

Research/ Review

Analysis of Digital Employment Contracts on Gig Economy Platforms: Between Flexibility and Exploitation

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Abstract: This research examines the legal framework governing digital employment contracts on gig economy platforms, with particular focus on the tension between operational flexibility and worker protection within the Indonesian legal context. The study employs comparative legal analysis methodology, examining Indonesia's regulatory approach against international frameworks including the European Union's Platform Work Directive (2024), California's AB5 legislation, France's flexicurity model, and Spain's Rider Law. The research analyzes the employment status classification challenges faced by approximately 2.5 million Indonesian gig workers who operate within a legal gray area between traditional employment and genuine self-employment. The investigation reveals that Indonesia's current regulatory framework lacks comprehensive provisions addressing platform-mediated work relationships, creating significant legal ambiguity regarding worker rights and protections. Through comparative analysis, the study demonstrates that jurisdictions implementing presumption-based employment tests, such as California's ABC test, have successfully reduced misclassification by reversing the burden of proof onto hiring entities. The research identifies that the absence of clear classification criteria in Indonesian law undermines constitutional principles of social justice and equal protection as enshrined in Articles 27(2) and 28D(2) of the 1945 Constitution. The study concludes that Indonesia requires adaptive legislation that establishes rebuttable presumptions of employment for platform workers while maintaining appropriate flexibility for genuine entrepreneurial activities. The primary legal insight reveals that effective regulatory frameworks must incorporate algorithmic transparency requirements, collective bargaining mechanisms, and social security provisions. The research recommends implementing a presumption-based classification system similar to the ABC test, coupled with mandatory platform engagement with elected worker representatives on tariffs and working conditions, thereby ensuring fundamental labor protections without stifling technological innovation.

Keywords: Digital employment contracts; Gig economy regulation; Platform worker classification; Comparative labor law; Algorithmic management.

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1. Introduction

The pervasive influence of digital transformation has fundamentally altered the landscape of employment relations across multiple sectors, catalyzing the emergence of novel work arrangements that challenge traditional legal frameworks [1]. Among the most significant developments is the proliferation of digital platform-based work systems, commonly referred to as the gig economy, which has redefined the nature of employment relationships through technological mediation [2]. This paradigm shift represents a fundamental departure from conventional employment structures, characterized by flexible, digitally-mediated contractual arrangements that eschew long-term commitments in favor of task-based, on-demand work patterns [3].

The gig economy encompasses a diverse array of digital platforms including transportation services such as Gojek and Grab, food delivery platforms like ShopeeFood, and freelance marketplaces that collectively serve millions of informal workers. These platforms operate through sophisticated algorithmic management systems that facilitate the matching of service providers with consumers, creating what scholars have termed "triangular relationships" between workers, platforms, and clients [3]. However, this technological intermediation has

generated significant legal ambiguity regarding the employment status of platform workers, who frequently lack access to the normative rights traditionally afforded under conventional labor law frameworks [4].

The economic significance of this phenomenon is substantial and rapidly expanding. According to Business Research Insights, the global gig economy market is projected to reach USD 1.847 trillion by 2032, representing a three-fold increase from the 2024 valuation of USD 561.245 billion [5]. This exponential growth reflects the increasing integration of digital platforms into labor markets worldwide, with estimates suggesting that the gig economy encompasses over 52% of the global workforce in some capacity [5]. In the Indonesian context, the scale of gig economy participation is particularly noteworthy, with research indicating that approximately 2.5 million workers were engaged in platform-based work as of 2019, a figure that continues to expand as digital infrastructure develops [6].

Despite the purported advantages of flexibility and autonomy associated with gig work, emerging scholarship reveals a more complex reality characterized by what researchers have termed "disguised employment relationships" [7]. The flexibility ostensibly offered by these platforms frequently masks forms of concealed exploitation, wherein workers are denied fundamental labor protections while remaining subject to algorithmic control and performance monitoring [8]. This paradox manifests in the systematic misclassification of workers as "partners" or "independent contractors" rather than employees, effectively excluding them from the protective ambit of traditional labor legislation [9].

The legal implications of this classification scheme are profound, particularly within the Indonesian regulatory framework. Current labor legislation, including Law No. 13 of 2003 on Manpower and the Job Creation Law, fails to adequately address the unique characteristics of platform-mediated work relationships [10]. Consequently, gig workers find themselves in a legal vacuum, lacking access to social security, minimum wage guarantees, and protection against unilateral termination of service agreements. This regulatory gap has generated significant scholarly attention, with researchers arguing that the absence of clear legal frameworks undermines both worker welfare and the broader objectives of labor law, namely justice, legal certainty, and expediency.

The phenomenon of algorithmic management further complicates these relationships, as digital platforms increasingly rely on automated systems to assign tasks, monitor performance, and enforce compliance [11]. This technological mediation disperses traditional managerial authority while simultaneously enabling unprecedented levels of worker surveillance and control [12]. European scholarship has identified this as a fundamental challenge to existing labor law frameworks, which were designed with human supervisors and traditional workplace hierarchies in mind [13].

Contemporary legal scholarship has begun to address these challenges through various theoretical frameworks, including the concept of "dependent self-employment" as articulated by the International Labour Organization. This intermediate category recognizes that gig workers occupy a legal gray area between traditional employment and genuine self-employment, requiring novel regulatory approaches that can accommodate the unique characteristics of platform-mediated work [1]. Comparative analysis reveals that jurisdictions such as the United Kingdom have begun to develop more nuanced legal frameworks that recognize the employment-like characteristics of platform work, while maintaining appropriate flexibility for genuine entrepreneurial activity.

The regulatory response to these challenges has been uneven globally. The European Union's Platform Work Directive represents a pioneering attempt to address the misclassification of platform workers through the establishment of legal presumptions of employment status [14]. Similarly, countries such as Mexico and Singapore have recently enacted comprehensive legislation specifically addressing platform work, demonstrating the growing recognition of the need for adaptive legal frameworks [14][15]. However, the implementation of such reforms remains complex, requiring careful balancing of worker protection with the preservation of legitimate business flexibility [16].

Despite a growing body of literature on platform work, existing studies have yet to interrogate how digital employment contracts on gig economy platforms simultaneously enable worker autonomy and perpetuate contractual asymmetries that may facilitate exploitation. This article addresses that gap by examining the core problem of how standardized, algorithmically mediated contract terms obscure fundamental power imbalances between platforms and independent contractors. We hypothesize that (1) gig platforms' digital contracts prioritize platform interests through non-negotiable clauses that limit workers' ability to challenge unilateral

modifications, and (2) such contractual designs disproportionately affect low-skill workers, exacerbating precarity. To test these propositions, we ask: What contractual provisions most significantly constrain worker agency? How do platform design choices influence the balance between flexibility and exploitation? We select three representative platforms Gojek, Grab, and Upwork because they exemplify distinct regulatory environments, service models, and user demographics, thereby providing a nuanced comparative framework for assessing how differing contractual architectures shape gig workers' legal rights and practical autonomy.

Given the magnitude of these challenges and the limited scholarly attention devoted to the Indonesian context, there exists a pressing need for comprehensive analysis of how digital employment contracts function within gig economy platforms. This inquiry must critically examine the tension between the flexibility that defines gig work and the potential for exploitation that emerges from inadequate legal protection [17]. Furthermore, such analysis must consider how existing regulatory frameworks might be adapted to ensure both fair treatment of workers and the preservation of innovation within the digital economy [18].

The significance of this research extends beyond academic inquiry to encompass fundamental questions of social justice and economic policy. As the gig economy continues to expand, the development of appropriate legal frameworks becomes increasingly urgent to prevent the emergence of a dual labor market characterized by protected traditional employees and vulnerable platform workers. The challenge lies in developing regulatory approaches that can respond to the dynamic nature of digital platforms while ensuring that technological innovation does not come at the expense of worker welfare and fundamental labor rights [19].

This analysis contributes to the growing body of scholarship examining the intersection of technology, employment law, and social protection in the digital age. By focusing specifically on the Indonesian context while drawing on international comparative experiences, this research aims to provide insights that can inform the development of more equitable and adaptive regulatory frameworks for the gig economy.

2. Literature Review

The scholarly literature on digital employment contracts in the gig economy converges on four main themes: the nature and scope of platform-based work, legal classification and protections, algorithmic management, and regulatory responses.

2.1. Nature and Scope of Platform-Based Work

Digital transformation has given rise to on-demand work mediated by online platforms, often described as *gig work*, *digital platform employment*, or *dependent self-employment*. Gig work comprises short-term, task-based engagements without guarantee of steady work, while digital platform employment emphasizes platforms' control over task allocation and performance monitoring. Dependent self-employment denotes a grey zone wherein workers lack independence yet are classified as independent contractors [20]. Bibliometric analysis of 84 Scopus-indexed articles (2017–2024) identifies “algorithmic management,” “worker rights,” and “regulatory frameworks” as pivotal research clusters, highlighting the multidisciplinary interest in gig work across labour economics, organizational studies, and policy analysis [21].

2.2. Legal Classification and Protections

A central issue is the misclassification of gig workers as “partners” or independent contractors, which excludes them from labour protections such as minimum wage, social security, and unfair dismissal safeguards. Normative labour laws (e.g., Indonesia's Law No. 13/2003 and the Job Creation Law) do not clearly encompass digital employment contracts, creating legal ambiguity and worker vulnerability [1]. Comparative scholarship introduces the concept of *dependent self-employment* to capture this intermediate status, arguing for its recognition within labour law to extend basic protections [22].

2.3. Algorithmic Management

Platforms exercise control through automated systems that assign tasks, monitor performance, and enforce compliance, effectively functioning as “shadow employers.” Algorithmic management intensifies precarity by obscuring decision-making criteria and limiting workers' ability to contest adverse outcomes. Empirical studies reveal that algorithmic control correlates with reduced transparency, heightened surveillance, and intensified competition among workers for limited gigs [2].

2.4. Regulatory Responses

Global regulatory approaches fall into three categories: (a) amending existing labour laws to include platform workers, (b) introducing standalone legislation, and (c) clarifying employment status through legal presumptions or third-category classifications.

- The European Union's Platform Work Directive (2024) establishes a rebuttable presumption of employment for platform workers and extends digital rights such as data portability and human-review requirements for automated decisions to all persons performing platform work, regardless of classification [23].
- In Indonesia, no comprehensive regulatory framework yet addresses platform-mediated work, though scholarly proposals advocate for adaptive legislation that balances flexibility with fundamental protections [24].
- The World Bank's policy brief synthesizes 23 reforms across 20 jurisdictions, noting that most high-income countries focus on location-based platforms and emphasize clarifying employment relationships and enforcing minimum wage standards [25].

The literature underscores the tension between the flexibility offered by digital employment contracts and the risk of concealed exploitation. Recognizing dependent self-employment within labour law, regulating algorithmic management, and establishing clear legal presumptions of employment emerge as key strategies. Future research should evaluate the effectiveness of recent reforms such as the EU Directive in practice and explore tailored regulatory models for developing economies.

3. Proposed Method

This study employs a normative-judicial approach, focusing on systematic analysis of statutory provisions, doctrinal writings, and relevant legal literature to assess the explicit recognition of digital employment contracts within Indonesian labour law [26]. It adopts a descriptive-analytical design, first mapping existing regulations (including the 1945 Constitution, Law No. 13 of 2003 on Manpower, and the Job Creation Law) and then comparing these statutory frameworks with observed platform practices. Data are drawn principally from secondary legal materials primary sources (legislation, legislative histories, court decisions), secondary sources (scholarly treatises, peer-reviewed articles indexed on Scopus), and tertiary sources (legal dictionaries) with primary data from semi-structured interviews and informal discussions serving to corroborate and contextualize findings when necessary [27]. Legal materials are collected via comprehensive library research, including Scopus-indexed journals, and subjected to doctrinal analysis through the IRAC model (issue, rule, application, conclusion) and interpretative techniques literal, systematic, historical, teleological, and comparative to discern normative gaps and propose adaptive regulatory measures [28]. Continuous cross-validation of doctrinal interpretations with stakeholder insights ensures both academic rigor and practical relevance.

This study employs a doctrinal legal analysis complemented by case comparison to explore the tensions between flexibility and exploitation in digital employment contracts on gig-economy platforms. The doctrinal component involves a systematic examination of statutory provisions, regulatory guidelines, and judicial decisions pertinent to digital labor contracts in Indonesia and comparative jurisdictions. Primary sources include legislation such as the Indonesian Manpower Law, ministerial regulations governing platform-based work, and leading court rulings addressing the legal status of gig workers. Secondary sources comprise peer-reviewed journal articles, policy reports by international organizations (e.g., ILO, OECD), and doctrinal commentaries. In the case-comparison phase, landmark cases from selected common-law and civil-law jurisdictions (for example, the UK's *Uber BV v. Aslam* decision and Indonesia's labor tribunal rulings on platform workers) are juxtaposed to identify divergent interpretative approaches and enforcement outcomes. The theoretical foundation draws on labor-law pluralism and theories of contract autonomy, which frame the analysis of how digital platforms negotiate power asymmetries and shape workers' rights. By integrating doctrinal scrutiny with cross-jurisdictional case comparisons, this methodology illuminates both the normative underpinnings and practical implications of digital employment contracts in the gig economy.

4. Results and Discussion

4.1 Legal Status of Gig Economy Workers in National and International Labour Law

In Indonesia, gig economy workers such as online motorcycle taxi drivers, couriers, and digital freelancers are commonly classified as “mitra” (partners) rather than “pekerja” (workers) under Law No. 13 of 2003 on Manpower. Article 1(2) defines a worker as “any person who works and receives wages or other remuneration from an employer.” Because platform-mediated tasks are governed by algorithmic assignment, performance evaluation, and unilateral account suspension, platforms evade normative obligations including social-security registration, minimum-wage compliance, and protection against unfair dismissal despite exercising de facto control over labour processes [1]. This misclassification creates a legal incongruity comparable to the ILO’s concept of disguised employment, where the formal contractual label conceals an underlying employment relationship to avoid legal obligations (ILO Recommendation No. 198, 2006).

Disguised employment arises when:

- the legal classification is manipulated (e.g., “partner” label) despite platform control over hours, tasks, and sanctions;
- protections and obligations such as minimum wage, social security (BPJS Kesehatan & Ketenagakerjaan), paid leave, and due-process for termination are systematically avoided; and
- workers labeled as independent contractors lack genuine autonomy, dependence on a single platform, and algorithmic performance monitoring (ILO Recommendation No. 198).

When the substantive realities direction, supervision, remuneration dependency meet the elements of formal employment under Article 1(15) of Law No. 13/2003 (work, orders, and wages), a platform relationship must, by law, be reclassified as employment. Industrial relation tribunals are empowered to override contractual labels and recognize substantive employment status, thereby restoring normative entitlements.

4.2 International Comparative Perspectives

Spain’s Rider Law presumes employment status for couriers when platforms exercise significant control over remuneration and working conditions. In *Glovo*, the Supreme Court held that algorithmic dispatch and performance monitoring constituted subordinate employment, mandating social-security contributions and labour rights despite civil-contract labels [10].

In France, gig workers remain self-employed but benefit from collective protections through *quasi-collective bargaining*. Platforms must provide occupational-accident insurance (medical costs, disability/death compensation, income-loss benefits) and engage elected worker representatives on rates, schedules, and health-safety measures. This *flexicurity* approach balances market flexibility with social security, ensuring minimum- wage, paid sick leave, and paid annual leave without altering legal status.

California’s AB5 (2020) codifies the *ABC test* control (A), integration into core business (B), and independent business operation (C) to classify independent contractors. Failing any prong triggers employee status, entitling workers to minimum wage, unemployment insurance, and collective-bargaining rights. Institutionalized this test, significantly reducing misclassification by reversing the burden of proof onto hiring entities.

4.3 Indonesian Labour Regulation and Digital Exploitation

Under Indonesia’s current framework (Law No. 13/2003; Job Creation Law No. 11/2020), gig workers fall outside the protective ambit because they lack formal employment elements. Exploitative practices include:

- no limits on working hours or mandated rest;
- unilateral algorithmic incentive-penalty schemes;
- voluntary-only social-security enrollment;
- arbitrary account suspension without legal remedy;
- prohibition of collective bargaining.

This regulatory lacuna contradicts constitutional principles of social justice (Article 27(2)) and equal protection (Article 28D(2)) of the 1945 Constitution. Without statutory mechanisms such as California’s ABC test or the UK’s multi-factor employment tests (e.g., *Aslam v. Uber BV*) Indonesian tribunals lack clear criteria to substantively reclassify platform partnerships as employment.

4.4 Model of an Equitable and Adaptive Digital Employment Contract

To reconcile flexibility with protection, an ideal digital employment contract should incorporate:

- **Legal Definition:** Introduce “digital platform worker” in the Manpower Law as “a natural person providing services via digital platforms for material compensation.”
- **Status-Classification Clause:** Embed an ABC-style test (control, business integration, entrepreneurial independence) to trigger automatic reclassification as employment if any criterion fails.
- **Minimum-Wage and Transparency Provisions:** Require public disclosure of fare structures, platform fees, and algorithmic calculation methods; enforce compliance with provincial/regency minimum wages, including algorithmic bonuses and allowances.
- **Social-Security Mandate:** Oblige platforms to register workers in BPJS Ketenagakerjaan (JKK, JKM, JHT) and BPJS Kesehatan; provide supplementary accident insurance.
- **Digital Dispute-Resolution Mechanism:** Establish a binding, expedited digital arbitration forum and automated compensation triggers for algorithmic errors.
- **Collective-Bargaining Rights:** Recognize digital-worker associations; mandate platform negotiation with elected representatives on tariffs and working conditions.
- **Core Contractual Principles:** Ensure openness (full data and algorithm disclosure), worker participation (co-design of platform rules), legal clarity (unambiguous clauses), responsiveness (periodic updates for technological changes), and equity (no diminishment of normative rights due to flexibility).

4.5 Theoretical Correlation with Contract Model

Rawls’s Justice as Fairness demands that the least advantaged platform workers lacking status, social security, and dismissal protections receive compensatory safeguards. A difference-principle-informed contract must embed social-security and minimum-wage clauses, collective-bargaining rights, and equitable dispute resolution.

Rahardjo’s Responsive Law posits that legal frameworks must adapt to social realities. Digital employment contracts must transcend formal labels and address power imbalances, legal uncertainty, and protection-mechanism gaps through substantive interpretative techniques (literal, systemic, historical, teleological, and comparative).

De Stefano’s Digital Casualization concept highlights the need for a third legal category for gig workers. The proposed model creates such a category while guaranteeing fundamental labour protections and imposing platform accountability, thus mitigating digital casualization and aligning with ILO standards on dependent self-employment and disguised employment.

References are drawn from studies on Indonesian gig-economy legal status, ILO Recommendation No. 198 on disguised employment, comparative analyses of Spain’s Rider Law, France’s flexicurity model, and California’s AB5 regime [1].

5. Discussion

This study critically examines the tension between flexibility and exploitation in digital employment contracts on gig-economy platforms, with a focus on the Indonesian context and comparative international frameworks. Three key themes emerge: (1) the misalignment of legal definitions and actual work relations, (2) the role of algorithmic management in exacerbating precarity, and (3) the necessity for adaptive regulatory models that reconcile innovation with worker protection.

5.1. Legal Classification Versus Reality

Despite statutory definitions under Indonesia’s Manpower Law (Law No. 13/2003) and the Job Creation Law (No. 11/2020), gig workers remain classified as “partners,” effectively excluding them from fundamental labour rights. This misclassification mirrors the ILO’s concept of disguised employment, wherein the façade of autonomous contracting conceals de facto subordinate relations (ILO Recommendation No. 198, 2006). Our findings corroborate Scopus-indexed research demonstrating that when platforms exercise control over task allocation, performance metrics, and sanctions, the autonomy of gig workers is largely illusory, warranting reclassification as employees.

Comparative case law from Spain (Rider Law, *Glovo* 2021) and California (AB5; *Dynamex* 2018) illustrates that presumption-based or ABC tests effectively reverse the burden of proof, compelling platforms to justify independent-contractor status. In contrast, Indonesia's regulatory framework lacks such presumptions, leaving tribunals without clear criteria to address misclassification. This gap undermines constitutional principles of social justice (Article 27(2)) and equal protection (Article 28D(2)) enshrined in the 1945 Constitution.

5.2. Algorithmic Management and Structural Exploitation

Algorithmic management characterized by dynamic pricing, unilateral penalties, and opaque performance algorithms intensifies gig workers' precarity. Identify a strong correlation between algorithmic opacity and worker stress, as automated systems impose unpredictable workloads and sanctions without human recourse. Our analysis confirms that algorithmic control substitutes traditional managerial oversight, yet provides fewer procedural safeguards, amplifying disguised employment's exploitative potential.

Furthermore, algorithmic decision-making impedes collective organization; anonymized ratings and individualized dashboards isolate workers, hindering solidarity. This technological fragmentation not only limits bargaining power but also entrenches power imbalances, revealing the insufficiency of formal contractual reforms alone.

5.3. Toward Adaptive Regulatory Frameworks

The literature converges on three strategies for reconciling flexibility with protection: (a) expanded legal definitions, (b) presumptive status tests, and (c) collaborative governance mechanisms. Our proposed model aligns with these strategies by introducing a third category "digital-platform worker" and embedding an ABC-style test to trigger automatic reclassification when control, integration, or independence criteria are unmet. This approach draws on California's AB5 and the EU's Platform Work Directive, which have demonstrated efficacy in reducing misclassification and extending labour protections.

Crucially, regulatory reforms must address algorithmic governance through mandates for transparency and worker participation in rule-making. The French *quasi-collective bargaining* model offers a viable template, coupling flexicurity with collective representation and mandatory occupational-accident insurance. Adapting such mechanisms to Indonesia may mitigate structural exploitation while preserving platform dynamism.

5.4. Theoretical Implications

Applying Rawls's difference principle, the model contract privileges the least advantaged platform workers lacking social security and wage guarantees by embedding affirmative protections such as minimum-wage floors, social-security contributions, and binding dispute-resolution forums. This resonates with Rahardjo's responsive-law theory, which advocates legal adaptability to emerging social realities, insisting that formal legal texts must yield to substantive justice in contexts of systemic power imbalance. Finally, De Stefano's concept of digital casualization underscores the need for a distinct legal category to capture gig work's ambiguity, justifying the creation of a tailored "third category" to secure core rights irrespective of traditional employment status.

5.5. Policy and Practice Recommendations

To operationalize these insights, policymakers should:

- Amend the Manpower Law to define "digital-platform worker" and incorporate an ABC test.
- Mandate algorithmic-transparency provisions and establish worker councils with co-regulatory powers over platform rules.
- Require platforms to register workers in BPJS Ketenagakerjaan and BPJS Kesehatan, supplemented by accident-insurance mandates.
- Introduce a digital arbitration mechanism and automatic compensation triggers for algorithmic errors.
- Promote social-dialogue platforms to facilitate quasi-collective bargaining aligned with the flexicurity model.

The gig-economy's rapid expansion demands legal frameworks that preserve its flexibility while safeguarding worker welfare. By integrating international best practices and grounded theoretical principles, the proposed adaptive contract model offers a pragmatic path

forward for Indonesia one that aligns technological innovation with the constitutional imperatives of social justice and equal protection.

Literature underpinning this discussion include studies on disguised employment, algorithmic management impacts, and comparative regulatory analyses from Spain, France, California, and the EU.

5.6. International Comparisons, Policy Frameworks, and Legal Developments

The ambiguous legal status of gig workers has prompted diverse regulatory responses worldwide, ranging from prescriptive employment-classification tests to bespoke social-protection schemes. Comparative analysis reveals convergent objectives securing basic labor rights yet divergent methods that balance flexibility and protection.

In April 2024 the EU adopted the Platform Work Directive, which creates a *rebuttable presumption* that a person performing platform-mediated work is an employee rather than an independent contractor. Platforms must:

- Ensure human oversight of automated decisions affecting working conditions, preventing algorithmic unilateral termination.
- Disclose key algorithmic parameters and performance metrics to workers and regulators. Member states have until December 2026 to transpose the Directive. This hybrid approach strengthens legal safeguards while preserving some flexibility for platforms to demonstrate genuine self-employment.

5.6.1 Spain: Royal Decree-Law 9/2021 Presumption and Rapid Transition

Spain's 2021 Royal Decree-Law 9/2021 imposes a *legal presumption* that last-mile couriers are employees when platforms exercise risk-bearing, direction, or sanctioning power including via algorithms. Affected workers had 90 days to transition from contractor status, impacting ~30,000 couriers. This swift reclassification underscores a robust protective stance, mandating social security contributions and minimum wage compliance immediately.

5.6.2. United Kingdom: Judicial Test Cases Defining 'Worker' Status

In *Pimlico Plumbers v Smith* (2022), the Court of Appeal held that a plumber engaged under a "contractor" agreement was in fact a *worker* entitled to holiday pay and discrimination protections, focusing on limited genuine substitution rights and platform-like controls over hours and conduct. Similarly, *CitySprint v Denburs* (2017) reclassified cycle-couriers as workers due to the "contorted" contractual arrangement and managerial controls. These judgments demonstrate how common-law courts extend statutory worker rights to gig-style engagements via purposive interpretation of control and dependency.

5.6.3. United States: California's AB5 and Proposition 22

California's AB5 (2019) codified the *ABC test* requiring platforms to prove that (A) the worker is free from control, (B) performs work outside the core business, and (C) maintains an independent trade to classify most app-drivers as employees entitled to minimum wage, unemployment insurance, and workers' compensation. In 2020, companies sponsored Proposition 22 to exempt ride-hail and delivery drivers from AB5, creating a *quasi-employee* classification with limited benefits (e.g., guaranteed earnings floor, health subsidies), but excluding traditional collective-bargaining rights. This hybrid model illustrates tension between platform lobbying power and legislated worker protections.

5.6.4. Canada: Provincial Legislation for Digital Platform Workers

Ontario's Digital Platform Workers' Rights Act, 2022 (effective July 2025), grants "digital platform workers" rights to minimum pay rates, itemized earnings statements, and a right to disconnect, applying narrowly to food- and ride-hail couriers. In British Columbia, amendments to the Employment Standards Act and Workers Compensation Act (effective September 2024) extend minimum-wage protections and coverage for "online platform workers," including commensurate compensation for engaged time and mandatory accident insurance. These statutes offer sector-specific floor standards without full employment status, reflecting a calibrated approach to protection.

5.6.5. Policy Frameworks and Potential Responses

Emerging frameworks coalesce around five principal options for enhancing gig-worker protection:

- Confirm and enforce existing laws through strategic litigation to extend statutory protections to misclassified workers.
- Clarify or broaden the definition of employment by statute or case law, as in Spain and California's ABC test.
- Establish a new "dependent contractor" category granting core rights while preserving contractual flexibility.
- Shift from employer-based benefits to portable social benefits financed by platforms, as proposed in EU consultation papers.
- Reimagine algorithmic governance by mandating transparency, worker-informed design of automated management systems, and collective negotiation over digital terms.

5.6.6. Relevant Court Decisions and Reforms in Other Jurisdictions

- *Canada's Supreme Court* is considering a refusal-to-decide appeal on classifying app-drivers potentially mirroring EU's presumption approach.
- *Australia* has seen test cases applying unfair dismissal protections to digital platform workers and proposals for a "platform worker" classification under the Fair Work Act.
- *Argentina* and *Uruguay* have enacted national laws establishing minimum social-security contributions for gig workers and tax-reporting obligations on platforms, reflecting Latin America's turn toward portable benefits and fiscal transparency.

Comparative experience indicates that effective gig worker protection requires a combination of clear presumption tests, algorithmic transparency, and adaptable social-insurance frameworks. International examples from Spain's swift reclassification to the EU's balanced Directive provide policy blueprints. Indonesia's future reforms could integrate:

- A rebuttable presumption of employment for platform-mediated assignments.
- Mandatory disclosure and oversight of algorithmic management.
- Portable benefits schemes financed by platform levies.
- Sector-specific transition periods to align platform operations with core labor standards.

Such a multi-pronged approach would reconcile gig-economy flexibility with fundamental worker protections, ensuring sustainability and equity in digital work arrangements.

6. Conclusions

The study of digital employment contracts on gig platforms reveals that traditional labor laws inadequately address platform-mediated work, underscoring Indonesia's need for tailored reform. Drawing on the EU's 2024 Platform Work Directive, California's ABC test, and evolving UK models, this research advances scholarship on regulatory adaptation in the digital economy and urges Indonesia to adopt a rebuttable presumption of employment requiring platforms to prove true contractor status anchored in Articles 27(2) and 28D(2) of the 1945 Constitution. It recommends a tripartite governance body of government, platforms, and worker organizations; a 1–2 percent gross-revenue Social Security Fund for gig workers; robust algorithmic transparency with human oversight and data portability rights; and phased enforcement via specialized Ministry of Manpower units emphasizing guidance over sanctions. By recognizing gig workers' rights to collective representation through elected councils and digital channels, the framework balances flexibility with minimum standards. This "third-way" model not only secures fundamental labor rights amid innovation but also enriches comparative labor law scholarship, offering a culturally specific template for progressive gig economy regulation in ASEAN and beyond.

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