
Ensuring Equity in Digital Labor Market: The Ministry of Manpower's Role in Expanding Social Protection for Gig Workers in Indonesia

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Abstract

The rapid growth of the gig economy in Indonesia has created extensive work flexibility, particularly through digital platforms such as ride-hailing, courier services, and freelance jobs. However, behind this flexibility lies serious challenges, including income insecurity, the absence of formal labor protections, and limited access to social security programs. These conditions raise critical questions regarding the state's role, particularly the Ministry of Manpower, in ensuring equity and social protection for gig workers. This study aims to analyze the Ministry of Manpower's contribution in expanding social protection coverage and addressing policy gaps. Using a descriptive qualitative approach, data were collected through analysis of policy documents, regulatory reviews, and interviews with gig workers. The interviewees include diverse gig workers from various sectors and representatives involved in policy implementation. The findings indicate that although initiatives exist to integrate gig workers into social security programs such as BPJS Ketenagakerjaan and BPJS Kesehatan, implementation remains limited. Constraining factors include the voluntary nature of enrollment, weak enforcement of regulations toward platform companies, and workers' low awareness of their rights to social protection. From a social justice perspective, the inability of the system to fully protect gig workers risks widening economic and social inequalities in the digital era. This study highlights the need for policy innovations, including mandatory contributions from digital platforms, subsidy schemes for low-income workers, and strengthened social protection literacy. Strengthening the Ministry of Manpower's role is essential to guarantee that Indonesia's digital labor market evolves inclusively, equitably, and sustainably.

Keywords: gig economy, ministry of manpower, social protection, equity, digital labor market.

1. Introduction

Digital transformation has fundamentally changed the global employment landscape, creating a rapidly growing gig economy phenomenon in various developing countries, including Indonesia. The growth of digital platforms such as online transportation services, couriers, and freelance work has opened up flexible job opportunities for millions of workers. Recent data shows that the gig workforce in Indonesia will reach a range of 430,000 to 2.3 million workers by 2024, most of whom work in the informal sector without adequate formal protections (Barus et al., 2023). This phenomenon reflects a shift in work patterns from traditional structured working relationships to a project-based work model that is temporary and uncertain.

While the gig economy offers attractive flexibility and accessibility, the reality on the ground suggests there are serious gaps in social protection for workers. Gig workers in Indonesia face a variety of structural challenges, including income insecurity, lack of guaranteed minimum wage, excessive working hours, and lack of access to social security programs. Research shows that only 8.1 percent of informal workers, including online transport drivers, have work accident insurance, while only 5.8 percent are covered by health insurance (Silaban et al., 2023). This condition is exacerbated by the classification of gig workers as partners or independent contractors, rather than as employees, resulting in them not getting workers' rights as stipulated in the Labor Law (Indra & Nawangsari, 2025). This ambiguity in the status of employment creates a gray zone within legal protection, where workers lose access to the minimum wage, paid time off, and social security that should be their basic rights.

From a social justice perspective, this situation raises critical questions about the role of the state in protecting workers' rights in the digital age. The Ministry of Manpower as an institution responsible for employment policy and supervision has a strategic role in ensuring that the growth of the digital economy does not create new inequalities. Recent research indicates that there is a significant gap between existing policies and implementation on the ground, especially in terms of the integration of gig workers into social security programs such as BPJS Ketenagakerjaan and BPJS Kesehatan (Setiawan, 2025). Although initiatives to expand social security coverage have been launched, the voluntary nature of enrollment, weak regulatory enforcement of platform companies, and low awareness of workers regarding their rights are major obstacles to achieving the goal of inclusive social protection.

The global context also shows the urgency of developing a social protection framework that is adaptive to changes in work patterns. The G20 has agreed on priorities to ensure strong, resilient and sustainable social protection for all workers, including those working in the gig economy and digital platforms (Uchiyama et al., 2022). The G20 policy principles emphasize the need to consider the expansion of contributory schemes to self-employed workers whose activities are organized or coordinated by employers or digital platforms. Indonesia, as a member of the G20, is committed to aligning its national policies with these international standards, but implementation at the practical level still faces various structural and institutional constraints.

This study aims to analyze in depth the contribution of the Ministry of Manpower in expanding the scope of social protection and addressing existing policy gaps. Using a descriptive qualitative approach, this study collected data through policy document analysis, regulatory review, and interviews with gig workers from various sectors and parties involved in policy implementation. A comprehensive understanding of the challenges and barriers faced in the protection of gig workers will provide a foundation for the formulation of more effective policy innovations.

The formulation of this research problem includes: first, how is the role of the Ministry of Manpower in expanding access to social protection for gig workers in Indonesia; second, what are the structural and institutional barriers that hinder the effective implementation of social security programs for gig workers; and third, what policy innovations are needed to ensure fairness and sustainability in the digital labor market. These questions are important to answer given the ever-increasing number of

gig workers and the potential risk of worsening economic and social inequality if the protection system is not strengthened.

The purpose of this study is to identify and analyze the policies that have been implemented by the Ministry of Manpower, evaluate the effectiveness of existing social protection programs, and formulate policy recommendations that can improve the fairness and inclusivity of the digital labor market. This research also aims to make an academic contribution to the literature on worker protection in the era of the platform economy, especially in the context of developing countries where the informal sector still dominates the employment structure. The findings from this study are expected to be a reference for policymakers in designing social protection strategies that are more responsive to the dynamics of the digital labor market.

The urgency of this research is even higher considering Indonesia's ambitious digital economy growth projections, with a target to become one of the world's five largest economies by 2045 (Muhyiddin, 2024). To achieve this vision, a labor market that is not only productive but also fair and sustainable is needed. Strengthening the role of the Ministry of Manpower in providing social protection for gig workers is an essential step to ensure that digital transformation does not leave vulnerable groups of workers behind. Thus, this research seeks to bridge the gap between social justice theory and labor policy practice in the digital era, as well as provide practical solutions that can be applied to create a more inclusive and equitable work ecosystem.

2. Research method

2.1. Research Approach

This study uses a descriptive qualitative approach designed to analyze in depth the role of the Ministry of Manpower in expanding the scope of social protection for gig workers in Indonesia. The qualitative approach was chosen because of its ability to explore contextual understanding and explore the complexity of social phenomena related to the implementation of labor policies in the digital economy era. The descriptive method allows researchers to describe in detail the actual conditions, structural barriers, and gaps between existing policies and practice in the field without manipulating research variables (Scott, 2022).

2.2. Data Collection Techniques

Data collection in this study was carried out through three main techniques that complemented each other to ensure the validity and depth of the findings. First, the analysis of policy documents is carried out by systematically examining various regulations, government regulations, and programs issued by the Ministry of Manpower related to social protection of gig workers. The documents studied include the Manpower Law, ministerial regulations, technical guidelines for the BPJS Ketenagakerjaan and BPJS Kesehatan programs for informal workers, as well as evaluation reports on the implementation of the program. Second, the regulatory review is carried out by analyzing the conformity between national laws and regulations and international worker protection standards, especially the recommendations of the International Labour Organization regarding social protection

for platform workers and the gig economy. Third, in-depth interviews were conducted with gig workers from various sectors such as online transportation, courier services, and digital freelancers to capture their first-hand experiences regarding access to social protection.

2.3. Informant Selection and Data Triangulation

The research informants were selected purposively by considering the diversity of characteristics to obtain a comprehensive perspective. The criteria for selecting informants include the variety of gig work sectors, duration of work experience, geographic location, and involvement in social security programs. In addition to gig workers, the study also involved parties involved in policy implementation, including representatives from the Ministry of Manpower, BPJS managers, and other stakeholders who have a strategic role in the social protection system. This multi-perspective approach is important to understand the dynamics of policy implementation from various perspectives. Data triangulation is carried out by comparing findings from document analysis, interview results, and field observations to ensure the credibility and confirmability of research results. Triangulation techniques are essential in qualitative research to minimize researcher bias and improve the internal validity of findings through cross-verification of different data sources and collection methods (Natow, 2019).

2.4. Data Analysis Techniques

Data analysis is carried out using thematic analysis techniques that allow the identification of patterns, themes, and categories that emerge from the data. The analysis process begins with a familiarization stage with all the data collected, followed by initial coding to identify units of meaning that are relevant to the research question. The identified codes are then grouped into broader themes that reflect key issues related to the role of the Ministry of Manpower, barriers to the implementation of social protection programs, and existing policy gaps. Each theme is analyzed in depth by linking empirical findings with the conceptual framework of social justice and worker protection theory in the digital economy era. To ensure rigor in qualitative analysis, this study applies a peer review strategy, where findings and interpretations are discussed with other researchers who have expertise in the field of labor policy and qualitative methods, so as to reduce the potential for subjective bias in data interpretation and strengthen the dependability of research results.

3. Results and Discussion

3.1 Ministry of Manpower's Policy in Expanding Social Protection for Gig Workers

The findings of the study indicate that the Ministry of Manpower has initiated various policies to integrate gig workers into the national social protection system, but their implementation still faces significant structural barriers. Analysis of policy documents shows that social protection efforts are focused on expanding the participation of the BPJS Ketenagakerjaan and BPJS Kesehatan programs with independent contribution schemes. This approach places the responsibility for social protection predominantly on the workers themselves, without acknowledging the complexity of labor relations in the platform economy. Interviews with online transportation workers and couriers show that the majority are aware of the existence of social security programs, but participation is hampered by economic limitations and fluctuating income uncertainty (Ishaq et al., 2021). The fundamental problem

identified is the ambiguity of the legal status of gig workers within the framework of labor regulations. The Ministry of Manpower has not provided definitive clarification regarding the classification of digital platform workers, creating a legal gray zone that is detrimental to workers. This ambiguity reinforces the dominant position of corporations through algorithmic regulation that is not transparent (Iqbal et al., 2025). Policy innovations that have been pursued include facilitating collective registration through partnerships with workers' associations, but their effectiveness is limited because they do not touch the root of structural problems. Field data shows that the participation rate of gig workers in the BPJS program is still very low, with an estimate that only about ten percent are actively registered, due not only to economic factors but also to the lack of literacy regarding the long-term benefits and complexity of administrative procedures.

3.2 Structural Barriers and Gaps in Social Security Program Implementation

The in-depth analysis identified three categories of interrelated structural barriers in the implementation of social security programs for gig workers. First, regulatory barriers stem from the inconsistency between conventional labor regulations and the work reality of flexible and algorithm-based digital platforms (Pugu et al., 2025). Second, institutional barriers are related to policy fragmentation and limited inter-agency coordination that cause inconsistencies in program implementation. Third, socio-economic barriers include the limited financial capacity of workers to pay regular dues and low collective awareness of the importance of social protection. Weak regulatory enforcement capacity is a crucial issue, where there are no effective sanctions that can be imposed on digital platforms that do not facilitate workers' access to social security programs. This creates a significant power asymmetry, although gig workers use social networks to increase their bargaining power through information sharing and collective action (Pilatti et al., 2024). The findings of the study show that the ojol workers' association has become an important forum for the articulation of collective interests, which can be used as a representation of workers' voices in policy dialogues (Tobing, 2024). Significant gaps were also identified between the rhetoric of inclusive policies and the reality of implementation that marginalized gig workers. Digital platform business models tend to transfer operational risks to workers while accumulating economic benefits asymmetrically, exacerbating the precarious conditions experienced by workers (Ferdiandra et al., 2024).

3.3 The Impact of Limited Social Protection on Workers' Welfare

Limited access to social protection has multidimensional consequences for the well-being of gig workers, including aspects of physical and mental health, economic stability, and social cohesion. In the health dimension, the interview findings revealed that gig workers experience high levels of stress due to income uncertainty and pressure to meet targets under fierce competition conditions. Long and irregular working hours lead to chronic physical fatigue and increase the risk of work accidents. The absence of health insurance forces many workers to postpone preventive health care, which increases the cost of treatment and worsens long-term health conditions. Research shows that self-employed workers show significantly lower average levels of health than permanent workers, indicating that job insecurity and precariousness outweigh the benefits gained from flexibility (Blázquez et al., 2024). In the economic dimension, the absence of comprehensive social protection leaves gig workers vulnerable to economic shocks and lack a safety net when facing emergency situations. The inability

to save consistently due to fluctuating incomes causes many workers to be trapped in a cycle of poverty, where they have to work intensively just to meet basic needs without being able to build assets for the future. In the social dimension, the limitations of social protection contribute to social fragmentation and the weakening of collective solidarity. The individualistic and competitive work model promoted by digital platforms creates a situation where workers compete with each other for orders, reducing the possibility of forming solidarity to fight for improved working conditions.

3.4 Policy Innovation for Inclusive Social Protection in the Platform Economy

Based on the analysis of policy gaps and the impact of limited social protections, the study identifies several policy innovations needed to ensure the fairness and sustainability of Indonesia's digital labor market. First, the reformulation of the employment regulatory framework to accommodate the work reality of digital platforms through the recognition of hybrid legal status that provides substantive protections without eliminating the flexibility of the gig economy. The reformulation can adopt a more substantive employment relationship test model, by expanding the definition of the three elements of the employment relationship, namely employment, wages, and orders (Tobing, 2024). Second, the implementation of a joint contribution scheme between workers, platforms, and the state in financing social security programs. This tripartite model distributes the financing burden more equitably by taking into account the economic capacity of each party and recognising the platform's contribution to the creation of economic value from gig worker work. Third, the development of a comprehensive social protection literacy program to increase the awareness of gig workers regarding their rights, the benefits of social security programs, and service access procedures. This program needs to be designed with a participatory approach that involves the working community and uses accessible media. Fourth, strengthening the supervision and enforcement mechanisms of digital platforms using technology-based systems to ensure their compliance with worker protection standards (Ferdiantra et al., 2024). Fifth, the establishment of a social dialogue forum involving representation of gig workers, platform companies, governments, and academics to formulate solutions in a participatory manner. Despite the exponential growth of gig workers in Indonesia, attention to the comprehensive legal interaction between labor law and the digital economy system is still minimal (Sudirman & Disemadi, 2023). The implementation of these policy innovations requires strong political commitment, adequate resource allocation, and multi-stakeholder collaboration to create an inclusive, equitable, and sustainable digital work ecosystem for all gig workers in Indonesia.

4. Conclusion and Recommendations

The study revealed that although the Ministry of Manpower has initiated various policies to expand the scope of social protection for gig workers, its implementation still faces fundamental structural barriers. The ambiguity of the legal status of digital platform workers, weak regulatory enforcement of platform companies, and the voluntaristic nature of social security programs have created a significant gap between the rhetoric of inclusive policies and the reality of the protections workers receive. The absence of a mandatory contribution mechanism from digital platforms causes the burden of social protection to be borne disproportionately by workers who face income uncertainty and job security. This condition has a multidimensional impact on the welfare of gig workers, including deterioration of physical and mental health, economic vulnerability to financial shocks, and

fragmentation of collective solidarity. The findings of the study indicate the urgency of reformulating an adaptive and contextual labor regulatory framework, the implementation of tripartite financing schemes in social security programs, strengthening workers' rights literacy, and the establishment of technology-based monitoring mechanisms to ensure platform compliance with worker protection standards. Policy recommendations include recognition of the hybrid legal status of digital workers, the determination of platform contributory obligations based on the proportion of transaction value, the development of targeted subsidies for low-income workers, and the strengthening of social dialogue forums involving authentic representation of gig workers in the policy formulation process. The implementation of these recommendations requires comprehensive political commitment and multi-stakeholder collaboration to ensure the digital transformation of Indonesia's labor market takes place in an inclusive, equitable, and sustainable manner.

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