

Gojek: Delivery workers struggle in Indonesia

Angry Workers of the World

2019

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”Riders and drivers who work for apps can certainly learn a lot in exchange with drivers in Southeast Asia and at the same time their solidarity and actions will certainly be received with enthusiasm in Jakarta...”

Ojek is Indonesian and means motorcycle taxi. Ojeks are the indispensable means of transportation in Indonesian cities. Since a couple of years, big companies like “Grab” and “GO-Jek” and until last year Uber took over the motorcycle taxi business by providing apps to call a bike, which is provided by the apps. (Uber was also active in Indonesia until April 2018) It functions much like Uber but as well as transporting people the self-employed motorcyclists also transport food, post and provide other services. About 200,000 to 300,000 motorcyclists work in Jakarta alone, and around 2 million in all of Indonesia. That makes around 1.5% of the whole of the Indonesian working population. Over 99% of companies in Indonesia are small medium enterprises, and only around 3% of the working population of Indonesia is employed by large companies. Therefore it’s safe to say that the two apps “Grab” and “GO-Jek” are probably amongst the biggest employees in Indonesia. The huge number of people working as motorcycle taxis becomes apparent on the streets of Jakarta where almost every other motorcyclist waiting at a traffic light is working for one of the two Apps.

As early as 2008 a motorcycle taxi driver in Jakarta had the innovative idea to launch his own website to manage the service online, well before Uber, Grab and the other modern day platforms had come up with the idea themselves. However, as a low paid driver he was unable to translate the idea into a multi-million dollar company that it would be worth today.

Grab and Uber entered the Indonesian Motorcycle taxi sector in 2015, and the Indonesian taxi app Gojek followed the same year. The service became quickly popular, and riders’ pay was reasonable at the beginning and smartphones were lent out to the workers. 2015 also saw an economic downturn in Indonesia and many textile, shoe, furniture and electronics factory workers lost their jobs after the Indonesian Rupee lost value and imports became more expensive. Many of those who lost their jobs began working as motorcycle taxi drivers.

None of the apps employ their drivers directly, but get paid according to performance. Costs for the vehicle and telephone etc are covered by the drivers themselves. The drivers get paid per km as well as through bonuses. At the beginning Gojek paid the drivers 4000 Rupees per Km. Drivers could earn up to 250,000 rupees, which was often much more than they could have earned in other jobs at the time. In a month they could have earned 507 million Rupees which was around 350-480 euros at the time.

But not all motorcycle taxi drivers switched to the app immediately as they felt they could negotiate better with customers directly without having to pay a 20% fee to the app. There were reports of arguments and fights between tradition Ojek drivers.

Today's conditions:

The Indonesian online ride hailing sector is the biggest in South East Asia with 40% of the market. In April 2018 Uber had to cut its losses and leave the South East Asian market, now Grab and Gojek dominate the market (Grab is the larger of the two). Grab is present in 160 cities in 8 countries and works with 2 million riders and carries out 3.5 million deliveries a day (according to its own data). Gojek is smaller and concentrated more in the Indonesian market where they have around 1 million riders, over 120,000 restaurant partners. They have received 1.5 billion USD in investments so far, with their biggest investor being the Chinese multinational investment holding conglomerate Tencent Holdings which is one of the two biggest internet companies in China.

Both Apps pay much less than they did in the beginning. The riders have recorded how their pay per km has gradually decreased.

For a passenger 1 point is given to the driver, if the driver delivers food two points are given. The bonuses are very important to the drivers and also vary depending on the time of day they work.

On a good day riders can gain an extra 12 bonus points between 6am-2pm and earn 10,000 rupees in addition to their km pay. If drivers work 13 hours a day they can reach 10,000 to 40,000 rupees a day, with many driving

late into the night to collect more bonus points. Sometimes drivers borrow another phone to give themselves a small errand to gain extra points. Go Jek knows this but its not easy for the company to track it.

A group of riders called KUMAN have done an investigation amongst their colleagues on how much they pay in maintenance costs (these figures are from conversations the author had with KUMAN riders, which they remembered off hand.)

The drivers usually bring their own motorcycle with them, which costs around 13 million rupees (around €740). The drivers also have to buy one or two helmets and a jacket from the companies for which Grab charges 360,000 rupees and Gojek charges 250,000 rupees for one helmet and one jacket. The drivers have to buy two helmets, one for themselves and one for their passenger.

One thing which makes Grab and Gojek distinct from similar apps in North America or Europe is that customers can pay in cash. 64% of Indonesians do not possess a Bank account , and even fewer a credit card. While different smartphone-based payment systems have emerged in Indonesia these are not widespread. Because paying in cash makes it more difficult for the company to take a 20% commission, the drivers have to leave a 20% deposit behind of at least 100,000 rupees when they start driving, from which the company commission is taken.

The drivers can receive payments on a weekly basis. The monthly average earning after costs are around 100,000 rupees per day, which amounts to around €5.70. Before they begin to work for the company the drivers have to pay around 350,000 to 450,000 rupees (three to five days work) to pay for the company helmet and jacket deposit. In Autumn 2018 Gojek stopped hiring drivers. Grab on the other hand continues to hire drivers, which will increase the pressure on the price per km.

As with many other Apps, customer ratings are used to monitor the work discipline of drivers. The reviews are important since bad reviews can cause difficulties for drivers, such as being blocked for one or more days without being able to log into the app to offer rides. Drivers also told us that some drivers get blocked forever. The App companies are able to do this because when the drivers first sign on they have to provide their passports, driving licenses, a police record and vehicle insurance papers. Therefore it is difficult to falsify one's identity and apply again under a different name once you have been blocked from using the app.

With critical or negative feedback, drivers are often called in by managers and told off. A typical case is when the license plate of the motorcycle does not match the one registered by the app. A driver told us that this often happens, when your registered motorcycle is in repair and you need to borrow another one temporarily. When passengers report this to the app, the drivers often get hassle from managers. They would then tell the driver that they can not do that and that it's against the rules, and then act as if they are being generous by not blocking them.

Although the cost of living in Indonesia is low, the average daily earnings of 100,000 rp for drivers is barely enough to survive. For comparison, a single, not particularly large portion of Nasi Goreng, fried rice with spices and a little bit of vegetables meat costs 13,000 rp at a small street cookerie in a proletarian district far away from the center. A bottle of water costs 3-4.000 rp. To eat and drink during the work, it easily takes 40-50,000 rp if you depend on street food. The minimum wage in Jakarta is currently at 3,648,035 rp per month, for drivers it's hard to get the minimum wage from driving alone. It's difficult to find better jobs, otherwise more drivers would change.

Many Ojek drivers have more than one job and taxi driving is often the relatively flexible second job. One driver told us that during daytime he works in a hospital in the administration. Afterwards, he gets on his motorbike and rides until late into the night for Grab and Gojek. But few drivers have such comparatively stable and formal jobs. Others work e.g. in security. Before they started to drive for the apps, many people used to work as office boys or worked at food stands as a cook. A driver who speaks English quite fluently, worked as a manager in a restaurant, for example. Many have left the old jobs, either because of a wave of layoffs in 2015, or because the payment through the Apps was relatively good in the beginning and they preferred the flexibility. But today, the old jobs have long been filed anew or were completely dismantled, there's no turning back.

We mainly spoke with male drivers, but at the driver meeting points and at the demonstration in Jakarta, we talked to half a dozen women driving for Grab and Gojek. Some of them wore headscarves, others didn't. I met a couple and both partners riding a motorcycle taxi. We have talked to many young riders around the 20 years but also with older workers around the age of 40. Most riders seem to be in this age range. A lot of people of a certain age are married and have one or two children. Since many of the drivers don't come from Jakarta, their wives often

don't live with their children in Jakarta, but with their children near the family village or hometown. Some of them visit their children once a month, others less often.

Many have been working as drivers for two or three years. The majority of drivers therefore works more or less since the inception of the Apps or has joined in the first two years after since then. This is another particular aspect compared to similar App jobs in countries in Europe and China. According to our subjective impression, the turn over of drivers in Indonesia is noticeably lower than in other countries in comparable jobs (but we don't have valid figures). This can hardly be explained with a higher level of employee satisfaction. Food delivery drivers in Germany praise the fact that they like cycling and do something for their health – on Jakarta's roads the opposite is the case, the air is bad and the traffic is dangerous. Probably, the low turn over in Indonesia is mainly related to the fact that it is difficult to find better jobs or jobs that pay enough so that workers don't have to work as drivers in the evenings to make ends meet. When we asked what jobs drivers would seek when they're fed up, we hardly heard any concrete examples. Most people said it was difficult to find anything else. Two drivers we talked to started out as motorcyclists, but are driving now autotaxi. They do not own their own car, but borrow it for about 150,000 rp. per day. They earn more money than as motorcyclists and they said that only now can they provide for their children. But we couldn't find out exactly what it takes to switch from motorcycle to car and who is able to and who not.

On the streets, the black-green colored jackets of the Grab and Ojek drivers dominate the street scenes. However, one still sees motorbike taxi drivers who do not work for one of the apps, they often drive blue tricycles. At places like railway stations or airports app-motorcycles is not allowed to enter and or wait directly in front of the station to pick up passengers, traditional tricycle taxis can. Sometimes, tensions and conflicts between traditional offline drivers and online app drivers occur. The drivers of traditional tricycle taxis, explains a driver, often have no licenses for their vehicle or driver's license and are less familiar with smartphones. Some traditional drivers therefore can't easily switch to the apps, others prefer the power to negotiate the price directly with passengers. Compared to the apps, the distances passengers ride on traditional Ojeks are often much shorter.

Compared to the about 3 mio. rp, which the drivers usually earn per month, the starting salaries for university graduates in Jakarta at approx. 5 mio. is significantly higher, but still lower than what the apps paid when they started in 2015. A cheap little room, like a young one office worker would rent outside the center, costs about 1.5 million rp.

Protests

The protests against the working conditions of the taxi apps are not much younger than the apps themselves. The first major protests against the apps in summer 2015 were organized by traditional Ojek drivers. Already in 2016, the Ministry of Transport had a regulation of the apps and their the competition with traditional taxis. This regulation also included upper and lower limits for prices per km. Another regulation from around the same time indirectly aimed at the prohibition of the motorcycle taxi apps, because motorcycles were not classified as means of transportation and considered too dangerous in road traffic. Due to opposition from the App companies the implementation of these regulations was always postponed. App companies are currently using legal sophistry, by claiming that they are not transport companies and that they do not offer any means of transport. They would only offer brokerage services, with the vehicles, i.e. the motorcycles, and would therefore not be affected by the classification. The economic weight and the political influence of Grab and Gojek are apparently large enough, this sophistry is tolerated under the law, and the Minister of Transport, who tried to ban the apps, had to step down. For the drivers, however, this also means that their employment relationship and the transport services they provide in an unregulated grey area.

Incomplete list of Ojek protests

- Summer 2016 Protests against the evaluation system of apps
- July 2017 Drivers protest against being shut out of a bridge

- September 2017 Hundreds of Ojek-drivers protest and strike
- November 2017 Protests by drivers in front of the Gojek office
- March 27th, 2018 10,000 protest in Jakarta
- April 23rd, 2018 30,000 protest
- monthly 2018 Demo in the centre of Jakarta in front of the seat of the head of government
- July 27, 2018 Tens of thousands of drivers protest at the start of the Asia Games
- Aug./Sept. 2018 200 drivers block the office of Grab for the whole day
- October 2018 monthly demo in the center of Jakarta

In 2017, drivers increasingly began to protest against falling price per km. Many of these protests targeted Uber in particular, other protests took place in front of Gojek or Grab offices. Drivers spread the slogan #deleteUber against Uber. In 2017 the Ojek-Driver group KUMAN listed following the demand against Uber:

1. 2,500, - rp. per KM
2. Elimination of 100% discounts granted to passengers and which cause drivers earn even less than usual
3. Improvement of insurances
4. Option to withdraw earnings every day
5. Minimum distance and display of destinations in advance
6. Increase in bonus payments-
7. Prior notification of passengers' payment procedures
8. Abolition of the obligation to wear company clothes, since at the airport many zones are restricted and Grab/ Gojek drivers are not allowed in
9. Improvement of the rating function by passengers

Uber did not respond to the demands in the autumn 2017. So far only #deleteUber was successful, since in April 2018 Uber left Indonesia and other South East Asian countries. The current demands of the drivers from Grab and Gojek are very similar to those from previous years. The drivers with whom we talked described their demands as follows, at least 2.500 - 3.000 rp. per Km. insurance, daily access to their earnings, and less arbitrary treatment through managers and protection against willfully bad reviews from passengers. Furthermore, some demand the legal regulation and the explicit permission of motorcycle taxis as means of transportation through the government.

K.U.M.A.N – Komunitas Under Mainstream

Even before app companies reduced the mileage allowance and drivers started protesting, they formed informal groups. One of these groups was called Black Rangers and members of this group were present at the first protests against the price cuts. Today, the group does not exist anymore, but there are connections to the group KUMAN, which started as a Facebook group in early 2017. KUMAN has approximately 300 members in Jakarta and in other cities. The founders of the group expressed their discontent with the payment and treatment by managers such as during training courses for drivers and started to use such trainings to speak loudly and openly to the assembled drivers in the hall. Likewise there are many stories of small protests and sharp disputes with managers who had

summoned in drivers to penalize or intimidate them. Some of the founders are no longer active, were blocked by the apps or changed jobs for other reasons.

The group has monthly meetings in Jakarta and additional meetings if necessary. They have no or only a flat hierarchical structure and make decisions by consensus. In the last year they have focused on Uber and made a lot of noise about #deleteUber. They have little trust in the negotiations with politicians who are supported by other groups such as Tekab and Garda, a federation of driver groups, and instead KUMAN focuses on direct actions such as blocking the offices of the companies or organize protests with smoke candles and banners such as during the Asia Games in 2018 summer. The members of KUMAN we spoke to are between 20ties and 30ties, many are already married. Some Punks who work as Ojek also joined KUMAN. Many see themselves as anarchists or sympathize with anarchism and were enthusiastic about the street fights against G20 in Hamburg.

Direct action against Uber in Jakarta

Last year there was a cooperation between the Indonesian anarcho-syndicalist group PPAS and KUMAN. The Persaudaraan Pekerja Anarkoindikalisme, Indonesian Workers Confederation on Anarcho-Syndicalism, (PPAS) also received support from the Anarchist-Syndicalist Federation (ASF) from Australia and a several solidarity calls were spread in English. However, the cooperation seems to be a bit on and off, sometimes they might be no exchange for several months. According to some KUMAN drivers, the support of small anarchists groups such as PPAS cannot replace the cooperation with other driver communities in the Garda Federation.

The end for Uber in Indonesia is seen by many drivers as a first victory. They concentrate their protests against the Singapore app company Grab. We were told different arguments for focussing on Grab, because the working conditions are worse and pay is lower than with Gojek or at nother occasion that Grab is the capitalist thinking from abroad entering Indonesia and they need to fight against it to finally make Gojek or other domestic apps respond to the demands. The foreign investors of Gojek are also seen as a problem. The hope that Indonesian app companies are less exploitative, is certainly illusory. In view of the Indonesian economic situation, where there are hardly any large companies, Gojek etc. with foreign investors is by far the largest start-up in Southeast Asia. For years drivers have experienced that no matter how numerous they are, they struggle to force the app companies to pay more money.

Garda is an association of drivers' communitis from all over Indonesia. Many of the big demonstrations as well as the monthly demonstrations in Jakarta from summer 2018 onwards are organised by Garda. In political terms, Garda is engaging in negotiations with the government and demands that motorbike taxis are regulated and classified as legal means of transportation and that the government sets minimum pay for drivers and other benefit. In spring 2019, the Widodo government had agreed to force the app companies to raise the minimum price per kilometer to 2000 rp. Widodo wanted to secure the support of the drivers before the election. His government introduced new regulations requiring the companies to raise the mininum price to 2000 on the 1st of May. However, both companies raised the pay only in about half a dozen big cities framed it as a trial. After three days of higher prices, the companies lowered the price again on the 4th of May claiming that customers were not satisfied with the new prices; the companies went back to the old prices at 1,600 rp per km for Gojek and 1,400 rp for Grab. The most recent government statement in June sets a minimum of 2000 Rp per km, but this has not been fully implemented.

Tekab Indonesia

Tekab is certainly one of the more influential groups within Garda. They count about 8.000 members all over Indonesia, run a local meeting place in Jakarta and offer legal aid and other services to support for drivers. Unlike KUMAN, the organization is structured hierarchically and in different subdivisions. There are departments for accident rescue for Ojek drivers, but also for neighbourhood patrols, inquiry into theft and other crimes, and security. Aesthetics, codes of arms and other references follow military models and they cooperate with the local police and training in self-defence by Police units. Garda does not use marxist or trade union symbols. A comrade from Germany, who was involved in labour disputes at the turn of the millennium in Indonesia, said that such military

aesthetics are not uncommon in political circles in Indonesia. One should not interpret such symbols in the same way as one would interpret a similar symbols in Western Europe.

Solidarity and exchange

For several years, we have followed the working conditions and struggles of food and parcel delivery workers in Europe and China. In Chinese cities, food and parcel delivery workers are much more visible in the cityscape than in European countries and protest against wages arrears are common. Nevertheless the huge number of Ojek drivers Jakarta and Indonesia - 300,000 in Jakarta, approx. 2 million in Indonesia – is very impressive, as well as the size of the protests. It seems, in no other country the share of app drivers in the working population is greater than in Indonesia and we have not heard of protests of drivers of similar size and visibility as in Indonesia. That makes Jakarta one of the capitals of app driven gig work and especially for app drivers. The size and the importance for the labour market is likely to increase given the rudimentary nature of public transport, the spread of of motorcycles and the small share of manufacturing industry and therefore the lack of alternative jobs.

While Uber has to struggle with regulations in several countries, Food-Delivery apps e.g. are already withdrawing from some German cities, Grab, Gojek and Co. in Indonesia seem to be to be anything but mayflies. Through the electronic mediation of passenger and driver the apps have reduced the waiting times, intensified the work and, one could say, have thus added relative surplus value in the service sector. A massive return of drivers and passengers to the traditional (offline) Ojek is unlikely and the alternative jobs for drivers are scarce. As long as the app companies keep the prices low through subsidy and pressure on drivers, income disparities remain wide and public transport miserable, passengers will have few alternatives. The Rapid Bus Transportation network, which is being built up slowly in Jakarta since a few years, covers long distances in particular, for short routes and e.g. to the nearest bus stations, one has to rely on Ojeks.

In the strikes, demonstrations and blockades, the drivers have have gained a lot of experience, strengthened their cohesion and made their demands known. But concrete successes such as an increase in the mileage allowance have so far failed to materialize. Perhaps the economic situation is too unfavourable for labour disputes at the moment, but perhaps also the protests and strikes of drivers in relation to the total number of Ojeks are still far too small. During our discussions, demand for formal employment by the app companies was not an important issue. When I explained that there are food delivery services in Germany pay hourly wages, it sounded a bit like a message from another world. Formal employment relationships are so rare in Indonesia that it does not seem very obvious to the drivers to demand such from Grab or Gojek - especially since they prefer the flexibility in order to work more than one job. It is evident to drivers that the city traffic, indeed the entire functioning of the city of Jakarta depends on Ojeks, a general strike by drivers could paralyze morning rush hour traffic for hours – but given self-employment and individual competition that is easier said than done.

Compared to the traditional Ojeks, the apps have made the work of drivers considerably more formal and similar and have brought a huge number of drivers together under one system. There is currently no larger company in Indonesia, where more people work and where greater work disputes are the order of the day than the two apps Grab and Gojek. This formalization of Ojeks has deprived Ojek drivers of the power to negotiate independently with passengers and, depending on the location and urgency, to adjust the prices spontaneously to the external appearance of the customer.

Due to the large number, high visibility and formalization, the apps also create a floor for drivers' self-organizing. The political orientation of drivers' groups is not always the same. KUMAN brings left-wing and rebellious drivers together, Tekab rather stand for an orderly force that is politically less radical, but nevertheless quite credible for the everyday interests of drivers. Surely, when trying to understand the politics of these groups, one should not immediately project political templates from industrialized countries on to them. The communist and trade union movement was destroyed by Suharto in the middle of the 60s with about half a million political assassinations and it is not easy to relate to the old socialist traditions and revive them among drivers. Because the ratio of wages to the cost of living is so poor and leaves little disposable money at the end of the day, so there is little room for political idealism.

Although or precisely because the daily work routine for Ojeks - and not only for Ojeks - in Indonesia is quite hard, the drivers of KUMAN, Tekab and others were very cordial and open to us. We told them about the protests of the food delivery workers in European countries and about the working conditions of drivers in China and they were curious and asked very detailed questions such as whether drivers in Europe also have to deposit money in the app (related to cash payments). They are very interested in exchanges with drivers elsewhere. Therefore, we hope more people and drivers in particular will closely follow the developments and struggles in Indonesia and engage in solidarity exchange. Riders and drivers who work for apps can certainly learn a lot in exchange with drivers in Southeast Asia and at the same time their solidarity and actions will certainly be received with enthusiasm in Jakarta - and that can already start with a few photos and Google Translate for help ...

Friends of KUMAN,
Jakarta and Guangzhou, 2019

We have received most of the information above from drivers who told us a lot and who have been examining and discussing their own working conditions for a long time.

Here are some online resources:

- <https://libcom.org/news/uber-drivers-strike-indonesia-23082017>
- <https://libcom.org/forums/oceania/asf-secretariat-calls-international-day-solidarity-kuman->
- <https://jakartaglobe.id/news/go-jek-grab-drivers-plan-mass-protest-during-asian-games-opening/>
- <https://www.reuters.com/article/us-indonesia-taxis/violence-erupts-as-jakarta-cabbies-protest>
- <https://economy.okezone.com/read/2018/03/27/320/1878509/demo-ojek-online-para-driver-minta->
- <https://www.dealstreetasia.com/stories/indonesia-to-put-a-cap-on-discounts-offered-by-ride->
- <https://m.phnompenhpost.com/business/ride-hailing-fares-increase-sparks-debate-indonesia>

Some videos, mostly mainstream media, unfortunately we could not find good video material in English:

- https://m.youtube.com/watch?v=jIxDH8xk_II
- <https://m.youtube.com/watch?v=L6ArTc0zfoA>
- https://m.youtube.com/watch?v=g5hc5r_R9So
- <https://m.youtube.com/watch?v=S573ve6bM-I>

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