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Reorientation of regulation to accommodate the status of online driver workers

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ABSTRACT

The gig economy, marked by the rise of digital platforms such as ride-hailing services, has transformed labor relationships, challenging traditional employment regulations. This study examines the legal ambiguity surrounding the employment status of online motorcycle taxi drivers in Indonesia, focusing on the elements of work, wages, and command that align with employment relationships yet remain categorized as partnerships. The lack of regulatory clarity undermines drivers' access to essential rights such as fair wages, social security, and health protections, exacerbating power imbalances and exposing them to exploitation. This research employs a normative legal method to analyze the regulatory gaps in existing labor laws and proposes a reorientation of regulations to better accommodate online drivers' status and protect their rights. Findings highlight the need for clear legal definitions, limits on freedom of contract, and regulatory frameworks that ensure drivers' participation in policy-making. By recognizing drivers as workers, this study advocates for a fairer, more sustainable labor framework, enhancing legal certainty and fostering trust in the digital transportation industry. Future research is suggested to explore comparative worker classification models, the economic impact of worker recognition, and the role of technology in mitigating power imbalances between drivers and platforms.

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INTRODUCTION

Work is a fundamental right for every individual to fulfill their livelihood needs. This right is guaranteed in Article 27 paragraph (2) of the 1945 Constitution of the Republic of Indonesia (hereinafter referred to as UUD NRI Tahun 1945), which states, "Every citizen has the right to work and to a livelihood that is worthy of humanity." This provision is reinforced by Article 28 D paragraph (2), which emphasizes, "Every person has the right to work and to receive fair and appropriate rewards and treatment in employment relationships." These provisions in the UUD NRI Tahun 1945 obligate the government to create decent job opportunities for the Indonesian people. Furthermore, the government is also responsible for providing legal protection to the public in carrying out work activities, both in the public and private sectors (Djumadi, 2004).

The development of digital technology has significantly impacted the transformation of the platform economy today (Graham et al., 2017; Kenney et al., 2021; Meng, 2023; Si et al., 2023; Sutherland & Jarrahi, 2018). This change is marked by a digitization process that facilitates job provision and search. The changing pattern of job potentials in the digital world is known as the gig economy, which provides convenience and flexibility for both job providers and seekers. One of the hallmarks of this new economic pattern can be seen in the labor market, where job providers use independent labor contracted for short periods, with work directly connected to customers through available digital platforms. The gig economy has birthed two new job patterns: "crowded work" and "on-demand work." This new economic model has had significant impacts in various parts of the world that are pioneers of the gig economy, influencing the employment situation in Indonesia (Istianto & Maulamin, 2018).

The digitization of the platform economy began to be felt in Indonesia since 2015 with the emergence of a new trend of job potentials that continue to develop today. The emergence of multi-service technology startups such as G*Ojek*, Grab, Uber, and Maxim is a concrete example of the impact of the gig economy that has reached Indonesia. Changes in the labor market that arise due to the fragmentation of traditional employment relationships into forms of short-term intermittent work pose several challenges for regulators. This phenomenon can be observed clearly from the various reactions that emerged after the rapid growth of online platforms such as G*Ojek*, Grab, Uber, and Maxim in Indonesia. The presence of app-based transportation often leads to conflicts because the shift in the economic system in Indonesia is not accompanied by clear regulations (Saputra, 2016).

Ojek is a form of land transportation using a motorcycle with a black plate, serving customers from one location to another at a certain fare. The route taken by *Ojek* is adjusted according to customer demand. *Ojek* falls into the category of paratransit modes, which are transportation means that do not have fixed schedules and routes but are regulated based on passenger desires. Based on this definition, motorcycle *Ojek* can be categorized as passenger transport using motor vehicles that do not operate on specific routes. To date, *Ojek* has not obtained official legality, which is evident from its lack of regulation in Law Number 22 of 2009 concerning Traffic and Road Transport (UU LLAJ) and the Minister of Transportation of the Republic of Indonesia Regulation Number PM 108 of 2017 concerning the Organization of Public Passenger Transport Using Vehicles Not on Scheduled Routes (hereinafter referred to as Permenhub No. PM 108 of 2017), which regulates the transportation of people using public motor vehicles not operating on specific routes. The partnership agreement is a type of standard contract. A standard contract is an agreement where the majority of its clauses have been set by the party using it, so that the other party essentially has no opportunity to negotiate or request changes to existing provisions (Sunardi, 2020).

One of the ongoing debates regarding the gig economy is the employment status. The relationship between service providers and workers is categorized as a partnership relationship, where workers are considered self-employed (Nastiti, 2021). However, this partnership relationship is not recognized in Law Number 11 of 2020 concerning Job Creation (hereinafter referred to as UU Job Creation), which only regulates employment relationships. This inconsistency is a reason for reassessing the working relationship that has taken place between service providers and online drivers. There are two aspects of employment issues in the gig economy phenomenon. First, there is no regulatory framework specifically regulating digital intermediary service businesses (digital middleman) that serve as a business model. Second, there is a lack of regulations governing the ambiguous partnership employment relationships underlying the digital middleman business model.

The debate regarding employment status becomes increasingly relevant when considering its impact on the protection of workers' rights (Gillespie et al., 2020; Rodrigues, 2020; Tan et al., 2021). On one hand, service providers argue that the partnership model offers flexibility and freedom to drivers to manage their working hours. However, in reality, this flexibility is often misinterpreted as a way to evade corporate responsibilities toward workers' rights. Workers classified as self-employed often do not have access to health benefits, insurance, or leave rights that they should receive (Berkowitz et al., 2021; Bettac & Probst, 2019; Khan et al., 2021). This creates a significant gap in legal protection for them, which in turn worsens the working conditions and welfare of online drivers. The uncertainty regarding legal status further complicates the employment relationship between service providers and drivers, urging the need for review and reform in existing labor regulations. The employment relationship between online drivers and service providing companies is often characterized by significant power imbalances. Companies tend to hold more power compared to drivers. One of the main characteristics of this relationship is standardized arrangements, where companies set the terms and conditions that must be complied with by drivers without any room for negotiation. This creates a situation where drivers do not have sufficient control over their working conditions, including rates, working hours, and incentives. The existence of digital platforms further strengthens the company’s position, as they can easily monitor drivers' performance and impose penalties or sanctions if the performance does not meet the established standards.

Moreover, the business model adopted by service providers often encourages drivers to compete with one another to attract passengers. As a result, drivers find themselves in a situation that pushes them to work harder for disproportionately low returns. Additionally, uncertainty regarding daily earnings becomes an issue, where drivers lack guaranteed fixed income and must face significant fluctuations in demand. All these factors contribute to an exploitative working relationship, where companies can reap substantial profits without providing appropriate compensation to drivers. The lack of legal protection for online drivers is a significant challenge in enforcing their rights as workers. Although there are some regulations governing employment, many of these rules do not encompass the employment relationships that occur in the gig economy, especially for online drivers. For example, Law Number 11 of 2020 concerning Job Creation (hereinafter referred to as UU Job Creation) does not specifically address the status of workers engaged in partnership models, thus causing uncertainties about the rights that should be granted to drivers.

Online drivers also face significant challenges in claiming their rights. Most of them do not have access to institutions or organizations that can assist them in advocating for those rights. Additionally, their dependency on digital platforms for income makes them reluctant to lodge complaints or demand changes, fearing the loss of their source of income. The lack of legal support and uncertainty regarding the protection of their rights leaves many drivers in detrimental situations, with no clear path towards obtaining adequate protection. Therefore, it is crucial to formulate more comprehensive regulations that can provide protection to online drivers, ensuring that their rights are recognized and respected in this increasingly complex work environment. Based on this brief description, this study will discuss the reorientation of regulations to accommodate the status of online driver workers and examine the legal issues arising from the ambiguity surrounding the employment status of online drivers and recommendations for regulatory improvements that can provide better protection for online drivers.

METHOD

This research employs a normative legal research method to analyze the regulatory framework concerning the status of online driver workers. The study focuses on evaluating existing legal provisions and identifying gaps in current regulations, aiming to propose improvements that accommodate the employment status and rights of online drivers. The research examines how relevant laws, such as Law Number 11 of 2020 concerning Job Creation, address the status of online drivers and whether these provisions adequately protect their rights and obligations.

The study utilizes a statute approach to systematically review existing regulations governing the employment relationship between online drivers and platform companies, including ambiguities that create legal uncertainty regarding their employment status. The conceptual approach complements this analysis by exploring theoretical principles underpinning employment law and proposing regulatory reforms that align with the realities of platform-based work. By integrating these approaches, the research offers practical recommendations to strengthen legal protections for online drivers and address the regulatory gaps that impact their status and welfare.

RESULTS AND DISCUSSION

Reorientation of Regulation to Accommodate the Status of Online Driver Workers

According to the Job Creation Law, which amends the Labor Law, the employment relationship is determined by three main elements: work, wages, and command. Regarding the relationship between drivers and service provider companies, there is a miscategorization of the partnership concept, which, in practice, fulfills each element of the employment relationship through the company's covert mechanisms.

Fulfilling the Work Element

The work element emphasizes the obligation of workers that is individual and cannot be transferred to others. This element is clearly fulfilled since each driver is only allowed to register with one account. Thus, each driver is bound to an individual employment relationship and has obligations to perform work that cannot be delegated to someone else.

Fulfilling the Wage Element

One of the main reasons companies do not acknowledge the employment relationship is the claim that the wage element does not exist. Companies argue that they only act as intermediaries between drivers and consumers. However, there are covert mechanisms implemented by companies, such as a points system and incentives, which directly influence the driver's income.

The fulfillment of the work element is clearly visible in this relationship. The work element involves individual responsibilities that cannot be transferred to others. In the case of drivers, each individual is only allowed to register with one account, which means they are bound to the obligation to perform work directly and cannot transfer that responsibility to anyone else. This demonstrates that the relationship between drivers and companies is individual, where drivers have obligations they must fulfill to carry out their duties.

Regarding fulfilling the wage element, companies often argue that this element is absent, claiming they merely act as intermediaries between drivers and consumers. However, this argument is not entirely accurate. Although companies do not directly provide wages, there are covert mechanisms that affect the drivers' income, such as a points system and incentives. This system is designed in such a way that drivers' earnings are directly dependent on their performance on the platform. Thus, even though companies do not provide wages in a traditional form, the existing mechanisms still create dependence on a revenue structure regulated by the company, indicating that the wage element in this relationship is indeed fulfilled.

These mechanisms allow companies to avoid demands for fair income amounts for drivers, on the pretext that incentives are given based on customer management schemes, and the companies merely act as "intermediaries." Furthermore, the pricing of services is entirely under the company's authority, and drivers do not have the right to negotiate regarding tariffs or payments for the services they provide.

Fulfilling the Command Element

In the relationship between drivers and service providers, the command element is evident through drivers' dependence on the company's platform or application. Each driver's performance is constantly monitored and controlled by the application system. The company also implements a "gamification work" method, which involves using digital technology algorithms fully controlled by the company, encouraging drivers to work harder to earn higher income through points calculations, performance bonus percentages, and evaluations given to them. Thus, there exists a covert command for drivers to continuously attract customers and maintain their performance. Companies even impose sanctions on drivers who experience "quiet orders," which may lead to the unilateral termination of the partnership.

The relationship between online motorcycle taxi drivers and service provider companies presents significant challenges in recognizing and enforcing the status of a work relationship that should adhere to applicable legal provisions. Although companies claim to be intermediaries, the reality shows that this relationship is more complex, where the elements that make up the work relationship—such as work, command, and wages—should exist and be satisfied. With drivers' inability to negotiate rates and work conditions, companies hold dominant power in determining the terms of this relationship. Therefore, it is important to explore the definition of the legal relationship regulating the interactions between both parties and how power and responsibilities within that work relationship are legally governed. This will help clarify why this seemingly partnership relationship practically exhibits characteristics more akin to a conventional work relationship that should be protected by law.

The legal relationship is an interaction between two or more parties bound by law, arising either from statutory regulations or from agreements. An agreement can be categorized as one that creates an employment relationship if it contains the elements of work, command, and wages. Wages are the compensation given by an employer to a worker in the form of money for the work that has been or will be done. On the other hand, work can be understood as the tasks performed by a worker based on directives from the employer. The command is carried out within the framework of authority, which includes the authority to set tasks, provide instructions to workers, and oversee the execution of those tasks. Additionally, the employer also has the authority to impose sanctions for noncompliance in carrying out the assigned tasks. This concept of authority is known as the hierarchical power of the employer over the worker, which is an important criterion in determining the existence of an employment relationship recognized by many countries.

The emergence of new work models in the labor market due to rapid advancements in information technology has made it difficult to ascertain the existence of an employment relationship. A relevant example is the legal relationship between online motorcycle taxi drivers and application companies within the ride-hailing platform business model in Indonesia. This difficulty cannot be resolved simply by issuing regulations that provide certainty on whether the legal relationship is an employment relationship or a partnership. More important is the availability of certain characteristics that can legally indicate why the relationship is categorized as either employment or partnership. An employment relationship would result in the status of the online motorcycle taxi driver as a worker, while a partnership would result in the status as a partner or independent worker.

The context of the employment relationship in the ride-hailing industry in Indonesia involves not only determining legal status but also understanding the dynamics and characteristics of interactions between online motorcycle taxi drivers and application companies. In practice, drivers are often faced with working conditions indicating a dependency relationship, where drivers rely on companies to obtain work through digital platforms. This can create the perception that, although formally recognized as partners, in daily reality, drivers do not fully possess the freedom expected from partnership status. This dependency includes the use of the application as the primary source of income and compliance with the terms set by the company. Therefore, a deeper analysis is needed to evaluate whether the characteristics of this relationship lean more toward an employment relationship rather than a partnership, thus providing better clarity regarding the rights and obligations of each party.

Article 15 of the Minister of Transportation Regulation Number 12 of 2019 states that the legal relationship between application companies and online motorcycle taxi drivers is a partnership. However, this regulation does not provide a clear definition or criteria for identification as a basis for this regulation. The definition of partnership can be found in Law Number 20 of 2008 concerning Micro, Small, and Medium Enterprises (Law on MSMEs), which defines partnership as cooperation in related business, either directly or indirectly, based on principles of mutual necessity, trust, reinforcement, and benefit between micro, small, and medium enterprises and large enterprises. Although the MSME Law did not serve as the basis for the establishment of Minister of Transportation Regulation 12 of 2019, the regulation aims to provide safety, security, comfort, accessibility, and order in the use of motorcycles for public interests. However, the definition of partnership generally indicates that partnerships involve cooperative relationships based on principles of mutual necessity and trust, implying that the parties have independent positions and there is no superior-inferior relationship. Therefore, the partnership relationship between online motorcycle taxi drivers and application companies, as stated in Article 15 of Minister of Transportation Regulation 12 of 2019, implies that drivers have an independent status as partners or independent workers.

As independent workers, online motorcycle taxi drivers are not bound by labor regulations, including social security protections. Application companies have no obligation to include drivers in social security programs, as their status is that of partners and not workers. The risks arising from the work entirely fall on the drivers and their families. These risks encompass health, safety, as well as income and job security. The regulations for social security programs in Indonesia include health insurance, workplace accident insurance, old age insurance, pension insurance, death insurance, and unemployment insurance. The obligation to register as participants in the social security program becomes the responsibility of drivers as independent workers, in accordance with Articles 31, 32, and 33 of the Minister of Manpower Regulation Number 5 of 2021 concerning the Implementation Procedures for Work Accident Insurance, Death Insurance, and Old Age Insurance (Permenaker 5 of 2021) in conjunction with Article 15 paragraph (1) of Minister of Transportation Regulation 12 of 2019. Based on these two regulations, online motorcycle taxi drivers who have the status of workers in partnership or as independent workers are categorized as non-wage recipients, so they are required to register with BPJS Ketenagakerjaan (Social Security Agency for Employment) to participate in social security programs. Nevertheless, companies like Grab and G*Ojek* have provided accident insurance for both drivers and passengers.

In the development of the gig economy, the classification of employment relationships known as dependent self-employment is reflected in the presence of online platforms and independent workers, such as providers of online transportation services. On one hand, companies argue that the elements of an employment relationship are not met, claiming that they only function as intermediaries. However, on the other hand, the existence of drivers is highly dependent on service provider companies. This dependency starts from using the service provider application as the main source for drivers to obtain work, to the execution of their tasks where drivers are controlled based on application algorithms and unilaterally set provisions by the companies. Practices of inequality in the power relations between service provider companies and drivers demonstrate that the status of "partners" is merely a formality. In reality, the relationship between the two parties should be categorized as a non-standard employment relationship, namely dependent self-employment. However, the primary issue faced is the lack of clear regulation regarding this employment relationship in legislation. This legal vacuum creates issues related to worker rights and allows companies to exploit this situation in a concealed manner.

Thus, the principle of freedom of contract is one of the main pillars of the legal and economic system, emphasizing that individuals or entities have the right to make agreements voluntarily and independently. In an employment relationship, the freedom of contract allows workers and employers to formulate the terms of employment according to their agreements, including aspects such as wages, working hours, and working conditions. This principle is important as it reflects autonomy and human rights, giving both parties the freedom to determine what is best for them. However, in practice, the freedom of contract often does not manifest fairly, especially in imbalanced work relationships like those experienced by online drivers. This imbalance arises from various factors, including workers' dependence on employers for their livelihood and unequal bargaining power. When one party has significant dominance in the negotiation process, the resulting agreement tends to reflect the interests of the stronger party, often neglecting the rights of the weaker party. This can create situations of injustice where workers do not receive adequate protection for their rights, such as fair wages and safe working conditions.

Along with the importance of freedom of contract, there is an increasingly developed argument for the need for limits within that freedom, especially in employment. This is driven by the need to protect workers from exploitation and injustices that may occur when they operate in an unbalanced market. In many jurisdictions, employment law has been established to set minimum standards that cannot be waived in employment contracts, such as minimum wage, health and safety protections, and the right to rest. These limits are essential to ensure that all parties, especially more vulnerable workers, are protected from unfair practices. Regarding the gig economy, where workers are often regarded as independent partners rather than employees, the application of these limits becomes crucial. For instance, the recognition of worker status for online drivers can help create a more just legal framework, providing access to workers' rights and ensuring that they are not exploited by companies with dominant power.

Regulatory Challenges Regarding the Status of Online Driver Workers and Recommendations for Improving Legal Protection for Online Drivers

Legal ambiguity in regulations regarding the status of online drivers is one of the biggest challenges hindering the protection of workers' rights in this sector. Many existing laws and regulations do not provide a clear definition of worker categories, leading to uncertainty for drivers. In practice, their legal status is often categorized as "partners" or "independent workers," even though they operate within an employment relationship that contains elements such as work, command, and wages. This lack of clarity is a source of problems because it complicates drivers' ability to claim their rights as workers. The uncertainty surrounding the legal status of online drivers creates a situation where workers' rights, such as fair wages and social security, cannot be effectively enforced. For example, if drivers are considered partners or independent workers, they may not have access to protections provided by labor laws, such as minimum wage, health insurance, or leave rights. This makes them vulnerable to exploitation, as companies can leverage this ambiguity to evade legal responsibilities regarding workers' rights. This legal ambiguity also challenges regulatory agencies in effectively enforcing the law. Without a clear category, it is difficult to determine what standards companies should comply with in their relationship with drivers. This creates gaps in the legal protection system, where companies can operate with impunity while affected drivers lack clear legal avenues to advocate for their rights. Therefore, to create a more equitable and sustainable work environment for online drivers, it is crucial to formulate regulations that provide clarity about their legal status and accompanying rights.

The rapid development of business models on digital platforms, particularly in the ride-hailing sector, has presented significant regulatory challenges. These platforms employ algorithms and constantly evolving technologies to manage operations and interactions with users, including drivers. With this dynamic, existing regulations often lag behind and are insufficient to accommodate rapid changes, creating uncertainty for drivers regarding their rights and obligations in the employment relationship. One impact of this evolution in business models is the lack of clarity regarding wage structures. In many cases, the payment systems implemented by these platforms are based on algorithms that can vary at any moment. This causes drivers to struggle to know exactly how much they will earn for each trip. This uncertainty not only affects their earnings but also their long-term financial planning. Moreover, incentive mechanisms applied by these companies can also change without prior notice, leaving drivers in a vulnerable position. Beyond the issue of wages, these regulatory challenges also encompass the protection of basic workers' rights. With business models reliant on algorithms and automation systems, there is a risk that companies will neglect their responsibility to provide adequate protections for drivers. For example, in situations where drivers encounter health issues or workplace accidents, regulatory ambiguity may make it difficult for them to access social security or health protections that they should receive as workers.

The power imbalance in the relationship between online drivers and service provider companies is a crucial issue that creates significant challenges in labor regulation. Companies typically hold far greater bargaining power compared to drivers. This is due to the companies' full control over the platforms and algorithms used to connect drivers with consumers. Additionally, companies can set terms and conditions that tend to favor their position, while drivers, as individuals depending on their jobs for livelihood, often feel compelled to accept unfair conditions. This situation creates an environment where drivers' basic rights, such as fair wages, health protection, and social security, are not acknowledged or fulfilled. Companies often claim they are not responsible for such protections on the grounds that drivers are not employees, but rather partners or independent workers. In practice, this frequently leads to exploitation, where drivers find themselves trapped in prolonged uncertainty about their earnings and rights. For example, during fluctuations in order volume, drivers who rely on daily income can experience serious financial difficulties without a guaranteed stable income. This power imbalance also creates challenges in the negotiation process. Often, drivers lack effective channels to voice complaints or negotiate their working conditions. Their inability to organize or negotiate collectively worsens their bargaining position, making them more vulnerable to unilateral policies from companies. The existence of trade unions or associations representing drivers' interests is crucial for establishing a better balance in this work relationship.

The power imbalance between online drivers and service provider companies is a critical issue in labor regulation, especially in the gig economy. Companies providing ride-hailing platforms have significant control over operational processes, allowing them to set terms and conditions of work without considering the drivers' bargaining power. With a system structured in this way, firms often exploit their position as "intermediaries" to evade legal responsibilities that typically accompany traditional employment relationships. In this situation, drivers often feel compelled to accept unfavorable working conditions, including inadequate wages and minimal protections for their rights. These conditions have implications for drivers' basic rights, such as fair pay, health protection, and social security. When companies assert that they are under no obligation to provide those protections, they overlook the fact that drivers, despite being recognized as partners or independent workers, continue to operate within a framework that heavily relies on the platforms managed by the companies. As a result, many drivers find themselves trapped in a constant state of financial uncertainty, where they lack guaranteed stable income. Fluctuations in demand can directly impact their earnings, often not sufficient to meet basic needs. This power imbalance hinders drivers' ability to negotiate better working conditions. Without effective communication channels to voice their complaints or aspirations, many drivers feel alienated and powerless. Their inability to organize or form trade unions exacerbates this situation, as they cannot unite to advocate for their rights. The existence of trade unions or associations that can represent drivers' interests is essential to addressing this imbalance. With collective support, drivers stand a better chance of negotiating with companies regarding working conditions, fair wages, and social protections.

Clarifying the legal status of online drivers is critical for labor regulations, given that the uncertainty surrounding their current classification can result in violations of basic workers' rights. The government needs to formulate regulations that clearly recognize online drivers as workers, with rights and protections equivalent to those of other workers in the formal sector. This recognition will not only provide legal certainty for drivers, but also encourage service provider companies to fulfill their obligations regarding fair wages, social security, and health protections. With clear and transparent regulations, there is hope for increased corporate responsibility in providing a safe and decent work environment, as well as reducing the exploitative practices that often arise from ambiguity in worker status. Additionally, this clarity can foster greater awareness among drivers about their rights, which in turn can encourage them to demand better protections and participate in collective negotiations for fair working conditions.

The importance of establishing minimum standards for workers' rights protection in labor regulations, particularly for online drivers, cannot be overlooked. Clear and firm regulations regarding minimum wages, working hours, and social security will create a more solid legal framework that not only protects drivers from exploitative practices but also guarantees them fair compensation for their work. By having minimum standards, service providers are required to respect drivers' basic rights, ensuring they are not treated arbitrarily and that their earnings reflect the value of the work they provide. Furthermore, such regulations can help create better and safer working conditions for drivers, promoting their mental and physical well-being. The application of these standards will also provide certainty for companies in conducting their business ethically and responsibly, thus creating a more balanced ecosystem between corporate interests and workers' rights. In this way, it is hoped that the employment relationship between drivers and companies can be transformed into a more equitable and sustainable one, while also enhancing public trust in the online transportation industry.

Enhancing access to information and legal assistance for online drivers is a crucial step to empower them in advocating for the rights they should receive. The government, along with worker organizations, must take the initiative to provide adequate resources and effective educational programs to ensure that drivers understand their rights under existing labor regulations. By providing comprehensive training and information regarding wage rights, social security, and accessible legal procedures, drivers will be better equipped to navigate the challenges they face and identify actions to take if their rights are violated. Additionally, adequate legal assistance will enable drivers to seek professional help when facing disputes or issues with companies, thereby strengthening their bargaining position in the employment relationship. Providing access to information and support will not only contribute to increasing legal awareness but also build solidarity among drivers, which in turn can facilitate collective efforts to improve their working conditions. With these measures, it is expected that drivers can be more proactive in advocating for their welfare, creating a more equitable and balanced work environment.

The participation of online driver representatives in the regulatory creation process is a fundamental step to ensure that the resulting policies truly reflect the realities and needs faced by workers in the field. By involving their voices in regulatory discussions, authorities can gain deeper insights into the challenges drivers face, such as fair wage issues, social security protection, and safe working conditions. Direct input from drivers will aid policymakers in formulating more relevant and responsive regulations to actual needs, avoiding top-down policy-making that may overlook important aspects that can only be understood by those experiencing the work. Furthermore, this involvement can also strengthen the legitimacy of the resulting regulations, enhance drivers' sense of ownership over the implemented policies, and encourage them to commit to the enforcement of these regulations. Thus, this participatory process is expected to create a fairer and more inclusive framework for all parties involved in the ride-hailing industry.

CONCLUSION

The relationship between online motorcycle taxi drivers and service provider companies in Indonesia highlights significant regulatory challenges due to the misclassification of drivers as partners rather than workers. Although companies claim to act as intermediaries, the elements of work, wages, and command are clearly present, reflecting an employment relationship. This misclassification leads to a lack of access to workers' rights, such as fair wages, social security, and legal protection, creating power imbalances and exploitative practices. Strengthened regulations are essential to formally recognize drivers as workers, ensuring minimum protection standards and addressing legal ambiguities. Measures such as clearer definitions, limitations on freedom of contract, and increased driver participation in policymaking are crucial for creating a fairer and more sustainable work environment. Future research should focus on comparative worker classification models, economic impacts of worker protections, technological tools for transparency, and targeted policies addressing gender and equity issues, providing a roadmap for balancing worker rights with platform flexibility.

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