

## The mammoth, multi-faceted task of organising app-based transport workers in Indonesia

**The value of the online ride-hailing market in Indonesia is worth around US\$18 billion, or 72 per cent of the region’s total market value, but transport workers are locked out of the wealth they create thanks to exploitative working practices.**

**By Randy Mulyanto<sup>1</sup>**

In the wake of the Covid-19 pandemic the task of organising Indonesia’s app-based transport workers has become ever-more urgent. In 2019, there were an estimated 2.5 million drivers working for Go-Jek, one of the biggest ride-hailing apps in Indonesia, with over nine million working for its rival Grab throughout South-East Asia. Even before the pandemic, they faced low pay and exploitative working practices, but Covid has left these drivers – like most workers in the informal economy – with a drastically reduced income or without any income at all, thanks to tough lockdown measures and scant government assistance.

But a new report outlines not only the plight of Indonesia’s app-based transport workers but also the various strategies labour activists are using to organise them – and with which workers are organising themselves. *Resisting Exploitation by Algorithms: Drivers’ Contestation of App-based Transport in Indonesia* by Fahmi Panimbang, Syarif Arifin, Sugeng Riyadi and Dina Septi Utami, published by the Global Trade Union Project of the Friedrich-Ebert-Stiftung, reveals some of the ways in which various driver organisations are “fighting for their rights in the face of adverse circumstances”.

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Labour activist and researcher Fahmi Panimbang, who is one of the report's co-authors, says that the fact that app-based drivers are not recognised as employees but as 'partners', 'micro-entrepreneurs' or independent contractors, means that they are not covered by the country's labour laws. As such, they are not entitled to any benefits or protections from occupational hazards (such as road accidents), occupational diseases (such as lung and respiratory diseases), or from the socio-economic devastation wrought by a global pandemic. "They are in a situation where they have no laws to protect them and the spaces for negotiation or state protection are minimal," says Panimbang in an interview.



*Grab and Go-Jek drivers wait for customers in Jakarta, Indonesia. (Sutrisno Jambul/ Pacific Press/ Alamy Live News)*

In addition, according to [Statista](#), the value of the online ride-hailing market in Indonesia was worth around US\$18 billion, or 72 per cent of the region's total market value, as of October 2019. With their venture capital backing and powerful connections (for example, Go-Jek CEO and founder Nadiem Makarim is also the Minister of Education and Culture), the report describes the "imbalance in bargaining power" between the drivers and the tech companies – something which is compounded by the fact that the issuing of work and the drivers' interactions with the platform are totally controlled by algorithms rather than humans.

As the market for app-based transport continues to grow exponentially in Indonesia, so too does the number of drivers working for these companies. But this has had the overall effect of decreasing drivers' income (due to increased competition). Drivers are constantly monitored and appraised, with no recourse to appeal any decisions made. As the report states, "work arrangements allow app-based companies to make unilateral changes in tariffs [pay rates], set up point schemes which workers are forced to follow, deactivate or

suspend accounts, and terminate work arrangements". The result is a labour relationship that is "asymmetric and one-sidedly in favour of the company", pushing the workers into a "vulnerable position".

### **Three forms of organising**

In response, workers are engaged in three forms of organising. The first is known as 'community'. As Panimbang explains, in a bid to provide each other with flexible, informal mutual support, app-based drivers "form their own communities as they are more likely to help each other". Membership of these communities – of which there are over 5,000 in Greater Jakarta alone – is usually location-based, although communication takes place via WhatsApp as well as in-person at drivers' rest areas called 'base camps', and drivers show their allegiance to a particular community with badges, banners and stickers. Membership dues cost between 10,000-30,000 Indonesian rupiah (US\$ 0.80-2.20) a month, for which drivers are provided with mutual aid and support for a variety of workplace and social issues.

Then there are driver associations, which range from informal groups to larger, formal structures that are registered as civil society organisations. According to the report, associations are "a hotspot for driver mobilisation" with powerful taskforces that liaise with the police and mediate conflicts with non-app based transport drivers. The report notes that "drivers affiliated with the associations have better capacity in protest mobilisation and access to policy makers and government".

Finally, there are the traditional trade unions. There are only a handful of unions organising app-based drivers, and membership numbers are still very small, but the Aerospace and Transportation Workers division of the Federation of Indonesian Metal Workers' Union (SPDT-FSPMI) has been organising this group of workers for the last few years. In fact, the report describes it as "the only resourceful drivers' union in Indonesia that is capable of advancing workers' rights in the app-based transport sector".

The SPDT-FSPMI has focused its work in this sector on promoting the labour rights of transport drivers; fighting for the recognition of drivers as workers entitled to basic labour rights; and creating a space for negotiations between driver representatives and app-based transport companies to achieve better working conditions for drivers. One of its main strategies has been mobilising union volunteers to serve with Jamkes Watch, a watchdog for the government's healthcare programme. Volunteers – who target app-based drivers in the hope of organising workers – help mostly low-educated Indonesians

to navigate the health service. Later on, the volunteers explain the significance of union membership to those who have received the help.

Another SPDT-FSPMI organising strategy has been the recruitment of retrenched workers from other sectors. According to Ministry of National Development Planning projections in June 2020, some 10.7 to 12.7 million people in Indonesia are expected to lose their jobs due to the pandemic in 2021. Some of them will join the throng of app-based drivers and SPDT-FSPMI wants to make sure that it is first in line to recruit these workers as members.

### **Challenges to building workers' power**

Several protests and work stoppages initiated by SPDT-FSPMI and other drivers' groups between 2016 to 2019, held to demand higher rates and better working conditions for drivers, were met with a show of force from the platform apps. "This increased structural power of drivers through strikes and mobilisation of protests soon prompted the companies to react by deploying *satgas* [task forces] to reassert tight control over drivers," it says.

Other challenges remain. The report finds that platform drivers have failed to "receive recognition" of their true employment status by both companies and the government, the result of which is a lack of institutional power. Meanwhile, many drivers have failed to even recognise they are workers who are entitled to labour rights as stipulated in the Labour Act, reflecting "a lack of associational power".

The threat to and intimidation of union and human rights activists are also being "stepped up to cow them into silence". For example, activists have received fake food orders from Grab and Go-Jek apps with messages from an unknown number stating "be careful when you leave your house".

Moving forward, the report calls on the federation to find innovative driver-organising strategies to develop resistance and secure workers' rights. "The SPDT-FSPMI needs to develop the capacity of its organisers, to equip them with specific organising skills in the app-based transport sector, and to provide them with a better understanding of the different contexts and circumstances of organising work," the report recommends.

Panimbang says he hopes that the Indonesian government will create more negotiation opportunities in the future and calls on the state to extend labour regulations and laws to app-based drivers. “Companies must listen to the aspirations of their workers,” he says. “This means that businesses must respect human rights, and the state must also protect its citizens.” However, at present, the commitment to do so is “very minimal,” he laments.

