ABSTRACT
The government has the authority to determine wage policies relating to the relationship between workers and employers and provide protection to workers, including through minimum wage instruments, which are regulated through the Labor Law and its implementing regulations. The formation of statutory regulations is formed through a political-legal process that cannot be separated from the influence between the parties with an interest in it. If you look at the current condition of workers in Indonesia, they are still very weak and marginalized because the wages they receive are still relatively unable to keep up with the increasing needs for life. Through this article, the author wants to examine how national legal politics influence Indonesian employment system policies and what factors influence the calculation of minimum wages. This research is a type of doctrinal legal research using normative juridical methods with a descriptive analytical approach and analyzed qualitatively, by examining the laws that apply in Indonesia through statutory regulations related to workers' wages. The results of this research show, firstly, that legal politics influences Indonesian labor regulations. It can be seen that labor regulations not only regulate workers and employers but also cover issues of the economic system and political system. Second, minimum wages are determined based on economic and employment conditions with calculations that focus on economic variables and certain indices symbolized by alpha. Determining minimum wages as a policy line aims to create decent living needs for workers and their families in order to
protect workers’ rights and avoid arbitrary actions by companies, as well as encouraging economic growth in each region.

**Keywords** : Employment, Legal Politics, Minimum Wage.

**ABSTRAK**
Pemerintah berwenang menetapkan kebijakan pengupahan yang menyangkut hubungan antara pekerja dan pemberi kerja serta memberikan pelindungan kepada para pekerja diantaranya melalui instrumen upah minimum, yang diatur melalui Undang-undang ketenagakerjaan beserta peraturan pelaksananya. Pembentukan peraturan perundangan-undangan dibentuk melalui proses politik hukum yang tidak terlepas dari pengaruh antara para pihak yang berkepentingan didalamnya. Jika melihat kondisi pekerja di Indonesia saat ini masih sangat lemah dan termarjinalkan disebabkan upah yang diterima relative tetap tidak bisa diimbangi dengan kebutuhan hidup yang semakin meningkat. Melalui tulisan ini penulis ingin mengkaji bagaimana politik hukum nasional berpengaruh terhadap kebijakan sistem ketenagakerjaan Indonesia serta faktor apa saja yang mempengaruhi perhitungan upah minimum. Penelitian ini merupakan jenis penelitian hukum doktrinal dengan menggunakan metode yuridis normatif dengan pendekatan secara deskriptif analitis serta dianalisis secara kualitatif, dengan mengkaji hukum yang berlaku di Indonesia melalui peraturan perundangan-undangan yang terkait dengan upah pekerja. Adapun hasil penelitian ini menunjukkan pertama, bahwa politik hukum mempengaruhi regulasi ketenagakerjaan Indonesia hal ini terlihat bahwa regulasi ketenagakerjaan tidak hanya mengatur antara pekerja dan pemberi kerja saja namun juga mencangkup persoalan sistem ekonomi dan sistem politiknya. Kedua, penetapan upah minimum ditetapkan berdasarkan kondisi ekonomi dan ketenagakerjaan dengan perhitungan yang berfokus pada variable ekonomi, dan indeks tertentu yang disimblikan dengan alfa. Penetapan upah minimum sebagai garis kebijakan bertujuan menciptakan kebutuhan hidup yang layak bagi pekerja dan keluarganya demi melindungi hak pekerja dan menghindari tindakan suwenang- wenangan perusahaan, serta mendorong pertumbuhan ekonomi di tiap daerah.

**Kata Kunci** : Ketenagakerjaan, Politik Hukum, Upah Minimum.

**I. INTRODUCTION**
Every Indonesian citizen has the right to a decent life to ensure their survival through the work process. This ideal is stated in the Constitution of the Republic of Indonesia article 27 paragraph (2) which reads “Every citizen has the right to work and a living that is worthy of humanity”. The meaning
of this article is that every work carried out by Indonesian citizens is to fulfill their needs. His life must be based on universally applicable human values. The provisions of this article are then reaffirmed in article 28D paragraph (2) “Everyone has the right to work and receive fair and appropriate treatment in the employment relationship” as intended in this article, everyone who works has the right to receive compensation or wages.

Wages are a form of compensation, where workers receive compensation from their employers for the work or services they have performed to meet their living needs. By receiving wages from work, a person can meet adequate needs for himself and his family. As well as increasing the value of social welfare in society.

However, what is happening in reality actually shows that the welfare of workers in Indonesia has still not been achieved. The condition of the workforce in Indonesia is still very weak, poor and marginalized. The weak conditions of the Indonesian workforce are due to the low wages received by workers. The wages earned are still not able to accommodate the increasing living needs, while the wages received are still relatively constant.

As wages are one of the most sensitive aspects in employment relations and industrial relations. Between 70-80% of cases that occur in employment and industrial relations involve issues regarding wages and various related aspects, such as allowances, wage increases, wage structures, wage scales. The relatively constant wages of workers are not commensurate with the increasing necessities of life, causing workers' desire to improve their welfare. On the other hand, entrepreneurs have a company interest in reducing operational costs by making workers a means of production. Judging from the marginalized position of workers as wage recipients and wage-paying companies, this is something that is often at odds in the interests of industrial relations, so there is a need for government intervention.

The government has the authority to determine wage policies relating to work relations between workers/laborers and employers, in providing protection measures to workers through setting minimum wages. As stated in Article 88 paragraph (2) of Law Number 6 of “The Central Government

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establishes wage policies as one of the efforts to realize the rights of workers/laborers to a decent living for humanity”. As the minimum wage is the lowest wage given by the company to new workers, the aim is to protect workers from arbitrary actions by employers in providing wages, so the government seeks to realize harmonious, dynamic and fair industrial relations by regulating efforts to protect workers through wage determination.

The aim of establishing a minimum wage policy is to provide a decent living for humanity, apart from that, it also prevents arbitrary actions by employers in providing wages to workers/laborers who have just entered work. The minimum wage applies to workers with less than one year of service at the company concerned.

Talking about wages certainly cannot be separated from providing decent wages to create justice, according to John Rawl that justice is the main virtue in social institutions as is truth in systems of thought. In the field of employment, justice is something that must be realized and implemented by employers so that work relations activities in the company can be carried out well and smoothly. The minimum wage provisions from the government are mandatory, so employers are not allowed to pay workers wages lower than the applicable minimum wage, unless they obtain permission from the government in accordance with the principles of justice. The principle of justice for workers is something that must exist in the wage system in Indonesia. This is also reflected in the fifth principle as social justice for all Indonesian people, including workers.

In fact, we can see that almost all workers’ actions commemorating World Labor Day (Mayday) always demand justice on the basis of humanity, groups of workers demanding that the government and employers pay attention to their welfare, workers always shout about the work system, contracts, wages, and so on. all of which leads to the welfare of workers. This is because all legal policies and regulations regarding employment do not side with the workforce itself. Various factors influence legal products in Indonesia which are more repressive than responsive.

Romli Artasasmata, believes that the legislative process as a legal product is not a process that is sterile from political interests because it is an inseparable part of the political process. As is known, the House of

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Representatives holds the authority to form and draft laws to obtain mutual approval, as well as the president as the state executive has the right to submit draft laws to the House of Representatives, so that the ratification of a Draft Legislative Regulation into Law is a form of mutual agreement between the President (Executive) and the House of Representatives (Legislature).

In this way, the mechanism for forming legislative regulations was formed through a legal political process desired by the rulers at that time which was inseparable from the influence of legal politics between parties who had an interest in it, this also had an influence on the process of determining the minimum wage for each region. To accommodate this, the government has established a nationally applicable wage system to be used as a benchmark for provincial and regional governments in determining standardization of wage policies. With the existence of a national wage system that is adapted to the regional conditions of each district/city, it is hoped that it can stimulate the national economy and improve the welfare of its workforce.

Based on the description above, the author tries to examine how national legal politics influence Indonesian employment system policies and what factors influence the calculation of minimum wages. This article aims to find out whether legal politics has an influence on the employment system and what factors the government pays attention to in enforcing minimum wage determination based on social justice. So, to find out the intended purpose, the author examines various policy instruments regarding employment and minimum wages that apply in Indonesia, including Law Number 13 of 2003 concerning Employment, Law Number 6 of 2023 concerning the Determination of Government Regulations in Lieu of Laws. Law Number 2 of 2023 concerning Job Creation and its implementing regulations concerning wages.

II. METHOD

This research is a type of doctrinal legal research using normative juridical methods. Doctrinal legal research is research that places law in a norm system construction where the law in question refers to positive legal norms (ius constitutum). With a descriptive analytical approach, and analyzed qualitatively, by examining the laws in force in Indonesia through statutory regulations related to the issue of workers wages from the perspective of the principles of justice and the principle of legal protection.

As the type of research is normative juridical, the data obtained is in the form of data obtained from library research, while in searching for research materials the author uses primary legal materials, binding legal materials in the form of statutory regulations that are related to the research carried out.

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11 Mukti Fajar dan Yulianto Achmad, Dualisme Penelitian Normatif & Empiris (Yogyakarta: Pustaka Pelajar, 2010), hlm. 34.
including Law Number 13 of 2003 concerning Employment, Law Number 6 of 2023 concerning Stipulation of Government Regulations in Lieu of Law Number 2 of 2023 concerning Job Creation and implementing regulations in accordance with the Indonesian legal hierarchy. Secondary legal materials are basically used to provide explanations of primary legal materials, namely theories obtained from legal literature, research results, scientific articles, and websites related to research and secondary data that will be analyzed.

III. ANALYSIS AND DISCUSSION

a. The Influence of National Legal Politics on Indonesian Employment Regulations

Legal politics in the Dutch translation is “rehtpolitik” which means policy so it can be interpreted as legal policy. Meanwhile Moh. Mahfud MD stated that: Legal Politics is a legal policy or official line (policy) regarding law that will be enforced either by making new laws or by replacing old laws, in order to achieve state goals.\textsuperscript{12} Thus, legal politics is the direction of state administrators who carry out legislative functions together with the executive in determining the direction of the formation of legislation that will be implemented as well as choices regarding legislation that will be revoked or no longer enforced with the aim of the state. Legal politics will always be closely related to law in every formation and enforcement of that law. Satjipto Rahardjo defines legal politics as the method to be used to achieve certain social and legal goals in society.\textsuperscript{13}

The development of legal politics as a line of state policy also has implications for the employment system in Indonesia. It cannot be denied that nowadays law is the result of a political process or political determination of law. Labor law is also highly political, as it is concerned with the redistribution of wealth and power.\textsuperscript{14} Employment actually does not only cover the relationship between workers and entrepreneurs, but also broadly covers issues of the economic system and political system. Employment relations have experienced long dynamics, starting from the term labor relations which only covers the relationship between workers and employers. Then, it was realized that the relationship between workers and employers did not only discuss private aspects, but shifted to political, social, economic and cultural

\textsuperscript{12} Moh. Mahfud MD, Politik Hukum di Indonesia, PT.Rajagrafindo Persada, Jakarta, 2014, Hlm. 1.


issues that mutually influenced each other. So political, social, economic and cultural issues greatly influence employment policies.

As per the considerations of Law Number 13 of 2003 concerning Employment in the implementation of national development, workers have a very important role and position as actors and goals of development, the existence of this Law is a comprehensive and comprehensive regulation which includes the development of human resources, increasing the productivity of goods and services and the competitiveness of Indonesian workers continue to pay attention to efforts to expand employment opportunities, workforce placement services, and foster industrial relations. The basic policy of Employment Law is to protect the weak party, in this case workers, from arbitrariness by employers that can arise in employment relationships with the aim of providing legal protection and realizing social justice. The function of employment law in implementing employment relations for workers and employers. Proper implementation of labor law will provide legal protection and certainty for the interests of workers or employers. Workers and entrepreneurs are partners who can realize the sustainability of the company's business and its progress so that it continues to develop and progress.

b. Direction of National Legal Politics through Minimum Wage Determination

1. Overview of Wages

In article 80 of Law Number 6 of 2023, wages are all forms of payment that arise as a result of work contracts, based on the results of an agreement between the worker and the employer. Providing wages is a form of compensation for the results of a person’s work, namely workers as compensation for the work they do. According to Soepomo wages are payments that workers receive as long as they do work or are seen doing work. Definitions of wages vary, this is due to different points of view in explaining the meaning of wages, both from the perspective of workers, the company as employer, and the government. Workers view wages as a right in the form of compensation obtained for the work they do to meet their living needs. Meanwhile, the definition of wages according to employers is that wages are compensation given to workers for the work they do in producing goods and services, which is profitable for them. The government views wages as a form

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15 Ahmad Fadli Fauzi, Politik Hukum Undang-Undang Cipta Kerja Pada Aspek Hubungan Industrial, LEX Renaissance NO. 1 VOL. 8 JUNI 2023: 20-38
16 Endeh Suhartini dkk, Politik Hukum Sistem Pengupahan, PT Rajawali Buana Pustaka:Depok, Cet 1, Januari 2022, hlm 69.
of income earned by workers which is an important component in economic activities\(^\text{18}\).

Wage policy is established as an effort to realize workers rights to a decent living for humanity. Wages can be given in cash or other forms that have economic value according to the agreement between the employee and the employer. In its implementation, the wage system in Indonesia is generally based on the level of the wage function. According to Payman Simanjutak, the wage system in Indonesia is based on the wage function, namely:\(^\text{19}\)

1) Guarantee a decent life for workers and their families.
2) Is a reward for the results of work or services.
3) Providing incentives to encourage employee productivity and performance.

Work and wages are things that cannot be separated, as the purpose of a person’s work is to get rewards for their survival. Through article 88 paragraph (2) of Law Number 6 of 2023, the central government determines wages as an effort to realize workers’ rights to a decent living for humanity. This policy includes setting a minimum wage every year. The governor is obliged to determine the provincial minimum wage and can determine the district/city minimum wage. The district/city minimum wage can be determined by the governor if the UMK calculation results are higher than the provincial minimum wage. Minimum wages are determined based on economic and employment conditions using data from the Central Statistics Agency.\(^\text{20}\)

2. Building Legal Politics of a Minimum Wage System in Creating Decent Living Needs

Political Law is a tool or means and steps that can be used by the government to create the desired national legal system and with this national legal system the ideals of the Indonesian nation will be realized.\(^\text{21}\) Through legal politics, state policy lines are created, namely what kind of laws will be used to regulate the life of the nation and state, which must be in accordance with the values and outlook on life (ideology) of the nation concerned.\(^\text{22}\) This is contained in the fifth principle “Social welfare for all Indonesian people” as the dream of every citizen to obtain justice and prosperity. Based on the principles of Pancasila, it is hoped that an Indonesian national legal system

\(^{18}\) Endeh Suhartini dkk, _Loc.cit_


\(^{21}\) Satjipto Rahardjo, Ilmu Hukum, Cet. III, (Bandung: Citra Aditya Bakti, 1991), hlm. 352-353

will be born. Through this national law, social welfare can be applied in workers' wages in order to create a decent life for workers and their families, the role and position and protection of workers in accordance with human dignity. The wage payment policy for the company must be implemented in accordance with the work agreement and collective labor agreement between the worker and the company. Implementation of agreements in employment relationships is part of the realization of rights and obligations in employment relationships. Wage payments are carried out by observing and implementing applicable regulatory provisions in accordance with developments in society.

In this regard, the government has implemented a minimum wage policy as a safety net, the minimum wage is the lowest monthly wage in the form of wages without allowances or basic wages including fixed allowances set by the Governor as a safety net. This is in accordance with the Regulation of the Minister of Manpower of the Republic of Indonesia Number 18 of 2023 concerning Determination of the 2023 Minimum Wage Article 1 concerning drinking wages, namely “the lowest monthly wage in the form of wages without allowances or basic wages including fixed allowances determined by the Governor as a safety net”. Wages are an important aspect that is taken into account by laws and other regulations. The implementation of minimum wages is regulated as follows:

1) Based on Law Number 13 of 2003
   a) The minimum wage consists of (Article 89 paragraph 1):
      (1) Minimum wage based on province, district/city.
      (2) Minimum wages based on sectors in provincial or district/city areas.
   b) Minimum wage is directed towards achieving the needs of a decent living (article 89 paragraph 2).
   c) The minimum wage is determined by the Governor taking into account recommendations from the Provincial Wage Council and the Regent/Mayor. (article 89 paragraph 3).
   d) The implementation of the stages of achieving adequate needs is regulated by ministerial decree. (article 89 paragraph 4).
   e) Employers are prohibited from paying lower than the minimum wage (article 90 paragraph 1).
   f) Wage arrangements determined by agreement between employers and workers or labor unions must not be lower than the wage provisions set by the applicable laws and regulations. (article 91 paragraph 1).

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2) Based on Law Number 6 of 2023 concerning Government Determination to replace Law Number 11 of 2020 concerning Job Creation into Law
   a) The governor is obliged to determine the provincial minimum wage (article 88B paragraph 1).
   b) The governor can determine the district/city minimum wage. (article 88B paragraph 2).
   c) Minimum wages are determined based on economic and employment conditions (article 88B paragraph 4).
   d) The minimum wage is calculated using a minimum wage calculation formula taking into account the variables of economic growth, inflation and certain indices (article 88D).
   e) Wages above the minimum wage are determined based on an agreement between employers and workers in the company (article 90A).
   f) Minimum wage provisions are excluded for micro, small and medium enterprises.

3) Based on Government Regulation Number 51 of 2023 concerning Amendments to Government Regulation Number 36 of 2021 concerning Wages
   a) The minimum wage applies to workers with less than one year of service at the company concerned. (article 24 paragraph 1).
   b) Workers with less than one year of service who have certain qualifications required for the position can be given wages greater than the minimum wage (article 24 paragraph 1a).
   c) The minimum wage consists of (article 25 paragraph 1).
      (1) Provincial minimum wage.
      (2) Regency/city minimum wage with certain conditions.
   d) Minimum wages are determined based on economic and employment conditions (article 25 paragraph 2).
   e) The minimum wage is determined for:
      (1) Province or Regency/City that has a minimum wage.
      (2) Districts/Cities that do not yet have a minimum wage.
      (3) Regency/City Province resulting from expansion.

4) Based on Minister of Manpower regulation Number 18 of 2022 concerning Determination of Minimum Wages in 2023
   a) The central government has established a minimum wage policy in 2023 as an effort to realize workers' rights to a decent living for humanity. (article 1).
   b) The minimum wage is determined for: (article 5 paragraph 3):
      (1) Areas that already have a minimum wage.
      (2) Districts/cities that do not yet have a minimum wage.
      (3) Expansion area.
To implement the provisions in articles 88C and 88D of Law Number 6 of 2023 concerning the Determination of Government Regulations in Lieu of Law Number 2 of 2022 concerning Job Creation into Law, the Government has stipulated wage system provisions through Government Regulation 51 of 2023 as an update to the Regulations. Government Number 36 of 2021 and is the legal basis for determining wages in 2024. Increases in Regional minimum wages, Provincial minimum wages and City/Regency minimum wages no longer use upper and lower limits with the aim of preventing wage disparities between regions, but in this government regulation wage calculations minimum focuses on inflation variables, economic growth and certain indices symbolized by alpha. Minimum wages are determined based on economic and employment conditions. The following is the formula for calculating the minimum wage.

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UM(t+1) = UM(t) + \text{Adjustment Value} \times UM(t+1)
\]

Provisions regarding the formulation of minimum wage calculations are regulated in Government Regulation 51 of 2023. The wage calculation factor based on inflation and economic growth factors reflects the performance of a region. Maintaining the level of inflation in prices of goods and services is a concern for each region so that it can be controlled by each regional autonomy. If economic growth with Gross Regional Domestic Product is good then it will be positive, but conversely if Gross Regional Domestic Product falls then it will be negative and have an impact on the value of the minimum wage for the following year being the same as the previous year. This of course has an impact on the economic climate of the area.

Wage system policy in Indonesia is not easy, considering that legal politics to determine minimum wages are adjusted to regional economic growth conditions with the results of deliberations by the Wage Council, workers and companies as well as the company's capabilities. Provincial, district or city wage arrangements determined by agreement between employers and workers/laborers or worker/labor unions must not be lower than the wage provisions stipulated by statutory regulations. By determining minimum wages using a national calculation scheme, the government wants to provide a decent life for workers and their families in order to protect workers' rights and avoid arbitrary actions by companies in providing wages. The government sets minimum standards used by employers to provide wages to their workers and ensure sustainability. efforts to create positive national economic conditions. Apart from that, through this minimum wage standard, the government aims to encourage economic growth in each region to reflect the performance of a region.

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24 https://poltekharber.ac.id/berita/dinamika-kebijakan-baru-peraturan-upah-minimum
IV. CONCLUSION

Legal politics in the Dutch translation is "rehtpolitik" which means policy so it can be interpreted as legal policy. The development of legal politics as a line of state policy also has implications for the employment system in Indonesia. Legal politics influences Indonesian labor regulations. It can be seen that labor regulations do not only regulate workers and employers but also cover issues of the economic system and political system.

The government's efforts to determine wages through minimum wages are aimed at creating decent living needs for workers and their families in order to protect workers' rights and avoid arbitrary actions by companies, as well as encouraging economic growth in each region. With a national calculation scheme that focuses on inflation variables, economic growth and certain indices symbolized by alpha, minimum wages are determined based on economic and employment conditions.

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