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The Dynamics of Employment Relationships Between Gig Workers and Platform Entrepreneurs Based on Manpower and Transportation Regulations

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Abstract

The employment relationship between gig workers and platform entrepreneurs in Indonesia has become a debateable issue. The absence of a clear definition of this relationship has resulted in differing perceptions regarding the rights and obligations of the parties involved. Gig workers' rights and obligations are regulated under both manpower regulations and transportation regulations, which in turn create uncertainty regarding their employment status. This legal ambiguity leads to limited protection for gig workers, as there is no definitive framework that ensures legal certainty for all parties. The purpose of the research is to map the status of the employment relationship and the implications of the rights and obligations of the parties based on that status. The theory used is legal certainty and the welfare state. The research method is empirical juridical with an abductive research strategy based on thematic data analysis. The data sources are primary data and secondary data. Primary data was obtained through interviews with the purposive sampling system to representatives of gig workers in Greater Jakarta. Furthermore, secondary data were obtained from primary legal materials, secondary legal materials and tertiary legal materials. The results of the study illustrate the mapping that the relationship status of gig workers is defined in two statuses, namely as partners (or workers under manpower regulation) and as employees. Most of the gig worker define that status of the gig workers' employment relationship is a partner. Furthermore, the rights and obligations based on the status of the employment relationship as a partner are subject to the regulation of the Minister of Transportation and Manpower in the manpower regulations, and for employees are fully subject to manpower regulations.

Keywords: gig worker, employment relationship, Manpower Regulation, partnership.

1. Introduction

The Internet and smartphones have driven the world into a new industrial era based on the service economy, which has had a significant impact on employment. The emergence of application-based digital platforms such as online transportation services, goods delivery, and on-demand daily services has signed a new era in the employment system, we also known as the gig economy. The gig economy era refers to a flexible work based on short-term tasks (gigs). Workers involved in this system are called gig workers, which include online motorcycle drivers, courier services, food delivery online,

and various other on-demand services. The growth of the gig economy has strengthened due to changes in people's lifestyles, the development of information technology, and the need for efficiency in the transportation and logistics sectors (N R Izzati and M M G Sesunan, 2022).

In this system, workers are no longer sign as permanent employees, but rather partners who work flexibly by relying on digital platforms as intermediaries with consumers. This partnership employment relationship model based offers flexible work hours and varied income opportunities (Muhyiddin1, Annazah, Tobing, Habibi, Fauziyah, and Harsiwi, 2024). However, this development has also given rise to its own dynamics in employment relations. The flexibility of this employment relationship model presents several legal issues related to worker classification, protection of normative rights, social security, occupational safety, and the responsibility of platform companies as employers. In Indonesia, the relationship between digital platforms and gig workers remains ambivalent, falling within a gray area between employment relationships and partnership arrangements. Platform companies tend to classify their workers as partners who work independently, rather than as permanent employees subject to the provisions of the Labor Law. This situation creates legal uncertainty and the potential for violations of labor rights.

The new concept of employment relation that now we call partnership in the gig economy creates ambiguity in the categorization of employment relationships. Should gig workers be classified as employee or workers? Conceptually and historically, these two terms had a different definition and legal implications. Employee is a broader term that encompasses various forms of employment relations, both formal and informal, including individuals who work independently but remain economically dependent on a single hiring party (N Kountouris, 2018). Meanwhile, worker refers to individuals who perform physical or manual labor, whose employment relationship begins with the existence of a contract or employment agreement between the company as employer and the worker.

In practice, this “partnership” often veils the inequality of bargaining power between parties, in which the platform still controls pricing, job allocation, and performance monitoring. This legal loophole limits workers' ability to obtain basic rights such as health protection, accident benefits, or overtime pay (L M Katiyatiya and N Lubis, 2025). Although freelance work offers flexibility and autonomy, in reality many workers face income instability, lack of social security, and dependency on platform algorithms.

Based on constitutional rights as stated in Article 27 paragraph (2) of the 1945 Constitution, it is affirmed that every citizen has the right to employment and a decent standard of living. Meanwhile, Article 28D paragraph (2) guarantees that every person shall receive fair treatment in employment relations. When gig workers are placed in an unclear definition of legal status, there is potential for violations of these constitutional rights. This normative should serve as a basis for the state to provide a proportional legal protection framework for gig workers.

Currently in Indonesia, the government, through the Ministry of Manpower, has issued general guidelines regarding a good partnership arrangements, but these guidelines do not yet have the force of law equivalent to an act of legislation. In addition to being subject to labor regulations, gig workers—particularly online drivers—are also governed by transportation regulations provide by

minister of transportation. However, transportation regulations do not talk about employment aspects, but rather focus on operational aspects of transportation services. Gig workers in the transportation sector face the risk of traffic accidents, which legally give rise to administrative and civil liabilities. Ideally, transportation regulations should serve as a protective framework for them, yet only a limited number of rules currently regulate safety standards, fare structures, and application compliance. Transportation regulations do not provide detailed provisions regarding the employment relationship between drivers and platform companies. This situation creates a vacuum of responsibility when work-related to accidents caused by work.

Ultimately, the gig economy has created a significant reconfiguration in industrial relations (J S Kurian and N Bindu Madhavi, 2024). Whereas employment relationships were previously hierarchical and formal, they have now become digital, flexible, and algorithm-based. This development raises fundamental questions regarding how to classify the definition of employment relationship between gig workers and platform companies—whether they should be defined as a employee or as workers. Defining the status of this employment relationship will provide direction regarding the rights and obligations that arise for each party. Given the complexity of the issue, there is a need for stronger regulation that accommodates the flexibility of the gig economy while ensuring legal protection for gig workers. The government must formulate policies that adapt to digital developments, harmonize labor and transportation regulations, and ensure a balanced industrial relationship between workers and platform companies. Effective regulation will create legal certainty, improve worker welfare, and support sustainable and equitable growth of the digital economy.

Based on the description above, the study of the dynamics of employment relationships between gig workers and platform companies from the perspective of labor and transportation regulations becomes both relevant and urgent. This analysis is not only academically significant, but is also necessary to provide recommendations for the reform of national law in the digital era. Therefore, this research is expected to provide a comprehensive overview of the employment status of gig workers, the responsibilities of platform operators, and the role of the government in providing protection and legal certainty for the parties involved in Indonesia's gig economy ecosystem.

2. Research method

This research is an empirical juridical legal study, which not only examines legal norms contained in texts, but also analyzes how the law operates in social practice. Empirical legal research utilizes evidence collected through observation or real-life experience, and such evidence is examined in detail and numerically (Waluyo, B., 2002). Empirical legal research relies on evidence gathered through observation or actual experience, which is studied extensively and quantitatively. This study aims to understand the employment status of drivers operating on digital platforms.

This research implement an abductive research approach based in thematic data analysis, integrating empirical findings with a flexible theoretical framework. The approach is utilized to bridge the gap between established labor law theories and the emerging reality of digital employment relationships structured through partnership systems, by identifying novel patterns or explanatory

models for phenomena not adequately captured by existing doctrine (A Perulli, 2020). Through this process, the researcher creatively formulates new hypotheses to reconcile theoretical assumptions with field observations. Such an approach is particularly valuable when prevailing theories fail to sufficiently account for empirical data, particularly within qualitative research that is exploratory and context-sensitive. Abductive thematic analysis is instrumental in providing an in-depth understanding of the lived experiences of online transportation drivers. By iteratively moving between theoretical constructs and empirical evidence, the researcher is able to uncover latent themes such as algorithmic uncertainty, performance pressures, and the absence of long-term protective mechanisms (F Khurshid et al., 2025).

The data used in this research consist of primary and secondary sources. The primary data were obtained through interviews conducted using purposive sampling with representatives of gig workers in the Greater Jakarta (Jabodetabek) area. Interviews based on purposive sampling serve as the main approach in qualitative research, allowing the researcher to comprehensively explore the participants' subjective experiences and the construction of individual meanings within specific social contexts.

Furthermore, secondary data were obtained through a normative review of primary, secondary, and tertiary legal materials. The primary legal materials employed in this study consist of all statutory and regulatory provisions related to employment relations, transportation regulation, and the governance of the gig economy. In addition to primary legal sources, this research also utilizes secondary legal materials to provide explanation, analysis, and conceptual support. These secondary materials include academic literature such as scholarly journals, books, and scientific articles, as well as doctrinal writings and expert theories addressing employment relations within the digital economy and gig economy framework.

To complement and refine the analysis, this study also draws upon tertiary legal materials, which serve to offer guidance, clarification, and additional understanding of both primary and secondary legal sources. These tertiary materials are generally non-legal in nature and are intended to facilitate contextual interpretation, provide relevant definitions, and support comprehensive analytical framing.

3. Result and Discussion

3.1. Employment Relationship as the Basis for Legal Certainty for Gig Workers

Manpower regulations in Regulation Number 3/2003 about manpower as amended by regulation number 6/2023, define the object of employment in two categories. The first is defined as employee, and the second define as worker. These two categories are distinguished based on the type of employment relationship formed and the type of employment agreement applied. Another distinction lies in the legal protections attached to each category. This categorization affects an individual's status within the employment sector as well as the rights and obligations that arise. Employee reflects the capacity or potential to work, whereas worker reflects an actual, concrete employment relationship. A precise understanding of these terms is crucial for determining rights, obligations, and state protection

within Indonesia's labor system. This definition is particularly important as it delineates the responsibilities of the parties involved in employment relations.

3.1.1. The Employment Relationship Between Gig Workers and Platform Companies Defined as Manpower

Based on interviews conducted with several online drivers in the Jabodetabek area, it is currently known that the working relationship between online drivers, couriers, delivery riders, and similar platform-based workers and digital platforms is generally defined within a partnership agreement. The application of the partnership contract concept refers to Article 1 paragraph (15) of Law No. 20 of 2008 concerning Micro, Small, and Medium Enterprises, which recognizes partnership forms among business actors. The contractual instrument utilized by platform companies is therefore referred to as a partnership agreement. According to the respondents, this partnership agreement does not constitute an employment relationship. Consequently, respondents acknowledge that drivers are not formally categorized as workers or laborers, but rather fall within a broader classification of manpower or as they known as employee.

Respondents further indicated that they understood the concept of a partnership agreement prior to joining as drivers. They are also aware of the rights and obligations arising from such partnership arrangements. Nonetheless, respondents still choose to participate as online drivers because the partnership concept provides a greater degree of freedom and flexibility in work. Online drivers are able to freely determine their working hours and may enter into partnership agreements with more than one platform company simultaneously. This partnership arrangement also offers leniency regarding age limitations and competency certification requirements. These aspects provide significant advantages for online drivers, many of whom are no longer within the productive working-age bracket.

In addition to the perceived conveniences derived from this partnership agreement, respondents also expressed complaints toward the platform companies as partners within this contractual relationship. Respondents felt that the partnership arrangement is not entirely genuine, as their position is not regarded as equal. The cooperation agreement is drafted unilaterally by the platform company, leaving gig workers with no bargaining power. Moreover, platform companies maintain the authority to issue work instructions through their control over the application's operational features. This indicates that, despite being labeled as partners, gig workers remain subject to managerial directives embedded within the digital management system.

3.1.2 The employment relationship between gig workers and platform companies is defined as an worker

Interview findings also reveal that some respondents, namely online drivers, believe that this working relationship should be structured through an employment contract that legally defines drivers as worker. Respondents indicated that, in practice, the partnership concept does not operate as originally intended and has generated polemics among online drivers themselves. Several respondents felt that the working system applied by platform companies treats drivers as worker, yet without providing them with the rights typically afforded to workers.

Although relatively few in number, some respondents expressed readiness to comply with all the requirements prescribed under manpower regulations in order for the partnership mechanism to be converted into an employment agreement. These respondents argue that the existing partnership agreement poses a potential risk of creating a new form of digital-era exploitation.

3.1.3 Analysis of the Employment Relationship Between Gig Workers and Platform Companies

Article 1, point 2 of the manpower regulation states that employee refers to every person who capable of performing work to produce goods and/or services, either to meet personal needs or for society. The employee has a broad scope, encompassing all individuals capable of performing work to generate goods and/or services to satisfy personal or societal needs. This definition includes those who are currently employed, seeking employment, or individuals with the potential to work but not yet employed (Mellyana Chandra La Ode Aziz Na'ima, Rezka Amrullahb, Aswandic, 2023). Consequently, the concept of employee is understood as productive human resources within the labor market, without the requirement of being bound by a specific employment relationship. It can also include informal workers performing tasks without a formal employment agreement.

Meanwhile, under the manpower regulation law, a worker is defined as any individual who performs work in exchange for wages or other forms of compensation and is bound by an employment relationship with an employer. This status applies exclusively to those who fulfill the essential elements of work, directives, and remuneration as stipulated by the law. Consequently, workers are entitled to a set of normative rights, including occupational safety and health protections, social security benefits, minimum wages, regulated working hours, leave entitlements, and safeguards against arbitrary termination of employment.

From this distinction, it is evident that workers constitute a subset of the broader employee, yet not all members of the employee are qualified as workers. Employee represents potential manpower that may not necessarily receive manpower protection by regulation, whereas worker operate within an industrial relationship that generates rights and obligations for both parties. This conceptual separation provides the state with a foundation for designing labor market policies, establishing protection standards, and defining the boundaries of intervention in business activities that employ human resources. The distinction also becomes particularly significant in the context of the digital economy and the gig economy, where a segment of the workforce operates through digital platforms but has not yet been fully recognized as workers under the law or regulation.

Employment relationships are governed by manpower regulations. Article 1, point 15 of Undang-undang No. 13/2003 on Manpower defines an employment relationship as the relationship between an employer and a worker based on an employment agreement, which comprises the elements of work, instruction, and remuneration. This provision emphasizes that an employment relationship arises from a legally valid employment agreement between the employer and the worker (Williams Oey, 2024). From this regulation, it can be understood that an employment relationship does not arise automatically, but must be grounded in a lawful and mutually agreed contract. The employment agreement serves as the basis for the rights and obligations of both parties and constitutes the gateway to legal certainty regarding the fundamental rights of workers.

In legal practice, an employment relationship is distinguished from other legal relationships by three essential elements. These elements are: (1) the existence of work, (2) the presence of instruction or direction from the employer, and (3) the provision of remuneration (Ikmatussuniah, 2016). Importantly, these elements are cumulative, meaning that the absence of any one element precludes the classification of the relationship as an employment relationship. This framework provides a clear and objective basis for determining whether a legal relationship qualifies as employment, ensuring predictability and legal certainty for both workers and employers (Ideta Eka Saputra and Bagus Sarnawa, 2022).

The relationship established between platform companies and gig workers, specifically online drivers, essentially meets only two of these elements: the existence of work and the provision of remuneration in the form of fares determined by the platform company. However, it does not fulfill the element of “instruction” directly. Online drivers have the freedom to determine their working hours, accept or reject orders, and are not bound by fixed schedules. Therefore, under formal legal principles, online drivers cannot be categorized as workers within this employment relationship. In practice, however, several online drivers interviewed stated that platform companies exercise control through application algorithms, such as setting fares, allocating orders, establishing ranking ratings, imposing automatic sanctions (e.g., suspension or termination of partnership), and evaluating performance metrics (e.g., cancellation rates, acceptance rates). These actions by platform companies are perceived by online drivers as covert instructions.

Currently, the relationship established between platform companies and online drivers is considered a partnership. The employment relationship between online drivers and the company is formalized through a Partnership Agreement between the Digital Platform and the Driver Partners, which is executed in writing during the driver’s account registration within the company’s application. Drivers mostly had problem with this system. They faced lack bargaining power, as the contract is unilaterally drafted by the company, similar to an employment contract rather than a genuine partnership agreement. This partnership-based working relationship is perceived as impure by the respondents. Respondents define a genuine partnership as one that operates on a business-to-business basis, involves service transactions with pre-negotiated tariffs, and in which business risks are borne by each party individually. In contrast, the current partnership arrangement has tariffs set entirely by the platform without driver involvement, and all risks are fully assumed by the online drivers or couriers.

Consider to legal certainty theory, the law must provide clarity, orderliness, and justice for legal subjects as well as the legal relationships that occur within society. Legal certainty requires that the rights and obligations of each party do not remain in a gray area that could result in unclear legal protection. In the context of gig workers, the ambiguity regarding whether they are categorized as employees or business partners has created normative uncertainty, which impacts manpower protection, social security, occupational safety, and industrial relations. Without a clear normative definition of employment relationship, gig workers are at risk of being denied fundamental labor rights, such as minimum wage, social security protection, leave entitlements, or protection against unilateral termination of employment.

From the perspective of legal certainty theory according to Hans Kelsen, the law must be Clear, hierarchical, and systematic so that it can regulate societal behavior in a predictable behavior (Kelsen, Hans, 1967). Legal certainty is an essential aspect in ensuring the stability of industrial relations. Without clear recognition of the employment relationship, gig workers face limitations in accessing dispute resolution mechanisms, occupational accident protection, and fair remuneration standards. This situation places them in a legally and economically vulnerable position. Therefore, clarity regarding the employment relationship between gig workers and platform companies should serve as the basis for formulating a proportionate regulatory framework. If gig workers are not granted a clear status, an imbalance arises between corporate interests and workers' rights, thereby undermining both justice and public welfare.

Furthermore, from the perspective of legal certainty, the ambiguous employment relationship status of gig workers makes dispute resolution become difficult, as there is no normative basis to determine the forum, procedures, or entitlement to compensation. As a result, legal protection becomes reactive and case-specific rather than systemic. This contradicts the principle of *lex certa*, which requires clear rules that do not give rise to divergent interpretations. Ultimately, clarifying the status of gig workers within labor regulations is crucial to ensure the predictability of employment relationships, provide protection against digital exploitation, and establish certainty in the enforcement of labor norms in the platform economy era. Without a definitive juridical definition, gig workers will continue to exist in a legal gray zone, resulting in social vulnerability and an imbalance in industrial relationship.

In the context of Indonesian manpower regulations, the employment relationship status of gig workers can fundamentally be categorized into two types of employment relationships. This classification can be operationalized by fulfilling the specific requirements of each employment relationship type. The first type is defined gig worker as worker, established through an employment agreement, which entails clear rights and obligations in accordance with labor law protections. The second type is defined as an employee, established through a partnership agreement, where the parties operate under a business-to-business framework with negotiated terms and shared responsibilities. Clarifying these distinctions is essential to uphold legal certainty, ensure predictable industrial relations, and provide appropriate protections for gig workers, thereby reducing their exposure to social and economic vulnerabilities inherent in the platform economy.

The findings based on interview data reveal, gig workers mostly engage working relationships with platform companies in partnership relation. These partnerships are established through agreements offered by the platforms as a prerequisite for account activation within the digital application. The partnership system in practice provides flexibility in work schedules, which is considered beneficial for drivers who maintain agreements with multiple platform companies. However, this flexibility exists alongside limited legal protections. Strict employment regulations—such as age limits, formal education requirements, and other binding company rules—are perceived as restrictive and disadvantageous by some online drivers. While the partnership model offers operational convenience, it also underscores the need for a regulatory framework that balances work flexibility

with the provision of basic labor protections, ensuring that gig workers are not left vulnerable to exploitation in the platform economy.

3.2. Implication of the Employment Relationship on the Rights and Obligations of the Parties

The employment relationship between gig workers and platform companies has significant implications for the rights and obligations of both parties. Defining the status of employment relationship of gig workers is highly urgent. This status determination provides clarity regarding the rights and obligations arising for the parties involved. It also establishes the boundaries of responsibility for each party when occupational risks or work-related liabilities occur.

3.2.1 The Rights and Obligations of the Parties in Employment Relationships: A Comparative Perspective Defining Gig Workers as Employee and as Worker

Primary data collected by the author through interviews indicates several rights and obligations currently exercised by the parties. Since the employment relationship between platform companies and online drivers is defined as a partnership, no formal employment relationship exists. Respondents explained that the rights and obligations of both parties are based on the clauses stipulated in the partnership agreement, which must be accepted prior to the activation of a driver's account by the platform company.

The rights and obligations of platform companies, as demonstrated through the interviews, include authority over the operation of the digital application, such as the regulation of transportation services, the implementation of performance rating systems, and the establishment of service standards for partners. Meanwhile, the rights and obligations of drivers, according to respondents, include the freedom to determine their active working hours, transparency in income calculation, and the right to occupational safety and security protections, which are financially borne by the online drivers themselves.

At present, based on the interview results, no one online driver has been formally classified under an employment relationship as an worker. However, several respondents expressed the expectation that, should future regulations permit such classification, the rights and obligations of the parties should be adjusted in accordance with existing manpower regulation.

3.2.2. Analysis of the Implications of the Employment Relationship on the Rights and Obligations of the Parties

In the theory of the welfare state, the state assumes a central and proactive role in ensuring the well-being of its citizens, encompassing both social and economic protection for all members of society. Under this framework, the state's function extends beyond merely maintaining public order, often characterized as the "night watchman" role, to actively regulating and balancing social relationships, particularly those between workers and employers (V. Hadiyono, 2020). This active role implies that the state must intervene to correct imbalances, protect vulnerable groups, and ensure equitable access to social and economic rights. In the context of employment relationship, this perspective underscores that the state cannot remain passive or neutral in response to evolving

employment relationship models, including the emergence of platform-based work such as gig worker. Gig workers occupy a unique and often ambiguous position within the labor market, which creates gaps in legal recognition, social protection, and labor rights. Consequently, clarifying the legal status of gig workers becomes not only a matter of regulatory formalism but also an essential mechanism for safeguarding fundamental social rights. By formally recognizing gig workers, the state can ensure their access to key protections, including employment social security schemes, occupational accident coverage, healthcare benefits, and minimum income guarantees.

Failure to establish clear status recognition within manpower regulations leaves gig workers at risk of exclusion from social protection mechanisms. This legal and social ambiguity exposes them to economic vulnerability and potential exploitation by platform companies operating under the digital economy model. Therefore, defining gig workers' status is indispensable for upholding the welfare state principle, as it allows the state to fulfill its responsibility to protect citizens, maintain social equity, and regulate labor relations in a manner that balances corporate interests with workers' rights. In this sense, the welfare state functions not merely as a passive observer but as an active guarantor of justice, predictability, and security within contemporary labor relations.

According to this theory, the labor market is not always capable of regulating employment relationships fairly due to power imbalances between digital platforms and individual workers. Therefore, the state must intervene through clear regulations to ensure that the fundamental rights of gig workers are not determined solely by partnership agreements that favor corporate interests. From the welfare state perspective, establishing the legal status of gig workers within labor regulations is not merely an administrative formality but a state responsibility to prevent labor exploitation, ensure social security for vulnerable workers, reduce bargaining power disparities in employment relationships, and uphold social justice as mandated by the constitution. Without clear regulation, the state fails to fulfill its mandate to guarantee the welfare of its citizens, leaving gig workers in a legal gray zone that exposes them to economic and legal uncertainties.

Based on the current regulatory framework, gig workers can be encompassed under two distinct sets of regulations. The first comprises manpower regulation, which primarily focus on the fundamental aspects of employment relationships, including rights, obligations, remuneration, social security, and occupational protections. And the other regulation is a transportation regulation, that focused on technical regulation. These regulation are designed to ensure that workers are treated fairly and that their basic labor rights are safeguarded. The second set includes regulations related to partnerships and operational guidelines, which govern the technical aspects of work in the field, such as service delivery standards, operational procedures, and the terms of engagement between platform companies and driver partners. While these two regulatory frameworks address different dimensions of gig work, they are complementary in nature. Manpower regulations provide a foundational layer of legal protection, establishing minimum standards for workers' rights and welfare. Meanwhile, partnership and operational regulations provide practical guidance and enforceable standards that structure the working relationship in the context of platform-based services. Together, these frameworks can contribute to a more comprehensive system of protection for gig workers, particularly

online drivers, by combining normative legal safeguards with operational clarity, thereby reducing uncertainty and vulnerability in the rapidly evolving platform economy.

Gig workers who classify their employment relationship with a platform company as that of an worker must establish their work through a formal employment agreement, rather than a partnership contract. By doing so, the essential elements of an employment relationship namely, the existence of work, directives, and remuneration are formally recognized and fulfilled. Consequently, the rights and obligations of both parties are governed by general manpower regulations, which outline the fundamental entitlements and responsibilities of employees. Under this framework, gig workers operating through an employment agreement are fully covered by manpower regulation. These include entitlement to minimum wage, regulated work schedules, statutory age requirements, and exclusive engagement with a single platform company. Compensation is determined in accordance with labor regulations, ensuring that pay is not arbitrarily set by platform policies. This legal structure not only provides predictability and fairness in the employment relationship but also protects gig workers from exploitation and economic uncertainty, aligning with the principles of legal certainty and the welfare state by guaranteeing access to basic labor rights and social protections.

Conversely, gig workers classified as employees are those who initiate their work through a partnership agreement. Under this status of employment relationship, their rights and obligations are covered by two complementary sets of regulations: manpower regulation and transportation specific regulations. In terms of the general employment relationship, manpower regulation provisions apply, ensuring baseline protections and obligations. However, technical and operational aspects, including occupational safety and fieldwork procedures, are regulated under transportation specific regulations.

For example, Ministry of Transportation Regulation No. 12 of 2019 on the “Protection of Motorcycle Users for Public Service Purposes” establishes guidelines for the safety of drivers engaged in public service activities. Furthermore, Ministry of Transportation Regulation No. 45 of 2020 concerning the “Operation of Special Rental Transport Services” regulates the relationship between drivers and platform operators with respect to licensing requirements, fare structures, responsibilities of online transportation application providers, and technical work procedures in the field. Together, these regulations create a dual-layered framework that balances labor rights with operational and safety standards, providing gig workers with structured protections while maintaining flexibility inherent in the partnership model (Sitanggang, B. Pahala J, 2022).

The Ministry of Transportation regulates operational aspects, fare structures, and minimum safety standards for gig workers engaged in platform-based transportation services. These regulations provide occupational safety protections for partnership relation of gig workers, setting out specific requirements for motorcycles used in public service operations, as well as guidelines for safety equipment and other attributes necessary to support online drivers in performing their duties. Nevertheless, the effectiveness of these safety measures depends on proper enforcement and oversight to ensure that both drivers and platform companies adhere to the prescribed standards. While fare regulations establish operational and economic parameters, they do not comprehensively address broader worker protections or the overall welfare of drivers. This indicates a partial regulatory framework in which occupational safety is emphasized, but holistic worker welfare including income

security, social protections, and labor rights remains underregulated, highlighting the need for integrated policy measures that balance safety, fair compensation, and worker rights within the platform economy.

4. Conclusion and Recommendations

The employment relationship of gig workers represents a fundamental and pressing issue that demands clear legal definition. This definitional clarity is critical because it directly determines the rights and obligations arising within the employment relationship. Without a precise legal status, gig workers remain in a state of ambiguity, which affects their access to labor protections, social security, fair remuneration, and occupational safety measures. The absence of clear status not only exposes gig workers to potential exploitation but also undermines the predictability and stability of labor relations within the platform economy. From the perspective of legal certainty and the welfare state, defining the status of gig workers is essential for establishing a regulatory framework that balances the interests of platform companies with the protection of workers, ensuring that fundamental labor rights and social welfare obligations are effectively upheld. Clear definition recognition thus serves as the foundation for equitable and sustainable industrial relations in the rapidly evolving digital work environment.

Currently regulatory framework in Indonesia, the employment relationship of gig workers can be define into two distinct categories. First, an employment relationship established through a formal employment agreement is defined as that of an worker. This status entails full coverage under manpower regulation, including statutory rights to minimum wage, regulated working hours, social security benefits, occupational safety protections, and exclusive engagement with a single platform company. All obligations and entitlements are governed by labor regulations, ensuring predictable and enforceable protections for the worker. Second, employment relationship formed based on a partnership agreement is defined as that of a employee. In this arrangement, gig workers operate under a business-to-business framework, where operational terms, fare structures, and technical work procedures are primarily regulated by transportation or sector-specific regulations. While general labor law provisions may still apply to certain baseline aspects, technical and safety standards are determined by regulatory guidelines specific to the partnership context. This dual-status framework allows for differentiation in rights and obligations according to the nature of the work agreement, but it also highlights the need for clear regulatory guidance to ensure that gig workers receive adequate protections and that the responsibilities of platform companies are clearly defined.

For gig workers who define as worker, their rights and obligations are fully covered by manpower regulations. This ensures that they receive statutory protections such as minimum wage, regulated working hours, social security benefits, occupational safety measures, and legal safeguards against unilateral termination. The employment agreement establishes a clear framework that defines both the entitlements of the worker and the obligations of the platform company, providing predictability and legal certainty in the employment relationship. In contrast, gig workers defined as employee operate under a dual-regulatory framework, where their rights and obligations are protected by both manpower regulations and transportation specific regulations. While labor regulations provide baseline protections related to work and remuneration, transportation regulations govern technical and

operational aspects, including safety standards, fare structures, licensing requirements, and fieldwork procedures. This dual system aims to balance the operational flexibility inherent in partnership agreements with essential worker protections, but it also highlights the complexity of ensuring comprehensive legal coverage. Effective enforcement of both regulatory layers is critical to safeguarding gig workers' welfare, maintaining occupational safety, and clarifying the responsibilities of platform companies within the rapidly evolving platform economy.

This situation presents a significant opportunity for legal reform in Indonesia. As societal lifestyles and economic patterns evolve, new social challenges emerge, particularly in the real of employment relationship within the platform economy. The limited protection afforded to gig workers is largely attributable to the absence of a clear and definitive legal definition of their employment relationship. Without such recognition, gig workers remain in a legal gray zone, vulnerable to exploitation, income insecurity, and lack of access to basic labor protections. There is, therefore, an urgent need to establish a new and more comprehensive definition of employment relationships that reflects the realities of contemporary industry practices. Such a framework should not only clarify the rights and obligations of gig workers and platform companies but also integrate mechanisms for social protection, occupational safety, and fair remuneration. From a welfare state and legal certainty perspective, the formal recognition of employment relationships is far more than an administrative procedure; it constitutes a vital legal instrument to safeguard gig workers against uncertainty and vulnerability. By codifying clear employment standards, the state can ensure equitable labor relations, reduce power imbalances between platforms and gig workers, and uphold social justice in line with constitutional mandates. Legal reform in this domain thus represents both a necessary adaptation to technological and economic change and an opportunity to strengthen the protection and welfare of the workforce in the platform economy.

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