

Law Enforcement Policy on Wage Provision for Workers with a Work Period of more than 1 (One) Year



Hadi Prabowo¹, Darminto Hartono Paulus²

^{1,2}Master of Law, Universitas Diponegoro

ABSTRACT: This paper aims to determine whether the government has imposed drinking wages in a national wage system. Considering that wages are one of the important aspects in the protection of workers, as mandated in Article 88 Paragraph (1) of the Manpower Law. This means that every worker has the right to earn income in the form of wages that meet a decent living for humanity. The implementation of the minimum wage is intended as one way to improve the welfare of workers and their families. The research method used is normative juridical using secondary data. Based on the results of the research, it is known that the application of a minimum wage in a national wage system is one of the important aspects in the protection of workers as mandated in Article 88 Paragraph (1) of the Manpower Law.

KEYWORDS: Wages, Labor, Legal Protection.

A. INTRODUCTION

One of the national development goals as stated in the 1945 Constitution of the Republic of Indonesia (UUD 1945) is to promote the general welfare for all Indonesian people who are just and prosperous, both materially and non-materially. National development is essentially the development of Indonesian people as a whole, both in the physical and spiritual fields within the scope of a civilized and socially just Indonesian society. Social justice itself has a relative meaning, it cannot be defined in detail and comprehensively. Basically, social justice must reflect a situation where economic growth and development results can be enjoyed by all levels of society without exception, not only for a group of people or certain groups.

Therefore, to realize national social justice, national development is needed that is evenly distributed throughout the country. It is hoped that the results of development can be enjoyed by all Indonesian people. Development is one of the Government's efforts in realizing social welfare for the people. However, in order to improve the standard of living and welfare of the people individually or as a family, the people must make various efforts, one of which is work. By working, a person has channeled his energy and thoughts in a form of activity that is in accordance with his interests, talents, and abilities (skills). The results of work will get rewards or wages that are used to meet their daily needs.

The wages are needed to maintain one's survival. As for the policies and arrangements for the distribution of wages, they must be implemented fairly and in accordance with applicable regulations. Provisions regarding wages have been regulated in Article 27 of the 1945 Constitution which reads as follows: Paragraph (1): "Every citizen has the same position in law and government." Paragraph (2): "Every citizen has the right to work and a decent living for humanity." The provisions of Article 27 Paragraph (2) of the 1945 Constitution can be used as a basis in determining the amount of wages for workers for services that have been performed. Wages are given by the employer to the worker, who is bound in an employment relationship and based on an employment agreement. The determination of the amount of wages is adjusted to the applicable minimum wage standards. In the nature of the employment relationship, although legally the formal relationship between the worker and the employer is the same before the law, sociologically this is not the case. This is because the employer has a more powerful position, when compared to the workforce. The relationship between the employer and the workforce is subordinate or vertical downwards, so that the position between them is not the same as each other.

The provisions of Article 1601a of the Civil Code (KUHP), regulates work agreements between employers and workers. According to the regulation, workers are entitled to receive wages in accordance with the work agreement. Thus, the essence of the employment relationship is remuneration. Without wages, there is no working relationship. Wages are an absolute thing in an employment relationship. According to Abdul Hakim (2006:1-2), the provision of wages from employers to workers must pay attention to three aspects, namely:

1. The technical aspect is an aspect that is not only limited to how the calculation and payment of wages is carried out, but also involves how the wage process is determined;

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2. Economic aspect, an aspect that looks more at economic conditions, both macro and micro. Then, operationally consider the company's ability when the wage value will be determined and implementation in the field;
3. Legal aspects, including the process and authority of wage determination, implementation of wages, calculation and payment of wages, as well as supervision of the implementation of wage provisions.

These three aspects are interrelated with each other. In the implementation of remuneration, one aspect cannot be eliminated or ruled out, because each aspect will have different consequences (Abdul Hakim, 2006:1-2). Regulation of the Minister of Manpower and Transmigration (Permenakertrans) Number 7 of 2013 concerning the Minimum Wage, can be used as a strong legal basis in determining a decent income for workers, to meet their daily needs. The Secretary General of the All-Indonesian Workers' Organization (Secretary General of OPSI), stated that Permenakertrans No. 7 of 2013 is a follow-up to the government after issuing Presidential Instruction (Inpres) No. 9 of 2013 concerning Minimum Wage Determination Policy in the Context of Business Continuity and Improving Worker Welfare. According to the Secretary General of OPSI, the two regulations are full of discrimination and systematically castrate the welfare of workers. He also considered that the Permenakertrans contradicted the constitutional mandate, Law (UU) No. 13 of 2003 concerning Manpower, Permenakertrans No. 13 of 2012 concerning Components and Implementing Stages of Achieving Decent Living Needs, and is considered contrary to Permenakertrans No. 1 of 1999 concerning Minimum Wage.

The Secretary General of OPSI assessed that by issuing these two regulations, the Government seemed to be free from its responsibility to manage labor-intensive industries properly. In the end, workers in the labor-intensive sector are victimized, given a low minimum wage. In fact, the government should provide various facilities in advancing labor-intensive industries and guaranteeing the welfare of the workforce.

These conditions encourage workers to make demands on employers to provide decent wages. The struggle of the workforce in demanding their welfare is getting better coordinated day by day. This is in line with the improving democratic climate which has opened up freedom of association in a number of companies. In addition to the tripartite path in the Wage Council, the workforce also moves through demonstrations and strikes. They even fought through the State Administrative Court (PTUN), such as rejecting the 2013 Provincial Minimum Wage (UMP) suspension letter to be signed by Governor Jokowi (Budi Santoso, 2013:25). As a result, the PTUN asked Jokowi to revoke the letter of suspension. This means that there are labor rights that have not been paid in full by a number of companies asking for the suspension of the UMP of Rp. 2.2 million. The workforce also demands an increase in the 2014 DKI Jakarta UMP to 3 million. Jokowi finally set the 2014 UMP at IDR 2.44 million per month, based on the 2013 Decent Living Needs (KHL) survey of IDR 2,299 million per month (Budi Santoso, 2013:25).

There are several things that made the workforce able to win the lawsuit, because the KHL survey was carried out in 2013, while what was being fought for was wages in 2014. Thus, there must be a correction for this amount from the inflation rate and economic growth (Budi Santoso, 2013 :25). According to the Provincial Government of DKI Jakarta, the amount of the UMP has taken into account inflation and projected economic growth in 2014. The provincial government also admits that although the wage rate in DKI Province is not yet ideal, employers will also find it difficult to meet demands for a wage of Rp. 3 million per month because it is certain there will be many workers who experience Termination of Employment (PHK).

Differences in views regarding the number of wages cause frequent disputes between employers and workers. Employers choose to use the minimum wage standard, because it is more profitable. The provision of wages slightly above the minimum wage is justified by Law no. 13 of 2003 concerning Manpower. On the other hand, workers consider the value of the minimum wage to be too low, so they have to work harder to live in prosperity (Nurachmad, 2009:33).

These differences of opinion often cause unrest among the workforce and encourage them to hold demonstrations to ask for an increase in wages, every year. If this situation is left unchecked, of course, employers will find it difficult to meet the demands of the workforce, as a result there will be many layoffs that have an impact on economic growth. To anticipate this, the government must be able to establish a wage system that applies nationally. It is hoped that this national system will become a benchmark or benchmark for determining the standard of minimum wage levels. With the existence of a national wage system that is adjusted to the amount of the minimum wage that is adjusted to the conditions of the provinces and districts/cities, it is expected to have a very significant effect on improving the welfare of the workforce.

This paper aims to determine whether the government has imposed drinking wages in a national wage system. Considering that wages are one of the important aspects in the protection of workers, as mandated in Article 88 Paragraph (1) of the Manpower Law. This means that every worker has the right to earn income in the form of wages that meet a decent living for humanity. The implementation of the minimum wage is intended as one way to improve the welfare of workers and their families.

B. RESEARCH METHOD

This study uses a normative juridical research method, namely a research method by basing its analysis on legislation or positive law (Diantha, 2017). The data used in this study is secondary research data obtained through a literature study consisting of primary legal materials, namely legislation related to employment in Indonesia and secondary legal materials, namely literature on

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research problems (Amirudin, 2012). The analysis was carried out with an analytical descriptive approach, which is an analytical approach by describing the object of research which in this case is a problem regarding employment related to labor wages (Faisal Ananda Arfa, 2016).

C. DISCUSSION

1. Theoretical Basis Regarding Labor Wages

To date, there are different definitions of wages. This is due to the different points of view of various parties in formulating the definition, both from the employer, the government and from the workforce itself. Employers view that wages are rewards given to workers for the work they do in producing goods and services, which are profitable for them. The government views wages as a form of income earned by workers which is an important component in economic activity. Workers view that wages are a basic component for survival and their families, which are used to meet the needs of daily life. However, sometimes the wages received are not sufficient for the welfare of the workers themselves. Even though they have worked with all their energy and mind (Asyhadie, 2007: 68).

There are several understandings of wages, namely: According to Imam Soepomo (2003:179), wages are payments received by workers as long as they do work or are seen as doing work. According to G. Reynold (Asyhadie, 2007:68), wages are the amount of money received by workers, at a certain time. More importantly, wages are the number of necessities of life that he can buy from that amount of wages.

According to Government Regulation No. 8 of 1981 Article (1) Letter (a) concerning Wage Protection reads as follows: Wage is an income as a reward from the employer to the worker for a job or service that has been or will be performed. Expressed or valued in the form of money, which is determined according to an agreement or statutory regulation and paid on an employment agreement between the employer and the worker, including allowances for both the workers themselves and their families.

According to the Wage Research Council (Kartasapoetra, et.al, 1986:94), wages are an acceptance as a reward from the employer to the recipient of work, for a job or service that has been and/or will be performed, which functions as a guarantee for the continuity of a decent life. for humanity and production. Wages are stated or valued in the form of money, which has been determined according to an agreement of laws and regulations that are paid on the basis of an employment agreement between the employer and the job recipient.

According to Article 1 Number 30 of the Manpower Law (Hakim, 2006:13), wages are workers' rights that are received and expressed in the form of money as compensation from the employer. Wages are determined and paid according to a work agreement, agreement, or statutory regulations, including allowances for workers or laborers and their families for work and or services that have been or will be performed. According to Article 1 Number 10 of Law no. 24 of 2011 concerning the Social Security Administering Body, wages are the rights of workers received and expressed in the form of money as compensation from the employer. Wages are determined and paid according to a work agreement, agreement, or statutory regulations, including allowances for workers or laborers and their families for work and or services that have been or will be performed.

From the several definitions of wages above, it can be seen that each opinion has a different emphasis. Although there are similarities in intent, which assumes that wages are labor income in the form of money or which can be valued in the form of money. The wages received are the right for their work, not as a gift from the employer. The position of wages is the most important part of an employment relationship, because it is income or income to support the welfare of the workforce and their families. Factors that influence the setting of wages for employers include: the number of potential working ages supported by job opportunities, economic development in urban areas and the existence of social class differences, the inclusion of advanced technology in various business fields, and government intervention in problems. concerning the company. Thus, the employer must be able to pay for his labor during the working period.

Based on the provisions of Article 1 Number 14 of the Manpower Law, a work agreement is an agreement between a worker and an employer that contains the working conditions, rights and obligations of both parties. Furthermore, the provisions of Article 1 Number 15 of the Manpower Law stipulates that an employment relationship is a relationship between an employer and a worker based on a work agreement, which has elements of work, wages, and orders. Soedarjadi (2009:66-68) states that the rights and obligations of employers are as follows:

- 1) The rights of the employer are: to get better production results; give proper orders; place and move in the desired position; the right of rejection of labor demands, and
- 2) Employers' obligations, namely: mandatory employment reports; provide jobs; provide decent wages; improve the welfare of the workforce; report the occurrence of work accidents; and provide severance pay.

According to Soedarjadi (2009:65-66), the rights and obligations of workers are as follows; Labor rights, namely: getting a decent wage, the right to obtain a permit, annual leave, and illness, getting a wage even though not working, getting additional wages, getting social security, getting occupational safety and health (K3) protection, getting protection for wealth, and receive religious holiday allowances; and Manpower obligations, namely: carrying out work well, complying with the

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company and creating peace of mind.

The wage system is a framework for how wages are regulated and applied. Soedarjadi (2009:115) reveals that the wage system in Indonesia is generally based on three functions, namely; Reflects rewards for one's work, ensures a decent life for workers and their families, and provides incentive money to encourage increased production of labour. Meanwhile, Ridwan Halim (2001:84) explains that in determining wages for workers, employers usually pay attention to the following things; Work performance that has been given by the workforce which can be measured by the time spent, energy and skills contributed physically, mentally, and socially; Seeing and conducting surveys with similar companies on the wages given to workers who do the same work; and Providing incentives to workers who are diligent and have special achievements so as to increase productivity.

The provision of wages must also be carried out by looking at the minimum real needs of workers, so that workers and their families can live decently. As explained earlier, the level of a decent wage is largely determined by the achievements of the workers. Therefore, wages are determined on the basis of the tasks assigned by the employer and carried out by the workforce by taking into account the balance of achievement, workforce needs, and company capabilities. In determining the level of wages, the principle of balance between the rights and obligations of employers and workers must be considered. Thus, the employer has the responsibility to pay fixed wages on time. The government must strive to improve the welfare of the workforce, so that workers will be able to fulfill their obligations in accordance with their job duties.

Wages are the main factor for workers, because they are used to finance the lives of workers and their families. Imam Soepomo in Ridwan Halim (2001:178), said that essentially the function of wages, namely; embodiment of social justice in the context of humanizing humans, fulfilling minimal basic needs for workers at a level where they live decently from the results of the work they do; and Encouraging increased discipline and work productivity.

According to Iman Soepomo in Ridwan Halim (2001: 178), the purpose of the workforce doing work is to earn sufficient income to finance their lives together with their families, namely a decent living for humanity. According to Mochtar Halim (2000:24), the function of wages varies, depending on the angle from which the wages are viewed, as follows; from the point of view of the workforce, wages serve as a necessity for a decent living with his family. From the employer's point of view, wages function as a driving element in the production process and are the production costs of the company. From the government's point of view, wages are a measure of people's lives. Therefore, the formulation of wages must be able to create a harmonious, harmonious, stable, peaceful and dynamic business climate.

P. J. Simanjuntak (1985:110) emphasized that based on PP no. 8 of 1981, the wage functions that lead to a net wage system are; guaranteeing a decent life for workers and their families, reflecting the rewards for one's work; and provide incentives to encourage increased work productivity. The implementation of the minimum wage is a policy issued by the government which aims to increase work productivity and the welfare of the workforce. Provisions of Article 1 Point 1 Permenakertrans No. 7 of 2013 states that the minimum wage is the lowest monthly wage consisting of basic wages, including a fixed allowance set by the governor as a safety net. Article 1 Number 2 states that the definition of UMP is the minimum wage that applies to all regencies/cities in one province. Meanwhile, Article 1 Point 3 states that the Regency/City Minimum Wage (UMK) is the minimum wage applicable in the Regency/City area.

Based on this understanding, it can be seen that the minimum wage that has been set by the government through the Ministry of Manpower and Transmigration (Kemenakertrans) together with the National Tripartite Institution and the Regional Tripartite Institution, is intended to protect the workforce. Wages are one of the main factors to improve welfare and work productivity in helping to create peace of mind, ability to do business, and economic growth. Through the determination of the minimum wage which will be increased every year, it is hoped that there will be an increase in the welfare and productivity of the workforce in Indonesia.

One of the problems that arise in the wage system is that there is no stipulation regarding the structure and scale of wages, moreover not all companies have a uniform structure and scale of wages. Basically, the preparation of the structure and scale of wages has been regulated in the Decree of the Minister of Manpower and Transmigration (Kepmenakertrans) Number 49/Men/IV/2004 concerning Wage Structure and Scale. Although it has been regulated at the level of ministerial decree, it has not been implemented yet. Article 1 Kepmenakertrans No. 49/Men/IV/2004 states that the wage structure is the arrangement of wage levels (from the lowest to the highest or vice versa from the highest to the lowest). Meanwhile, the wage scale is the range of nominal wages according to occupational groups.

Furthermore, in the elucidation of Article 92 Paragraph (1) of the Manpower Law, it is stated that the preparation of the structure and scale of wages is intended as a guideline for determining wages, so that there is certainty of wages for each worker and to reduce the gap between the lowest and highest wages in the company concerned. Provisions of Article 10 Kepmenakertrans No. 49/Men/IV/2004 states in the Attachment to the Ministry of Manpower and Transmigration that the Technical Guidelines for Compiling Wage Structures and Scales are guidelines (references) in the preparation of the structure and scale of wages carried out (compiled) by taking into account class, position, tenure, education, and work competence as well as taking into account the condition (ability) of the company.

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Based on this explanation, there is no provision that obliges or requires the preparation of the structure and scale of wages with the imposition of a certain sanction. However, in realizing harmonious industrial relations and avoiding gaps, as well as to avoid structured social jealousy among the workforce, it is necessary to regulate the structure and scale of wages based on class, position, tenure, education, and competence (Stipulations in Article 92 of the Manpower Law). Of course, the arrangement does not reduce the right of the employer to give rewards based on the company's ability and productivity level, as well as the performance of each worker, and provide sanctions (punishment) if there are workers who violate or default.

In addition, the implementation of the preparation of the structure and scale of wages by all companies has resulted in the ineffectiveness of the Ministry of Manpower and Transmigration regarding the preparation of the structure and scale of wages. This condition is coupled with the absence of sanctions that can be imposed on employers who do not implement the provisions on the wage structure and wage scale. In fact, if the structure and scale of wages have been implemented, the government does not need to interfere too much in the provision of wages between employers and workers. Because the mechanism has been determined between them with a minimum wage as a safety net for workers, especially workers with a working period of less than one year (fresh graduates).

Given the importance of the structure and scale of wages, in the future every employer must determine the structure and scale of wages in his company, so that there is no gap between senior and junior workers. In addition, the structure and scale of wages are also very useful in career development and improving the welfare of the workforce. If the employer has been required to determine the structure and scale of wages, it will minimize the debate between employers and workers in calculating the annual wage increase. Because the workforce already has a clear picture of the structure and scale of wages in the company. The absence of a wage structure and scale also creates fear in employers because they assume that the longer the working period, the higher the wages to be paid. This is considered detrimental to the employer, especially if the workforce is no longer productive

The provisions of Article 89 Paragraph (2) of the Manpower Law stipulates that the minimum wage, both the minimum wage based on the province or district/city area and the sector-based minimum wage in the province or district/city area is directed at achieving KHL. In simple terms, all parties can analyze the amount of the UMP because it is based on a survey of KHL needs. In fact, there are still differences of opinion between the trade unions and the government regarding what components are included in the KHL and how the standards of application of each component are (Budi Santoso, 2013:25).

Further formulation of KHL has been regulated in detail in Permenakertrans No. 13 of 2012 concerning Components and Implementation of the Stages of Achieving Decent Living Needs. In it, there are 60 components in the wage system. However, this component only applies to the workers themselves, not including their families. Whereas the components should be revised, in order to improve the welfare of the workforce and their families, especially related to the wage setting component.

The revisions made are intended to explain all components of existing wages, for example: workers are said to consume 10 liters of rice per month, clean water needs are only assumed to use 2 m³ a month and house rent is only based on boarding room rent. In fact, the trade unions suggested that the workforce's demand for water should follow the standards of the UN health organization or UNESCO, which is 4.5 m³ of clean water. Likewise, the transportation component, in the Permenakertrans KHL, consists of transportation and others, but in reality it is only pegged at the return fare using public transportation (Budi Santoso, 2013:25).

There are many principles that become labor requirements but have not been regulated in Permenakertrans No. 13 of 2012, among others, costs for communication (pulse) which has now become a workforce requirement. If it is not possible to add a wage component, the government must improve the quality of the existing wage component, so that it is really feasible to use it to improve the welfare of the workforce. However, some employers consider that the normative provisions do not provide an explanation on how to measure wage determination, especially if it is assessed from the factor of labor productivity. In reality, only inflation and company capabilities can be seen logically. Finally, the determination of wages is only a negotiation between the employer and the workforce, based on the factors that determine the easiest wage to be calculated rigidly (inflation).

In the method of determining wages, it is also necessary to explain when the payment of wages is made, whether on a daily, weekly, or monthly basis, including if the payment of wages is made on a commission/percentage basis. This is very important, because the payment of wages based on this percentage is often forgotten by employers, including the payment which cannot be lower than the UMP and must be in accordance with KHL (Article 88 paragraph (4) of the Manpower Law and KHL Components regulated in Permenakertrans Number 13 In 2012.). Thus, the determination of the minimum wage must be directed to the achievement of the KHL, even though in the last 5 (five) years the employer has not enforced the determination of the Minimum Wage in accordance with the KHL value in one hundred percent.

In the Study on the Effectiveness of Wage Provision in Law no. 13 of 2003 concerning Manpower for Drafting a Bill on the National Wage System (PUU Kesra Secretariat General of the DPR RI, 2010:118), the ideal wage system can be implemented in three ways, namely; the wage system is set by the government through the UMP by the Wage Council, the wage system is through a bipartite mechanism, in which the provision of wages above the UMP is through PP/PKB regarding the structure and scale of wages and considering economic growth. Regarding wages, which are regulated in a bipartite manner, carried out between the employer and the workforce, in accordance with the existing level of productivity. In this case, the

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workforce negotiates with the employer about how much wages should be received, of course, the wage must be above the provincial minimum wage.

Professional wages that are agreed individually where the employee and the employer sit on equal footing. Workers who have certain expertise, skills, and competencies, can directly negotiate directly with the employer to determine the wages to be paid. This is a reward for the services they have provided, of course, taking into account the capabilities and conditions of the company. With the expertise they have, the workforce offers how much the company is able to pay wages.

In 2009 out of 33 provinces in Indonesia, only three provinces including: NAD, East Kalimantan, and Riau were able to set the UMP above the need for a decent living. This indicates that our economic condition is still not good enough to encourage the provision of wages that meet a decent standard for the welfare of the workforce and their families. The assumption regarding the existence of the existing UMK is for single workers with an experience level of less than one year of service. For this reason, it is hoped that the government, especially the district/city government, will have special rules accompanied by a method of calculating wages. Especially for workers who have reached a working period of more than one year, including special calculations for workers who are already married.

2. Analysis of Law Enforcement Policy on Wage Provision for Workers with a Work Period of more than 1 (One) Year

In determining the amount of the provincial minimum wage, the Provincial Wage Council, which consists of the government, trade unions, and employers, jointly conducts a survey every year. Determining the amount of wages through surveys is very important to do in order to obtain a minimum wage limit that must be agreed upon by the parties (employee and employer).⁴ Currently, the survey results show that the prices of all market components have increased, so wages need to be adjusted. However, one of the obstacles faced in conducting the survey is in terms of funding because until now there has been no funds allocated specifically for the survey. In order to get around the funding constraints, sampling is often used in surveys, namely random sampling of respondents. The results of the survey conducted by the Wage Council are intended to determine the amount of the UMP. Then based on the amount of the UMP, the Provincial Wage Council proposes to the governor to be set as the UMP.

According to the Minister of Manpower and Transmigration, Muhaimin Iskandar, the determination of the 2014 minimum wage is still based on the results of a survey on KHL, productivity, and economic growth. In determining the provincial/district/city minimum wage, it is directed to the achievement of KHL in their respective regions. Based on the survey results, a certain percentage or amount of wage increases cannot be assumed. The Minister of Manpower and Transmigration reminded that there is no realistic minimum wage determination, except based on a survey. The results of the surveys in the regions also vary, for example: the results of the survey in DKI Jakarta Province are different from those in the provinces of West Java, Banten, or East Java. Therefore, wage increases must still be based on the survey results of each region.

In the future, research or surveys should not be carried out by the Wage Council, but by an independent institution (eg BPS). This is because in regions there are often differences in the calculation of KHL or minimum physical requirements in determining the UMP, which is carried out by employers and labor unions. Therefore, it would be more appropriate if the data used is scientific data from an independent institution. In addition, the independent institution is a neutral institution because it does not side with any element in the field of employment

The arrangement for increasing wages or adjusting the UMP, which has been in effect every year, should be reviewed because the timeframe is too short. Though the determination can take a long time, but only valid for a moment. This is clearly very inefficient, so the wage review should be changed to every two to three years, not annually. There are still many companies that have not enforced the UMK policy per year that has been set up until now, especially if it is enforced for two or three years. Thus, the wage increase for the following year is regulated in a Collective Labor Agreement determined in a Bipartite manner (by the employee and the employer).

Wage reviews or wage adjustments must be carried out periodically because they relate to the price of food, clothing, and other necessities, which must be purchased by the breadwinner. If prices rise, while wages do not increase, real wages will fall and the workforce will become poorer, which causes workers to be unable to buy goods and services needed for their daily needs (Kertonegoro, 1999:29). . In addition, the determination of the UMK should not be decided by the governor, but left to the regent/mayor. This is because the regent/mayor who knows the proper living conditions in an area is the regent/mayor. In some areas, the standard of decent living needs in one province is very heterogeneous. For example: in East Java Province, each district/city in the province has a different level of living needs.

Basically, there are two kinds of compensation received by the workforce, namely: material benefits that are paid directly, such as salaries and allowances, and welfare (non-material benefits). Labor welfare is a fulfillment of physical and spiritual needs and/or needs, both inside and outside the work relationship, which can directly or indirectly enhance work productivity in a safe and healthy work environment (Nurachmad, 2009:42). . The purpose of well-being is to create motivation. Welfare provides a reason for the workforce to join and remain a member of the company (Nurachmad, 2009:42).

The provisions of Article 16 of the Law on the Social Security Administering Body (BPJS) stipulates that everyone, including

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foreigners who work for a minimum of six months in Indonesia, is obligated to become a participant in the social security program. BPJS aims to realize the provision of guarantees for the fulfillment of basic needs for a decent life for each participant and/or family member. BPJS consists of BPJS health and BPJS employment. Article 6 of the BPJS Law states that BPJS Employment organizes work accident insurance programs, old age benefits, pension benefits, and death benefits.

In addition to being a participant in the social security program, employers are also required to provide welfare facilities in accordance with the needs of the workforce in accordance with the company's capabilities. For example: providing housing or housing credit facilities, cafeterias, and mini markets. In addition, to further improve the welfare of the workforce, companies can form labor cooperatives and other productive businesses. The government must also continue to strive to establish a wage system based on justice and welfare for workers, which is in accordance with the growth and development of the Indonesian economy. Workers must be given a decent increase in wages and welfare.

D. CLOSING

Conclusion

Based on the results of the above discussion, it can be concluded that the application of the minimum wage in a national wage system is one of the important aspects in the protection of workers as mandated in Article 88 Paragraph (1) of the Manpower Law. Workers are entitled to a minimum wage that meets a decent living as a reward for the work they have done. Thus, the government must be able to establish a wage system that contains a wage policy to protect workers. Determination of a decent minimum wage can be used as a social safety net and is important in fostering conducive industrial relations between workers and employers. Through the wages received by workers based on the national wage system that has been determined by the government, it is hoped that it will not only meet the welfare of the workforce, but also their family members.

Suggestion

The national wage system is put in place so that the determination of wages is above the minimum living needs and the determination of the national wage system must take into account factors such as KHL, productivity, economic growth, labor market conditions, and the company's ability to pay. Of course, adjusted to the conditions and capabilities of each region. Wage determination through the national wage system is also directed at improving the welfare of the workforce, increasing productivity, and seeking equal distribution of income in order to create social justice.

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