CHAPTER I

INTRODUCTION

A. Research Background

Palm oil is the relative commodities for trade from plantation subsector. The opportunities of Indonesia to increase oil palm production are very great because availability of land, the suitability of the climate change, the availability of qualified human resources and labor is relatively cheap thus Indonesia has become the largest crude palm oil producers.

In Bukit Makmur Village, Berau District, East Kalimantan there are nearly 25 oil palm plantation owner who employ 29 workers in 100 hectares plantations area. Wage given by employer differ between one to another. The wage ranges just from Rp1.500.000,00- Rp3.000.000,00. Whereas the Governor of East Kalimantan has enacted Minimum Wage District of Berau for 2017 on December 7/2016 amounting to Rp2.657.537,50 per month.

¹ Maruli Pardamean, Qid, Crmp, "Cara Cerdas Mengelola Perkebunan Kelapa Sawit", Vol. 1, (Yogyakarta: Lily Publisher, 2011), p. 2

² *Ibid.*, p. 4.

The wage is a crucial issue of employment and the government as the regulation settler specified a law which is minimum wage legislation that can be the safety net for workers and employers.³

Minimum wage is the lowest wage that an employer paid for a worker in a month by law or by a union agreement to pay.⁴

Which is the minimum wage determination based on the need for decent living. The need for decent living is standard, the need of single worker to live physically for a month. The value of each component and type of the need for decent living obtained through a price survey conducted by the district wage council.⁵

When employer give worker wage below the minimum wage the agreement between workers and employer canceled and employer are required to pay the wage of the workers according to applicable law. But if

³ Peraturan Menteri Ketenagakerjaan Republik Indonesia Nomor 21 Tahun 2016, Pasal 1 Ayat (2)

⁴ Oxford Advanced Learner's Dictionary, (1995), p. 742

⁵ Peraturan Menteri Tenaga Kerja Dan Transmigrasi Republik Indonesia Nomor 13/ 2012 Twntang Komponen Dan Pelaksanaaan Tahap Pencapaian Kebutuhan Hidup Layak Pasal 1 Ayat (1)

the income of the company increased, employer can pay the worker wage higher than the minimum wage.

Whereas in Islamic economy perspective wage called as *ujrah*. The minimum wage that provided to workers must be fair and worthy where the wage given can fulfill basic needs of workers and family.

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"Allah does not burden any soul beyond its capacity. To its credit it what it earns, and against it is what it commits".

The wage can be done based on working agreement, because it lead to a relationship of cooperation between worker and employer which contained the rights and obligations of both parties. Now the main duties for workers are working with the best in their work and the employer obligations to pay workers wage in accordance with it earned. Therefore

⁶ Hendi Suhendi, "*Fiqih Muamalah*", Ed.1, Cet. 10, (Jakarta: Rajawali Pers, 2016), p. 113

⁷ Al-Qur'an Al-Karim, Al-Baqarah: 286.

required to employer and worker to make work agreement before begin to work which regulates the rights and obligations of two parties. ⁸

Based on the explanation the wage paid by oil palm plantation owners has not meet the minimum wage of Berau district but how is Islamic law economy view which does not determine minimum wage by nominal ensured workers can cover their needs for clothing, food and shelter to protect the right of workers.

Therefore, this study aims to explain the rights of a worker to get their wage in accordance with government regulations that is according to labor law because the owner of palm plantations are mostly Muslims must know worker right in their wage according to Islamic economy law, then this study compared how wage earned by workers according to district minimum wage decisions and Islamic economy.

From the explanation above then it is interested to discuss issues concerning, THE WAGE OF PALM OIL WORKERS ACCORDING TO DISTRICT MINIMUM WAGE AND ISLAMIC ECONOMY

⁸ *Op.cit*, p. 43-44

(A Case Study Bukit Makmur Village, Sub-Segah, Berau District, East Kalimantan 2017).

B. Problem Formulations

Based on the background the formulation of the problem in this research as follows:

- 1. How does the employer pay their worker in Bukit Makmur Village?
- 2. How does the employer pay their worker in Bukit Makmur Village according to Minimum Wage District Berau 2017?
- 3. How does the employer pay their worker in Bukit Makmur Village according to Islamic economy law?

C. Purpose of The Study

Regarding to the formulation of the problem above, it has the purpose of the study:

- 1. To analyze the payment for worker wage in Bukit Makmur Village.
- 2. To analyze the payment for worker wage in Bukit Makmur Village according to Islamic economy law.
- 3. To analyze the payment for worker wage in Bukit Makmur Village according to Berau minimum wage district 2017.

D. Significance of The Study

From this research hopefully provide as follows:

- 1. This research is to apply a theory that has gained in Islamic Economy Law department. Which provide to contribute thoughts for the rest of the villagers for wage determination in in Bukit Makmur Village in wage according to minimum wage district because it use to protect worker rights and according to Islamic economy law perspective because most of villagers are muslim then it can be used as reference material in the future to optimize waging system.
- 2. The practical benefits to provide solutions for employer when problems encountered in the payment system so that it can manifest prosperity and justice to the life of workers in wage payment until there are no discrimination resulting both of party satisfaction.

E. Literature review

Review of the literature previous research which has linkages with the granting of wage in his research include namely: Muhammad Latif Fakhrudin, in his thesis "Tinjauan Hukum Islam Terhadap Pelaksanaan Pembayaran Upah bagi Pengrajin Tas

Anyam di Desa Soekoreno Kecamatan Sentolo Kabupaten Kulonprogo". In the thesis discusses about waging happens to craftsmen in Soekoreno village Subdistrict Sentolo Kulon Progo Regency that is by Islamic law, which provided a reference for waging, the cooperation between employer with craftsmen did not go well due to lacking details of contract implemented, so that the power of the law is weak and easy to deny the content of the agreement.⁹

That thesis had the same discussion in wage payment problem according to each district and the difference from this thesis it does not discuss wage according to district minimum wage.

Hasan Aziz, in his mini thesis, "Konsep Perjanjian Kerja Dan Upah Menurut Hukum Islam Dan Hukum Positif (analisis kasus perbudakan di pabrik CV, cahaya logam di daerah kecamatan sepatan timur kabupaten tangerang)". 10

⁹ Muhammad Latif Fakhrudin, "Tinjauan Hukum Islam Terhadap Pelaksanaan Pembayaran Upah Bagi Pengrajin Tas Anyaman Di Desa Soekareno Kecamatan Sentolo Kabupaten Kulon Progo", (Yogyakarta: Skripsi, 2004).

¹⁰ Hasan Aziz, "Konsep Perjanjian Kerja Dan Upah Menurut Hukum Islam Dan Hukum Positif", (Jakarta: Skripsi, 2015)

This mini thesis discusses about work agreement concept in islam and positive law, case study in Cahaya Logam factory.

The similarity of this thesis is discussed wage according to Islamic law while the difference of thesis is not reviewed according to district minimum wage.

Elfa Fitri Angga Wati, in her thesis "Sistem Pengupahan Pada Meubel Siti Dalam Prespektif Hukum Ekonomi Syariah (Studi Kasus pada Meubel SITI di Desa. Rejowinangon Kademangan Kab. Blitar)" ¹¹ discusses about the retrieval system of wage that is in the form of furniture wholesale system and there are no special standards in granting wage. According to the economic law of the Islamic view of what is done in this furniture was appropriate because of the time, Akkad and his apparent magnitudes and specified at the beginning of the contract.

It has same discussion in system of wage that is in the form of furniture wholesale system and there are

¹¹Elfa Fitri Angga Wati, "Sistem Pengupahan Pada Meubel Siti Dalam Prespektif Hukum Ekonomi Syariah (Studi Kasus Pada Meubel Siti Di Desa. Rejowinangon Kec. Kademangan Kab. Blitar)",(Tulungagung: Skripsi, 2014).

no special standards in granting wage according to Islamic economy law perspective while the difference of thesis is not reviewed according to district minimum wage.

Dewi lestari in her mini thesis, "System Pengupahan Pekerja Dalam Perspektif Ekonomi Islam (Studi Kasus Pada UMKM Produksi Ikan Teri Salim Group Di Desa Korowelang Cepiring-Kendal)" ¹² this thesis discussed due to the worker wage and labor sharing system on the basis of wholesale according to the fish produced.

It has same discussion due to system of worker wage that is in Islamic perspective while the difference of thesis is not reviewed according to district minimum wage.

Zulkhairil hadi syam, "Pengupahan Karyawan Dalam Perspektif Fiqih Muamalah (Studi Kasus Pada Home Industry Konveksi Di Pulo Kalibata Jakarta Selatan)", (Jakarta: skripsi, 2011) this thesis analyze in business implementation of home industry

¹² Dewi lestari, "System Pengupahan Pekerja Dalam Perspektif Ekonomi Islam (Studi Kasus Pada UMKM Produksi Ikan Teri Salim Group Di Desa Korowelang Cepiring-Kendal)", (semarang: skripsi, 2015).

according to the rule of *fiqih muamalah* in wage payment.¹³

It has different case study but has similarity in worker payment problem according to Islamic perspective.

To complement the previous research analyst this thesis has similarities in wage payment analyzes according to Islamic perspective but to contribute new analyze this thesis also to discussed in palm plantation worker wage according to district minimum wage of Berau District and the case study at Bukit Makmur Village in 2017.

F. Theoretical framework

1. Minimum Wage District

The wage is a crucial issue of employment. Then to improve protection for workers and their families in respect to human dignity and values, the government enacted the labor law.¹⁴

¹³ Zulkhairil hadi syam, "Pengupahan Karyawan Dalam Perspektif Fiqih Muamalah (Studi Kasus Pada Home Industry Konveksi Di Pulo Kalibata Jakarta Selatan)", (Jakarta: skripsi, 2011)

Undang-Undang No. 13 Tahun 2003 Tentang
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The labor law is intended to safeguard the fundamental rights of workers and to secure the implementation of equal opportunity and equal treatment without discrimination on whatever basis in order to realize the welfare of workers and their family because every citizen have their right to worked and get proper live.¹⁵

The wage according to Act of the republic of Indonesia number 13/2003 concerning manpower is a worker right that must be protected. Therefore in order to enable the worker to earn a living that is decent from the viewpoint of humanity government established a wage policy for workers protection include Minimum wage. ¹⁶

According to the provisions Article 1 paragraph 1 the regulation of the minister of labor on the minimum wage, minimum wage is the lowest monthly wage that consists of the wage of the subject including the allowance remain.¹⁷

 15 Undang-undang Negara Republik Indonesia 1945, Pasal 27 Ayat 2

¹⁶ *Op.cit*, Pasal 88 Ayat (3)

¹⁷ *Ibid.*, Pasal 1 Ayat 1

In the case of the minimum wage governor plays an important role in the establishment of a minimum wage with a recommendation from the council of income province/regency. When in the region has not been formed the Council of Income then a survey conducted by the survey team established by the Governor or the mayor. ¹⁸ In Berau district minimum wage enacted by government for 2017 is amounting to Rp2.657.537,50 per month. ¹⁹

2. Wage In Islamic Economy (*Ujrah*)

Wage in Islamic law including in *Ijarah* concept it means to obtain the service of person and paying him a wage in return. ²⁰ In the Islamic jurisprudence, the term *Ijarah* is used for two different situations. In the first place, it means to employ the services of a person on wage given to him as a consideration for his hired services. The employer is called *musta'jir* while

¹⁸ Peraturan Menteri No. 7..., *Op.cit.*, Pasal 7 Ayat 1 Dan Pasal 10

¹⁹ Keputusan Gubernur Kalimantan Timur Nomor 561/K.637/2016 Tentang Penetapan Upah Minimum Kabupaten Berau Tahun 2017.

²⁰ Daud Vicary Abdullah And Keon Chee, "Islamic Finance Why It Makes Sense", (Singapore: Marshall Cavendish Business, 2010), p. 163

the employee is called *ajir*. While the wage paid to the *ajir* are called their ujrah. This type of *Ijarah* includes every transaction where the services of a person are hired by someone else. He may be a doctor, a lawyer, a teacher, a labor or any other person who can render some valuable services.²¹

The second type of *Ijarah* relate to the usufructs of assets and properties, and not to the services of human beings. *Ijarah* in this sense means to transfer the usufruct of a particular property to another person in exchange of the rent claimed from him in this cases, the term *Ijarah* is analogous to the English term leasing. Here the lessor is called *Mu'jir*, the lessee is called *musta'jir* and the rent payable to the lessor is called *ujrah*. ²²But for the purpose of this thesis, the first type of *Ijarah* is more relevant, because it is generally used as a form of payment.

Muhammad Taqi Usmani, "An Introduction To Islamic Finance", (Karachi-Pakistan: Maktabah Ma'rifatul Qura'an, September 2005), p. 157

²² *Ibid.*, p. 157-158

"Then if they give suck to the children for you, give them their due payment...",²³

In this verse explain that after employing people, the employer should give them the wage. ²⁴ In this case breast feed is the benefit take able from employee. Here not the milk price that employer paid but the people who employed.

Whereas in Islamic economy perspective wage called as *ujrah*.²⁵ The minimum wage that provided to workers must be fair and worthy where the wage given can fulfill basic needs of workers and family.

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²³ Al-Qur'an Al-Karim, At-Thalaq: 6

²⁴ Dimyauddin Djuwaini, "*Pengantar Fiqh Muamalah*", Ed. 3, (Yogyakarta: Pustaka Belajar, 2015), p. 155

²⁵ Hendi Suhendi, "*Fiqih Muamalah*", Ed.1, Cet. 10, (Jakarta: Rajawali Pers, 2016), p. 113

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G. Research Methods

1. Type and Objects Of Research

This research used case study it is a research done intensively detailed and deep against a certain symptoms. ²⁷ This research was qualitative research it used field research as instrument research and used library research to collect data though an act and government regulation and other substances related to research. ²⁸

2. Setting of The Study

a. Place

The research had been done to palm plantation workers and palm plantation owners at Bukit Makmur Village, Sub-Segah, Berau District, East Kalimantan

²⁷ Suharsimi Arikunto..., *Op.cit*, p. 185-186

²⁶ Al-Qur'an Al-Karim, Al-Baqarah: 286.

²⁸ Suharsimi Arikunto, "Prosedur Penelitian ,Suatu Pendekatan Praktik",(Jakarta: Rineka Cipta, 2013), p. 58

b. Time

This research had been conducted for 6 months starting from November 2016 until June 2017.

3. Data And Source of Data

a. Population and sample

In Bukit Makmur Village there are 25 palm plantations and taken 5 palm plantations or 20 % as representative samples. These 5 palm plantations had been taken as data sample representing the wage system applied by the owners of the palm plantation owners to palm workers in Bukit Makmur Village.

b. Source of data

1) Primary

The primary data source is data which are collected afresh and for the first time, and thus happen to be original in character. In this thesis the data were obtained from questions form and interviews with the employers and the workers of palm oil in Bukit Makmur Village.

2) Secondary

Secondary data resource is data that are already available. The data which have been already collected by someone else and which have already been passed through the statistical process. Then the source of data were obtained from books, research, journal, the act, government regulation and others relating to the wage according district minimum wage and according to Islamic economy.

4. Data Collection Technique

In order to collect data, it used the important method in collecting data particularly in surveys and descriptive researches, were:

a. Question form

Question form is a number of questions used to get information from respondents. ²⁹ The research used question form related to worker wage and workers daily activity to collected data from oil palm owner and worker in Bukit Makmur Village.

²⁹ Suharsimi Arikunto..., *Op.cit*, p. 194

b. Interview

The interview or oral questions form is a dialogue do by interviewer to get information from respondent. This thesis used telephone interviews to collect data from oil palm owner or workers.³⁰

Interviews material is a theme that revolves around the waging according to district minimum wage and Islamic economy perspective. As for parties that serve as informants interviewed are:

- 1) The employers of palm oil in Bukit Makmur Village
- 2) The workers of palm oil in Bukit Makmur village

c. Documentation

In collecting data by documentation method it investigated such as book, magazine, document, rules etc. ³¹ This research used village documentation in collecting data for this mini thesis.

³⁰ Suharsimi Arikunto..., *Op.cit*, p. 198

³¹ Suharsimi Arikunto..., *Op.cit*, p. 201

5. Data Analysis Technique

After data were collected, then the data were analyzed through deductive method and interpreted by using descriptive method. Deductive method is used to understand a phenomenon by using general concept to explain specific phenomena. ³² In this case deductive method was used to analyze wage according to minimum wage district and in Islamic perspective on workers wage at Bukit Makmur Village.

Description research is a research described a circumstances, conditions, situations and activities and described it in the report form. ³³ This study was described the entire symptoms or circumstances that exist to see waging system applied in Bukit Makmur Village.

After data described then it analyzed according to district minimum wage of Berau district in 2017 and compared whether or not it has been in line with Islamic economy law perspective.

³² Drs. Kuntjojo, "Metodologi Penelitian", (Kediri, 2009)

³³ Suharsimi Arikunto..., *Op.cit*, p. 3

H. The System of Study

This study uses a system of study as follows:

CHAPTER I, An introduction which includes of the problem, problem formulations, study purpose, significance of study, literature review, research method and system of that used in this thesis.

CHAPTER II, presents further detail on what is meant by wage according to Islamic economy and government regulation in district minimum wage.

CHAPTER III, is divided into three parts. First part explains profile and overview of Bukit Makmur. Second part explains the payment of worker wage in Bukit Makmur according to Islamic economy. The last part analyzes the payment of worker wage in Bukit Makmur according to District minimum wage 2017.

CHAPTER IV, this chapter contains the conclusions derived from result of the research, suggestions and criticism.