dependency-Based Employment Relationships”. The content material that has been designed in this study can be used as an initial draft for academic manuscripts and draft laws. Second, forming a cross-sectoral working group. The government is advised to immediately form a working group consisting of representatives of relevant ministries (Manpower, Communication and Informatics, Transportation, Finance), academics, representatives of Employment Social Security Administration, digital platform associations, and gig workers' unions/driver associations. The task of this working group is to refine the technical details of the proposed models, in particular related to the Gig Economy Sectoral Minimum Wage formula and social security contribution schemes. Third, consider phased implementation. To mitigate potential shocks to the market, the implementation of this new regulation can be carried out in stages. The first phase can be focused on social security obligations (Work Accident Insurance & Death Insurance) and the establishment of the Portable Benefit Fund which has the highest urgency. The second phase can continue with the implementation of the Gig Economy Sectoral Minimum Wage formula after a more in-depth feasibility study on operational costs in each region has been completed. Fourth, making the issue of gig workers a priority in the national legislation agenda. Given that the number of affected workers has reached millions and growing, this issue can no longer be considered a fringe problem. The House of Representatives and the Government must place the revision of Law Number 13 of 2003 concerning Manpower to accommodate gig workers as one of the priorities in the National Legislation Program.

Ultimately, delaying legal reform means perpetuating unfair working conditions for Indonesia's most dynamic segment of the workforce. It is time for the state to be decisive to ensure that the future of work is a future that is not only technologically sophisticated, but also humanely noble.

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