

# Social Welfare Condition of Online Transportation Riders in Sharing Economy Era



Endang Yuniastuti, Bambang Shergi Laksmono, Wahyu Sardjono

**Abstract** - The presence of the digital industry is driving changes in the modes of public transportation from conventional to modern using online applications. The positive impact of the presence of the digital industry especially on line transportation for the community is the existence of new jobs and sources of income. But on the other hand, the presence of on line transportation also presents various problems. This study uses mixed methods with a qualitative main approach and supported by a quantitative approach. The results show that there are problems in social welfare and social protection for two-wheeled online transportation riders which caused by a legal vacuum in the status of the partnership pattern. Therefore, the researcher proposes a partnership agreement model involving the government as the party that has the right to determine the regulation, and in the agreement process requires a bargaining process so that the welfare of two-wheeled online transportation riders as informal sector workers can be fulfilled.

**Keywords:** Social Protection; Social welfare; Sharing Economy

## I. INTRODUCTION

Today, transportation is an important thing for the community, such as public transportation, taxis, motorcycle taxis and so on. The existence of transportation in Indonesia can facilitate the survival of every human being and society will be easier to carry out daily activities. Of the many transportation in Indonesia, people commonly prefers to use two-wheeled transportation (motorbikes) because the congestion is increasingly mounting in Jakarta and the public can use motorbikes as a means of livelihood known as ojek. The longer motorcycle taxis began to develop, then supported by technology that is growing rapidly and many intelligent people who can find new things to create jobs for the community (Citradewi & Soebandono, 2017). In 2010, PT. Go-Jek Indonesia was established by Nadiem Makarim and Michaelangelo Moran. The company is engaged in transportation services as an intermediary that connects motorcycle taxi riders with customers. PT. Go-Jek is a social-minded technology company that aims to improve the welfare of workers in various informal sectors in Indonesia (www.go-jek.com).

The presence of Go-Jek as online transportation service provider is proved to have a positive impact on the country's economy. This can be seen from the research held by the Demographic Institute of

Faculty of Economics and Business, University of Indonesia (LD FEB UI) which conducted in October 2017 - December 2017 involving more than 7.500

respondents with 3.315 two-wheeled riders, 3.465 Go-Jek service users and 806 MSME partners spreaded in nine regions, namely Balikpapan, Bandung, Greater Jakarta, Yogyakarta, Makassar, Medan, Palembang, Bali and Surabaya. In research on the direct and indirect social and economic impacts generated by Go-Jek on the Indonesian economy, it was proved that the company was able to contribute Rp. 9.9 trillion per year to the national economy which Rp 8.2 trillion per year from online transportation partners and coupled with Rp 1.7 trillion in annual income generated through partners of Micro, Small and Medium Enterprises (MSMEs) (kumparan.com, Thursday, March 22, 2018).

When it was compared to their income before joining Go-Jek, it was estimated that there was a difference in monthly income that enters the national economy of Rp 682,6 billion. While the additional income generated by the MSME partners of Gojek was estimated to reach Rp. 138,6 billion per month. This also supports MSME players to go-online and open direct access to consumers and increase business. In that research, it was revealed that the average income of full-time motorbike partner of Go-Jek reached Rp 3,48 million per month, or 1,25 times greater than the average city minimum wage in 9 survey areas of Rp 2.8 million. In addition, LD FEB UI also revealed that there was an increase in motorbike partner income by 44 percent, both those who had previously worked and those who were unemployed. But along with the increase in income, the average expenses of partners also increased by 31 percent (kumparan com, Thursday, March 22, 2018). But this increase in income did not last long.

This was evidenced by a series of protests from online motorcycle riders, especially Go-Jek, who opposed the fare policy from applicators who were arbitrarily assessed and very detrimental. From September 2015 to May 2017, there were approximately 50 protests from Go-Jek riders in 15 cities. In the first wave of protests, on November 2015, riders' confrontation was caused by lower prices for online motorcycle riders. In addition, riders were not given the opportunity to approve or disapprove this deduction. This change encouraged motorists to clarify the status of riders as employees, not just as partners (Nastiti, 2017). The number of participants of the next action in the next few months was much different.

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# Social Welfare Condition of Online Transportation Riders in Sharing Economy Era

On December 2015, thousands of Go-Jek riders in five different cities protested at the local office and requested support from the government.

Due to the tight price competition, at the beginning of 2018 PT. Go-Jek Indonesia reduced the fare to very minimal, which was only Rp 2.000 per kilometer.

It did not include a 20 percent discount that must be deposited by the rider to the company. Thus, the net fare (net) pocketed by the rider was only Rp. 1.600 per kilometer. Thousands of two-wheeled online transportation riders held a demonstration on the Medan Merdeka Barat street in Central Jakarta. There were three demands submitted. First, the government had to revise article 47 paragraph 3 in Law 22/2009. Two-wheeled online transportation riders have difficulties because currently motorbikes are not included in the category of public transportation. Second, the demonstrators also asked the government to ensure the partnership position in the Labor Bill. Because the relationship between the company providing application services (Go-Jek and Grab) and riders is still limited to working partners, not employees. The final demand, about fares. Application provider companies should be able to rationalize rates as needed. The rates set by Go-Jek and Grab were under Rp 2.000 per kilometer on average. Therefore, the government must intervene in determining fares to protect motorists (tempo.co, March 27th, 2018). As a new sector informal worker, two-wheeled online transportation riders do not yet have a legal base that can protect it, especially regulations governing the pattern of partnership work with sharing economy systems and regulations stating that two-wheeled vehicles are public transportation, consequently the welfare of online transportation riders become neglected. To overcome this, a full intervention from the government is needed to regulate and make policies that can benefit and prosper the community. However, the policy must involve all parties involved, namely the company, the rider as a partner, and the government (with various ministries / institutions concerned). Therefore, research on the welfare of Go-Jek riders as informal sector workers needs to be done. This is because the knowledge and research on the impact of welfare from the digital industry in Indonesia is still very little or even non-existent. Various writings and general articles about the benefits and work relations between the rider and the Go-Jek company have been written by various observers. These writings have been useful to understand the outline or big picture, however, there has not been a systematic study to see the condition of welfare of online transportation workers has not been widely appointed so that this research becomes important to discuss.

## II. METHODS

This research is a mixed methods study with the main approach of this research is a qualitative approach supported by a quantitative approach. The informants of this study were determined through a Purposive Sampling technique by determining the criteria of the informants needed in the study consisting of key informants, main informants, and additional informants. This qualitative research began on June 2015, preceded by pre-eliminary research, followed by

FGD on November 2017, then the field research ended on July 2018. The researcher used several methods of data collection as follows: 1) Observation, 2) Interview, 3) Library Study, 4) Documentation, 5) Focus Group Discussion (FGD) or Focus Group Discussions, and 6) Questionnaires. To complement and strengthen the data, the researchers also distributed questionnaires to 102 Gojek riders in Bandar Lampung and 102 Go-Jek riders in Jakarta. The reason for choosing the Bandar Lampung and Jakarta for the location of this study is based on the literature review and observation. The researchers saw the activeness of Go-Jek riders in Bandar Lampung and Jakarta in social activities and in voicing opinions to achieve prosperity. Researchers also intended to see the development of consumers in 2 (two) settings area to give a picture of well-being in the development of a growing market in the Bandar Lampung and Jakarta which represent the major cities in Indonesia.

## III. LITERATURE REVIEW

### a. Sharing Economy

The core concept of sharing economy is the role of digital technology. In many conceptions, the SE system (sharing economy) is based on several types of efficient technologies that unite many networks of people and match them with the goods or services they need (Sutherland & Jarrahi, 2018). Adam Smith (1776) and David Ricardo (1817) explained the concept of economic sharing through rent seeking behavior, where humans can essentially obtain additional profits by renting out the underutilized resources that they have to other parties in need. The aim is to increase resource efficiency. Lloyd (1833) and Hardin (1968) in Tragedy of Commons explained that strategic resources that are overpowered by certain parties will cause tragedy for other humans and their environment. Welfare will increase if these resources are shared and used together. (Kurniawan, 2016)

### b. Social welfare

James Midgley defines Social Welfare as a condition of human life created when various social problems can be managed properly; when human needs can be fulfilled and when social opportunities can be maximized. In Indonesia, the definition of Social Welfare cannot be separated from what has been formulated in Law No. 6 of 1974 concerning the Main Provisions of Social Welfare article 2 paragraph 1: "Social Welfare is a system of life and livelihood of material and spiritual & social which is covered by a sense of safety, morality, and inner and outer peace, which allows for every citizen to make efforts to fulfill the best physical, spiritual and social needs for themselves, their families, and the community by upholding human rights and human obligations in accordance with the Pancasila" (Adi, 2005).

### c. Social Protection

According to Scott (2012), the concept of traditional social protection focuses more on short-term protection programs, such as protection mechanisms for the community on the effects of shocks such as those caused by natural disasters, unemployment, and death.

The foundation of social protection in a country must at least cover four important points: (1) guarantee access to health services, (2) education, and other basic social services; (3) basic income security guarantees for children with the aim of facilitating access to nutrition, health, education and other important needs;

(4) income security guarantees for active age residents who are unable to obtain the necessary income; and income security for the elderly (Bappenas, 2014).

**IV. RESULT**

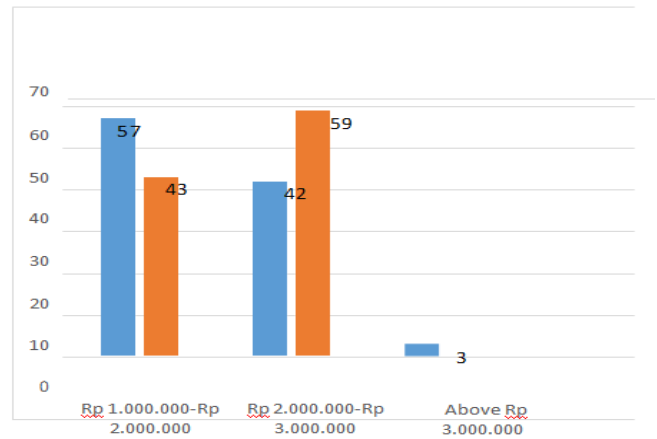
From the results of the field findings through Average Gross Income of Go-Jek Riders in Bandar Lampung

the FGD, the Go-Jek riders revealed that they were the ones who were harmed by the partnership implemented by PT. Go-Jek Indonesia. This is because the company is often arbitrary in making new regulations that turn out to be detrimental to riders and decision-making not through deliberations with Go-Jek riders. Regulations that are very detrimental to Go-Jek riders, especially regulations regarding fares. Rates that often change and without prior notice to Go-Jek riders cause the significant decreasing in income. The fare war cause the competition among online transportation companies in reducing fares or giving discounts to consumers. As a result, the income of Go-Jek riders decrease and uncertainty every day.

Based on the results of the questionnaire to 102 Go-Jek riders in Bandar Lampung, it was found an interesting fact that the average gross income per month for Go-Jek riders is only around Rp 1.000.000 - Rp 2.000.000. A total of 57 respondents revealed that the monthly gross income is only around Rp 1.000.000 - Rp 2.000.000. Meanwhile, 42 other respondents had a gross income of around Rp 2.000.000 - Rp 3.000.000. And only 3 respondents had gross income more than Rp 3.000.000.

When compared with the average gross income of Go-Jek riders in Jakarta, it was found that 59 respondents had the average gross income in the range of Rp 2.000.000 - Rp 3.000.000. While the number of riders with a gross income of Rp

1.000.000 - Rp. 2.000.000 is 43 respondents. And surprisingly, none of the respondents in Jakarta stated that the average gross income was over Rp 3.000.000. This is totally different with the previous results in Bandar Lampung, where there are at least 3 people who have gross income above Rp 3.000.000. This can be seen in the following graph.



Source: Processed Research Questionnaire (2018)

From the gross income, if it is reduced by operational costs, the net income obtained by the rider is much lower. There are 76 of 102 respondents in Bandar Lampung claimed to only get Rp.

1.000.000 - Rp. 2.000.000 net income per month. Meanwhile, 23 respondents received a net income about Rp 2.000.000 - Rp 3.000.000. And only 3 respondents received net income above Rp.

3.000.000. It shows that the biggest net income of Gojek riders is only around Rp 1.000.000 – Rp. 2.000.000 per month.

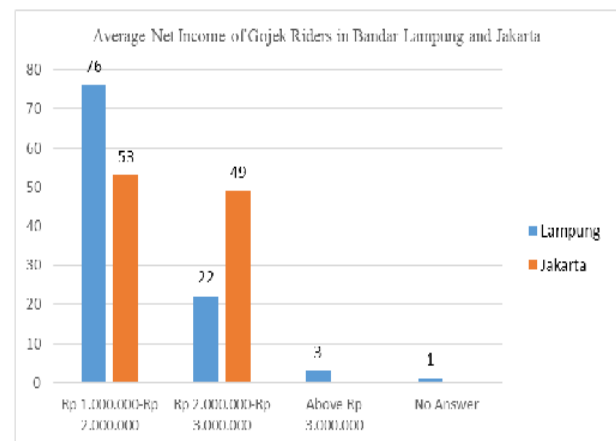
Then when compared to the average net income of Go-Jek riders in Jakarta, it was found that 53 respondents had a net income about Rp 1.000.000

– Rp. 2.000.000. While 49 others answered that their average net income was around Rp. 2.000.000 - Rp.

3.000.000. Overall, it can be concluded that the average net income of Go-Jek riders in Bandar Lampung which in the range of Rp. 1.000.000 – Rp. 2.000.000 is more than the Go-Jek riders in Jakarta.

However, from the results of the Jakarta’s questionnaires, there were no riders who had a net income of more than Rp. 3.000.000. This is different from the results in Bandar Lampung where there were 3 respondents who had net income above Rp.

3.000.000. The amount of net income earned by the Go-Jek riders can be seen in the graph below.



Source: Processed Research Questionnaire (2018)

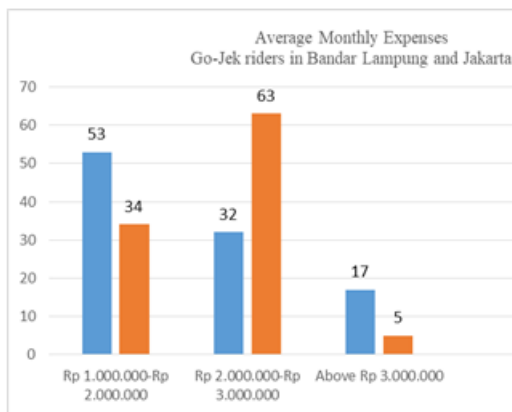
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Then, in the average amount of monthly expenses issues, it was found that most of respondents in Bandar Lampung spent Rp 1.000.000

- Rp 2.000.000 each month. The number of respondents who have an average monthly expenses about Rp 1.000.000 - Rp 2.000.000 are 53 respondents. And 32 others had an average monthly expenses around Rp 2.000.000 - Rp 3.000.000. Then the remaining 17 respondents had an average monthly expenses more than Rp 3.000.000.

When we compare with the average monthly expenses of Go-Jek riders in Jakarta, There are 34 of 102 respondents in Jakarta spent Rp 1.000.000 - Rp 2.000.000 each month, 63 respondents spent Rp 2.000.000 - Rp 3.000.000 each month, and 5 others spent over Rp 3.000.000 in every single month.

It was very interesting because the riders who had monthly expenses about Rp 2.000.000 and above is more than the riders who had monthly expenses under Rp 2.000.000. The comparison can be seen in the following graph below.



Source: Processed Research Questionnaire (2018)

Then when it was viewed from the average gross income and net income of Gojek riders in Bandar Lampung, it can be seen that the income does not meet the average monthly expenses. From the previous net income diagram, it can be seen that the average amount of Go-Jek riders' net income is Rp

1.000.000 - Rp 2.000.000. This shows that the income is not enough to fulfill their daily needs, especially for Go-Jek riders who have quite a lot of family dependents and do not have other jobs besides being Go-Jek riders.

Meanwhile, for Go-Jek riders in Jakarta, it can be concluded that the net income is not sufficient to meet the expenses needs of each month. This can be seen from the highest amount of net income for Go-Jek riders in Jakarta is in the range of Rp

1.000.000 - Rp 2.000.000. But most monthly expenses are in the range of Rp 2.000.000 - Rp

3.000.000. When it is compared from the results of questionnaire in Bandar Lampung and Jakarta, it turned out that the expenses of Gojek riders in Jakarta was much greater than that of the Gojek riders in Bandar Lampung. The factors that might be the cause of this difference are the prices of basic commodities and other different needs in Bandar Lampung and Jakarta, where the price of needs in Jakarta is higher so that the expenses is even greater. This condition is further complicated by the large number of Go-

Jek riders both in Jakarta and Bandar Lampung that use Gojek as their main livelihood.

Not only about the issue of fare determination, the riders also did not get proper

facilities. The free facilities obtained by Go-Jek riders are only masks and headgear (helmet). As stated by Mr. AR, "Free masks and headgear only. But we took it very hard because we queued very long time" (Pak AR, FGD, 2017).

In accordance with the findings of the field, the mass media also explained that the Go-Jek riders did not get a salary from the application company because their status in the work agreement was as a partner with a profit sharing system of 20%: 80%. How much the rider's income depends on how many passengers can be delivered. The order to take passengers also did not come from the company, but from passengers and of course the willingness of the Gojek rider. In this condition, it appears that there is no element of work relations in the relationship between the rider and the application provider company. Thus it is concluded that there is no working relationship between the rider and the application company. Because there is no working relationship, the rider is not entitled to claim the rights normally received by workers in general such as overtime wages, social security and severance pay if their employment relationship ends.

In addition to the increasingly difficult bonuses, it turns out that Go-Jek payments via Go- Pay also cause problems for Go-Jek riders because they suffered losses due to discounts (fees) charged to consumers so that their income is reduced.

"Yes it's reduced, why? Because it got a discount earlier. We don't get a promo. No discount. For example, you have to pay for Rp 45.000, but because there is a discount so it becomes Rp

30.000. We become loss" (Pak AR, FGD, 2017).

Another problem is the termination of unilateral partnership by the company without any clarity (suspend). Often the company decides on a sudden partnership relationship with the reason that there is a report from the consumer to Go-Jek or the consumer gives a low value to the riders. Without explanation and confirmation, the Go-Jek rider will be dismissed by PT. Go-Jek. This is also the injustice felt by Go-Jek riders. As a result, they immediately lose their livelihoods, while they have to continue to fulfill their needs. Even though the suspension process can be canceled, the application can be reactivated if the Go-Jek rider is proven innocent. But the procedure that must be overtaken in the

management of the suspension is not easy and requires a long time.

## V. DISCUSSIONS

The results of research at the Communication Study Center of University of Indonesia on May 2017 stated that 77% of full-time riders earn above the national UMP average of Rp 1.997.819 (BPS, 2016). And full-time riders earn more than part-time riders. This is important because the majority of riders have many dependents.

Then the research of the Demographic Institute of University of Indonesia on the Impact of Go-Jek to the Indonesian Economy stated that Go-Jek increased the income and expenses of motorbike partners and family welfare. The survey revealed that the average monthly income of two-wheeled riders partners was higher than the average District Minimum Wage (UMK) in 9 survey areas. However, this results were different from the survey conducted by researcher until July 2018 in 2 research locations, namely Bandar Lampung and Jakarta. The survey results of the researchers found that the income of the Go-Jek riders declined below the Provincial Minimum Wage. Provincial Minimum Wage of Lampung for 2018 was Rp 2.074.673,27 and Rp 3.648.035,82 for DKI Province.

While the results of the survey of researchers on July 2018 stated that the average income of Go-Jek riders in Bandar Lampung Province was Rp. 1.000.000 - Rp 2.000.000 and in DKI Jakarta Province was Rp 2.000.000 - Rp 3.000.000. Officially the central government through the Ministry of Manpower (Kemnaker) has set a 2019 provincial minimum wage increase (UMP) of 8.03 percent. If referring to the determination of national UMP increases, then DKI Jakarta will be the region that has the highest UMP namely Rp 3.940.972. While the Provincial UMP of Lampung in 2019 amount to Rp 2.241.269. But based on the survey conducted by researcher, the monthly income currently received by riders is under the UMP.

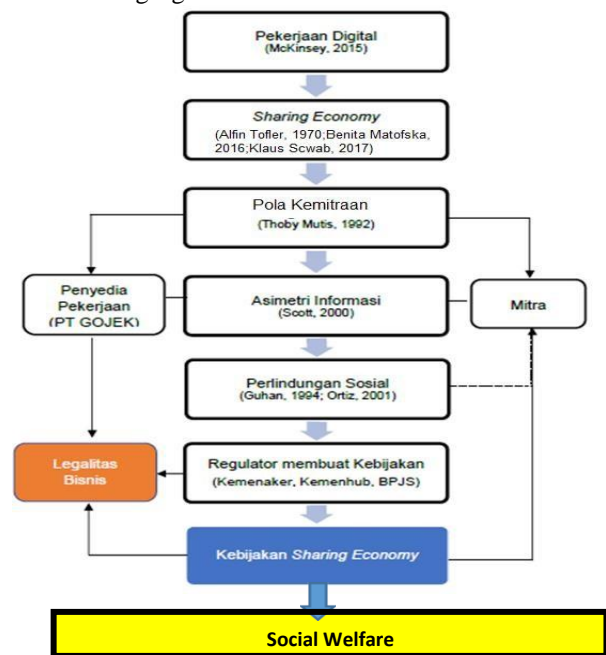
Decreasing income of two-wheeled online transportation riders that have an impact on the level of welfare can be understood if we look at the policies of PT. Go-Jek which continue to reduce fares unilaterally. In the partnership agreement agreed upon by the partner parties before registering as a partner, indeed there is a clause in Item 2 of the Cooperation Relations stating that "AKAB, as the owner of the Go-Jek Application, can change or add requirements from time to time ". If we see from the existing Cooperation Agreement, actually there is an agreement here between 3 parties, namely PT Go- jek, PT AKAB and Go-Jek partners. PT Go-Jek Indonesia, PT AKAB and Partners are collaborative partners where each is an independent legal subject. PT Go-Jek Indonesia is a company that manages collaboration with partners and PT AKAB is the owner and operator of the Go-Jek application that is used by partners.

At the beginning of Go-Jek's first appearance in Jakarta and Bandar Lampung, indeed the riders' income were above the Provincial Minimum Wage (UMP) so that it affected the level of welfare of Go- Jek partners. There were even some formal workers who left their formal jobs and turned to become Go- Jek riders. At the beginning of the application of the Go-Jek application, the guaranteed rate applied Rp 13.000 for 0 - 5 Km - then the next Km was Rp. 4,000. Then there was a unilateral reduction in the amount of Rp 10.500 for 0 -7 Km - while the next per Km was Rp 3.000. Even at this time the rates has declined to Rp 8.000 for 0 - 8 Km, where the next fare per Km was Rp 1.600, while there was an increase of fuel oil cost (BBM). Even though Premium did not rise, only Pertalite and Pertamina, but the fact is that Premium is difficult to find because not all gas stations sell Premium. So the income of the Go-Jek rider is inversely proportional to the increasing costs and needs. In addition,

the number of Go-Jek riders also increase so that the income of Go-Jek partners declines due to intense competition due to high supply. With the current low income conditions, the Go-Jek riders find it difficult to fulfill their basic needs, especially for Go-Jek riders who have quite a lot of dependants.

If it is defined, informal workers are workers who carry out work outside the employment relationship (LHK), namely self-employed people who generally work in informal economic enterprises. By definition, it has been shown that there is no agreement between informal workers and business owners regarding formal employment relations (contracts). Informal workers usually have lower incomes than formal workers, so they cannot buy private insurance and pensions and also do not pay taxes to access government interests (Setiyono, 2018). However, even though online transportation

riders are informal workers, social welfare is the right of all Indonesian citizens without exception. According to Elizabeth Wickenden, social welfare includes regulations legislation, programs, benefits and services that guarantee or strengthen services to meet the basic social needs of the community and maintain peace in the community. Meanwhile, according to Suharto (2010), there are 3 (three) conceptions of Social Welfare, namely: (1) Living conditions or conditions of prosperity, namely the fulfillment of physical, spiritual and social needs; (2) Institutions, arenas or fields of activities involving social welfare institutions and various humanitarian professions that carry out social welfare businesses; and (3) Activities, namely an organized activity or effort to achieve prosperous conditions. To clarify the picture of social welfare flows for informal workers, especially online transportation riders, researcher describes the flow of the theoretical framework in the following figure:



Source: Processed by Researchers (2018)

## Social Welfare Condition of Online Transportation Riders in Sharing Economy Era

The picture above shows the flow from the main problem which is the impact of digital work resulting in the emergence of new work patterns, namely the pattern of partnership with the economic sharing system. The ideal condition that should be in determining an agreement is on bargaining, so that the rights and obligations of the partnering parties can be fulfilled even at a minimum level.

In the pattern of the partnership agreement with the sharing economy system, especially for two-wheeled online transportation, this bargaining process is ignored so that information asymmetry occurs. This information asymmetry is caused by the lack of transparency of information from the partners, namely PT Go-jek, PT AKAB and Go-Jek partners, especially related to social protection rights that need to be obtained by partners. The government must be present in the form of a regulator with the formulation of policies that can bridge the partnership pattern with the sharing economy system so that it can provide social protection, especially for workers' partners. The policy is made to protect the partners, for the company is the legality of the business, and for workers' partners related to the guarantee of social protection so that the expected social welfare will be achieved.

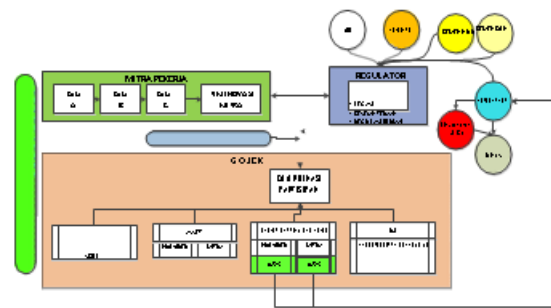
Social protection for two-wheeled online transportation riders is still unclear due to a legal vacuum related to the partnership agreement that is implemented, and there is no regulation that two-wheeled vehicles are public transportation. This condition is exacerbated by unilateral company policies which have been set forth in one of the agreed clauses, namely the company has the right to change policies at any time without the agreement of the worker's partners. This is evidenced by several unilateral changes in fares which are increasingly decreasing by the company and changing requirements get a bonus. This condition has an impact on the decreasing income of workers' partners, making it difficult to fulfill their needs properly.

Viewed from the concept of social welfare, the welfare of two-wheeled online transportation riders is indeed still not fulfilled well as evidenced by the absence of legislation, programs, and services that guarantee the social needs of two-wheeled online transportation riders. Even though legislation, programs, and services that guarantee social welfare are the government's obligations that must be carried out to achieve the social welfare of the entire community. In addition, if it is viewed from the three main concepts of social welfare presented by Suharto (2010), the three conceptions are still not well implemented. To fulfill basic needs, there are still obstacles due to continuously fare changes that occur at any time so there is no certainty of income. As a result, two-wheeled online transportation riders who have a lot of dependents find it difficult to meet basic needs, especially in the midst of rising prices of basic commodities and current fuel oil cost (BBM). Besides that, until now there is also no institution that organizes social welfare businesses (UKS) specifically for two-wheeled online transportation riders. Whereas two-wheeled online transportation riders throughout Indonesia have reached hundreds of thousands people, there needs to be an institution that helps to organize social welfare efforts (UKS) for them. Until now, in Jakarta, there is only a labor

organization named the Indonesian Metal Workers Union Federation (FSPMI) which helps two-wheeled online transportation riders to advocate for their welfare because some two-wheeled two-wheeled online transportation riders in Jakarta join this group. And also there is a group called GASPOOL (Combined Admin Shelter Rider Ojek Online Lampung) in Bandar Lampung which express its aspirations several times to improve the welfare of two-wheeled online transportation riders to the Commission III of DPRD Bandar Lampung and the Central Parliament but all these efforts have not yet produced the results.

With all the shortcomings in fulfilling social welfare for two-wheeled online transportation riders, the authors propose a policy model of partnership working patterns for two-wheeled online transportation riders. This model involves an integrated system across sectors, in the sense that there is a need for good cooperation and coordination between sectors because the issue of work patterns and social protection for two-wheeled online transportation riders requires intervention from various parties, especially the relevant ministries. The proposed model is described as follows:

### THE PARTNERSHIP WORK POLICY MODEL IN INDUSTRIAL SHARING ECONOMY



Source: Processed by Researchers (2018)

In the proposed model, there is an initiative on social security schemes for informal sector workers as partnering parties. This policy proposal requires a bargaining process in determining the agreement. The success of the bargaining process must be supported by the infrastructure needed to determine the agreement, including flexibility in regulation, meaning that regulations must be able to keep up with technological progress so that it can be used as a reference if problems occur. By involving worker partners at a certain level, it is an appreciation to partners and placing partners in an equal position with the company (equality on partnership regulation). Agreements generated in the bargaining process can be applied, taking into account several factor, include :

- (a) the availability of technology and reviews of social media and online. In the digitalization era, the success and progress of a business is greatly influenced by technological progress and highly dynamic social media. Providers always upgrade service systems and periodic studies in this area continuously and continuously (kaizen), and (b) the optimal service model is needed in online businesses because consumer trust determines the progress of digital business.

With the existence of a clear legal base regarding the pattern of partnership employment agreements, so that the principles of partnership are adhered to in the agreement, the social welfare efforts for two-wheeled online transportation riders can be guaranteed by the government and supported by various parties, especially the user community. So that in the end the social welfare of two-wheeled online transportation riders will increase.

## VI. CONCLUSION

Viewed from the concept of social welfare, it is clearly found that there are shortcomings in the fulfillment of social welfare for two-wheeled online transportation riders. When viewed from the aspect of welfare which includes meeting needs, opening access to social participation, and overcoming problems, the condition of the social welfare of Go-Jek riders in Bandar Lampung is slightly better than that of Go-Jek riders in Jakarta. Some of the factors that lead to better conditions for Go-Jek riders in Bandar Lampung are competition among fellow online transportation riders who are not as tight as in Jakarta because the numbers are not as many as in Jabodetabek. Besides that, the price of basic necessities in Bandar Lampung is also not as high as in Jabodetabek. However, overall the welfare of online transportation riders in both cities (Bandar Lampung and Jakarta) indeed tends to decline, although at the beginning of the emergence of Gojek, they experienced a significant increase in income because the fare offered was better and competition was still minimal because the number of Gojek riders was not too many.

Therefore, the authors propose a policy model of partnership working patterns in which there are initiatives on social security schemes for informal sector workers as partnering parties. This model also involves various parties including the riders as a form of appreciation to partners and placing partners in an equal position with the company (equality on partnership regulation). With this policy model, the legal base of working pattern of online transportation partnership will become clearer so that the principles of partnership will be adhered to in agreement and the absence of information asymmetry between companies and riders as partners. This cause the social welfare business for two-wheeled online transportation riders to be guaranteed by the government and supported by various parties, especially the user community so that the social welfare of the riders of online transportation will eventually increase.

## LIMITATIONS

In the process of collecting datas, the author experiences several limitations that can reduce the smoothness of the dissertation writing process. The

first limitation is the difficulty of the author to obtain primary and secondary data from PT Go-Jek Indonesia directly and comprehensively. The author has attempted to interview the company in various ways, but the data obtained is still lacking to strengthen the study in this dissertation. The secondary data about PT Go-Jek is also still hard to find, especially the most recent data. The secondary data originating from other sources such as websites or journals mostly still use old data.

Then another limitation was the informants from two provinces namely DKI Jakarta and Lampung. The selection of these two locations was based on the fact that these two provinces had quite a number of Gojek riders and Gojek riders from both regions were quite active in social activities, voicing opinions and other activities. However, because of these distance constraints, the authors experienced little difficulty in mobilizing in an effort to collect data.

Finally, the limitations felt by researchers are the lack of literature that is most relevant to the problems raised in this study. This is because the issue of online transportation itself is still quite new in the last few years so that references from other researchers are still lacking.

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