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Perspective of Employment Relations and Wages in Labor Law and Islamic Law

Siti Kunarti

Universitas Jenderal Soedirman, Purwokerto

Sri Wahyu Handayani

Universitas Jenderal Soedirman, Purwokerto

Riris Ardhanariswari

Universitas Jenderal Soedirman, Purwokerto

Faisal

Universitas Malikussaleh

Email: siti.kunarti@unsoed.ac.id

Abstract: The implementation of work employment and wages is not in line between labor and Islamic law. This study aimed to review and analyze labor employment and wage arrangements from perspectives on labor law and Islamic law. This research used a normative juridical method with a contextual approach, rules and regulations, the Quran, and hadith. The results showed that Islamic and labor laws have the same goal: that workers can live decent lives. In labor law, work relations are born from work agreements, and wages are the right of workers after obligations are carried out. However, in Islamic law, work relations are based on justice without exploitation, are efficient, and do not violate other sharia principles, and wages are included in the study of *Ijarah*. The concept of employment is based on time, type of work, and targets obtained. For work relations and wages to fulfill human dignity, it is necessary to contain labor regulations that pay attention to the principles of relations and wages in Islamic law.

Keywords: work relations, wages, labor law, Islamic law

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Abstrak: Implementasi hubungan kerja dan pengupahan tidak selaras antara pengaturan dalam hukum ketenagakerjaan dan hukum Islam. Studi ini bertujuan untuk mengkaji dan menganalisis pengaturan hubungan kerja dan pengupahan dalam perspektif hukum ketenagakerjaan dan hukum Islam. Penelitian menggunakan metode yuridis normatif, pendekatan konseptual dan perundang-undangan, al quran dan hadist. Hasil penelitian menunjukkan bahwa hukum Islam dan hukum ketenagakerjaan memiliki tujuan yang sama yaitu agar pekerja dapat hidup layak. Hukum ketenagakerjaan menegaskan hubungan kerja lahir dari perjanjian kerja dan upah merupakan hak pekerja setelah kewajiban dilaksanakan, dan pengupahan dalam ketenagakerjaan didasarkan pada waktu, jenis pekerjaan, dan target yang diperoleh. Sedangkan hukum Islam, hubungan kerja mendasarkan pada keadilan, tanpa eksploitasi, efisien, dan tidak melanggar prinsip-prinsip syariat lainnya, dan pengupahan termasuk dalam kajian ijarah. Agar hubungan kerja dan pengupahan memenuhi harkat manusia, maka diperlukan muatan regulasi ketenagakerjaan yang memperhatikan prinsip-prinsip hubungan dan pengupahan dalam hukum Islam yang layak dan adil.

Kata Kunci: hubungan kerja, upah, hukum ketenagakerjaan, hukum Islam

Introduction

Humans, as social beings, need others, and work is one way to interact with each other. The relationship between man and man is known as muamalah in Islam. *Bermuamalah* aims to establish human life, not to waste its rights, and the practicality of exchange activities among fellow human beings can be carried out in the best possible form.¹ Some forms of muamalah in Islamic law are borrowing and borrowing, renting, debt receivables, and other forms of muamalah.

To talk about workers' rights means speaking about human rights, basic human rights protected by the Constitution. The 1945 Constitution of the Republic of Indonesia in Article 27 (2): Every citizen has the right to work and a decent livelihood for humanity. The Quran teaches that working as well as possible and keeping the religious rules proportionate means giving thanks to Allah Almighty, and he will be given a decent life. (Q.S. an-Nahl (16): 97 and Q.S. Hud (11): 10). The responsibilities, as well as the types of workers, are classified as follows:

1. Special workers, *ajir* who work and receive their wages, for example, domestic servants

¹Jawad Syed and Abbas J. Ali, "Principles of Employment Relations in Islam: A Normative View," *Employee Relations* 32, no. 5 (2010).

2. *Ajir Musytarik*, the worker, is responsible for the damage caused, even if it is accidental or due to his negligence. For example, factory workers.²

The purpose of working people is to earn wages, which is regulated as a human right in the Constitution. Article 28D (2) of the 1945 Constitution provides: Everyone has the right to work and to receive fair and proper remuneration and treatment in employment relations. Here it is clear that one of the rights guaranteed by the Constitution is the reward, in this case, wages. Article 1 number 30 of Law Number 13 of 2003 concerning Manpower regulates: wages are workers' rights that are received and expressed in the form of money in return from the employer. Workers are entitled to wages to meet household needs.³ The Government's presence contributes to formulating policies to meet the standards of people's prosperity by determining the minimum wage. Government policies in wages must accommodate the needs of life because the community will experience the impact of the wage system that is built.⁴ Wages in Islamic law are sourced from the Qur'an and as-Sunnah.⁵ The position of these two absolute sources makes Islam a particular religion.

An employment relationship is born as a legal relationship because of the existence of an employment agreement agreed upon between the parties.⁶ In addition to creating an employment relationship, an employment agreement is fundamental because it will outline the rights and obligations of workers and employers.⁷ This is because there are elements of work, wages, and orders and terms in the employment agreement. In Islam, the worker must act honestly and sincerely toward his employer to determine the balance between the employer and the laborer. (Q.S. al-Qasas (28): 27). Furthermore, the worker must carry

² Sofia Tsourlaki, "Khaled Abou El Fadl and Amina Wadud's (Re)Politicisation of the Mosque and Employment of Social Media as a Means of Shaping Religious Identity Based on Values of Progressive Islam," *Contemporary Islam* 14, no. 3 (2020).

³ Moore, W.J. The determinants and effects of right-to-work laws: A review of the recent literature. *J Labor Res* 19, (1998), p. 445–469.

⁴ Abdul Fatah and Sri Herianingrum, "Labor And Wage In Islam," *Academic Research International* 9, no. 1 (2018); Oki Wahyu Budijanto, "Upah Layak bagi Pekerja/Buruh dalam Perspektif Hukum dan Ham," *Jurnal Penelitian Hukum DE JURE* 17, No. 3 (2017), p. 396.

⁵ Fauzi, A. (2021) "The Wage System (Ijarah) In Islam: A Comparative Perspective of the Scholars ", *Iqtishodiah: Journal of Sharia Economics*, 6(2), p. 31–35.

⁶ Mirza Satria Buana and Rahmat Budiman, "Indonesia's Minimum Wage Policy After The Omnibus Law: A Comparative Analysis From Islamic Principles," *UUM Journal of Legal Studies* 13, no. 2 (2022), <https://doi.org/10.32890/uumjls2022.13.2.8>. Agusmidah, *Hukum Ketenagakerjaan Indonesia: Dinamika dan Kajian Teori* (Bogor: Ghalia Indonesia, 2010), p. 45. Article 50 of Labor Law states explicitly that: "employment relations occur because of the existence of a work agreement between the entrepreneur and the worker/laborer"

⁷ Muhammad Amin, "Fixing Minimum Wage in Pakistan: Comparative Analysis of the ILO Convention No. 131 and the Islamic Principles of Adal and Ihsan," *Manchester Journal of Transnational Islamic Law and Practice* 18, no. 1 (2022).

out duties properly and disciplined, according to the type of work that has been mutually agreed upon between him and the employer

The employment relationship between the worker and the employer must be built as a partnership for the company's continuity. In the relationship between the worker and the employer, the worker is interested in managing the capital owned to obtain maximum results. On the contrary, the worker does an excellent job of getting balanced rights. A well-established relationship will be mutually beneficial for the company and its employees.⁸ However, employment relationships can be disconnected like any other one.⁹

Islam has laid the foundations of the rules of labor law or labor relations, including carrying out obligations instead of demanding rights, complete concerning the rights and obligations of employers and workers. The employer/employer is obliged to fulfill the rights of workers according to the agreement that has been mutually agreed upon. Allah said in the hadith qudsi: "Allah said: there are three kinds of men who become My enemies in the doomsday, namely those whom I give in My name, and then he deceives those who sell freemen, and then he eats the price and those who wage a laborer so he gets the fruits of his labor but does not want to pay wages." (Hadith Bukhari of Abu Hurairah).

Differences and misalignment of labor relations and wage arrangements in the perspective of employment law with Islamic law harm workers as weak parties, starting with the unstable work environment between employers and workers/laborers in making employment agreements. The wages underlying the Act are political products. Therefore, the content of the law is responsive and independent of the political configuration at the time the law is made. Law Number 13 of 2003 concerning employment, Law No. 11 of 2000 concerning Job Creation and Perpu Number 2 of 2022 show political products that contain the interests of the owners of capital and are increasingly moving away from justice, without exploitation, efficiency, and do not violate other sharia principles as in Islamic law, being a source of benefit for the culprit in the world, and also a source of reward for life in the hereafter. Therefore, research on Employment Relations and Wages from the perspective of Labor Law and Islamic Law urgently needs to be studied and analyzed for the realization of harmonious labor relations and decent and fair wages.

This research is qualitative research that produces data in the form of words from what is observed.¹⁰ The statutory approach refers to the Labor Law and

⁸ Gibson, J. L., et al, *Organization; Behavior, Structure, Processes*. 10th Ed (Boston: McGraw Hill) 2000, p. 187.

⁹Cane, Peter. "Morality, Law And Conflicting Reasons For Action." *The Cambridge Law Journal* 71, no.1(2012):5985.<http://www.jstor.org/stable/23253789>.

¹⁰Lexy J.M, *Metodologi Penelitian Kualitatif* (Bandung: Remaja Rosdakarya, 2016), p. 3.

related regulations, the Qur'an and The Hadith, and conceptual approaches that move from evolving doctrines to understanding related theories. The data used are secondary data in the form of legal materials¹¹ obtained through literature studies

Employment Relations and Employment Arrangements in the Law of Employment

Employment law, according to Mr. Mok, is a law relating to work carried out under the leadership of others with a decent livelihood dependent on the work.¹² Meanwhile, Manpower in the Manpower Law is all matters related to the time before, during, and after the period of employment. Labor law has elements: a series of written and unwritten regulations; the rule is about an event in the presence of a person working for the employer; and the existence of wages in return for services.¹³

An employment relationship is a legal relationship between a worker and an employer.¹⁴ The parties both have a civil position in the employer-worker relationship.¹⁵ This employment relationship is based on an employment agreement agreed upon by the worker and employer and at the same time outlines the rights and obligations of both in the legal relationship. The elements of the employment agreement are work, wages, and orders, and additional, according to Asri Wijayanti is the existence of a certain time. Work for a specified time or an indefinite time. The wage element is an element of concern for the employer, as well as for the worker. The employer must be able to provide wages that are balanced with the workload performed.¹⁶ This is in line with the equalization of labor economic justice by regulating the direction so that the economic needs of workers follow the nation's aspirations and the ideals of Indonesia as the role of labor law.¹⁷ Therefore, government intervention in labor law is inevitable.

¹¹Suratman dan H. Philips D, *Metode Penelitian Hukum* (Bandung: Alfabeta, 2013), p. 66.

¹²Sedjun H. Manulang, *Pokok-Pokok Ketenagakerjaan Indonesia* (Jakarta: Rineka Cipta, 1987), p. 2.

¹³Halili Toha dan Hari Pramono, *Hubungan Kerja Antara majikan Dan Buruh* (Jakarta: Bina Aksara, 1987) p. 1.

¹⁴Bentein, Kathleen, and Sylvie Guerrero. "The Employment Relationship: Current Research Avenues." *Relations Industrielles / Industrial Relations* 63, No. 3 (2008), p. 409–24. <http://www.jstor.org/stable/23077500>.

¹⁵FX Djumialdji, *Perjanjian Kerja* (Jakarta: Sinar Grafika, 2005), p. 9-11.

¹⁶Asri Wijayanti, *Hukum Ketenagakerjaan Pasca Reformasi* (Jakarta: Sinar Grafika, 2014), p. 37.

¹⁷Niru Anita Sinaga dan Tiberius. Z, "Perlindungan Hukum Hak-Hak Pekerja dalam Hubungan Ketenagakerjaan di Indonesia", *Jurnal Teknologi Industri* 6 (2021), p. 61.

The state's tendency these days is to multiply the rule of coercive law in favor of weak interests.¹⁸ The wage policy is a form of government interference. Interference in wages began at the first time after the promulgation of Law Number 33 of 1947 concerning Work Accidents, which regulates wages related to compensation due to work accidents.¹⁹

Wages as a worker's right which is enacted in the form of money in exchange for the employer established following the employment agreement, agreement or legislation, including benefits for the worker and his family. There are several terms other than wages that are used to designate the same meaning, namely compensation and reward. As quoted by Edy Sutrisno, Handoko stated that compensation is everything that employees receive in return for services for employee work.²⁰

The provision of wages or wage levels can be influenced by factors including the cost of living necessities of the worker and his family; binding legislation on the minimum wage of workers; marginal productivity of labor; the pressure that trade unions and employers' unions can exert; and the type of work.²¹ In Porigin 7 paragraph (1) of Government Regulation Number 36 of 2021 concerning Wages, the wage component consists of:

- a. Wages without benefits / basic wages
- b. Basic wages and fixed benefits
- c. Basic wages, fixed and non-fixed allowances
- d. Basic wages and benefits are not fixed.

In addition to the income of the above wage component is non-wage income as contained in PP Number 36 of 2021 with a religious holiday allowance; incentives; bonuses; money in lieu of work facilities and service money on certain businesses. Wages are basically the main source of a person's income.²² Therefore, wages must meet the living needs of workers and their families reasonably. Such reasonableness can be assessed and measured by Minimum Living Needs or Physical Needs. Minimum Living Needs or Physical Needs is the basic need of a person to maintain his physical and mental

¹⁸Agus Yudha Hernoko, *Hukum Perjanjian Asas Personalitas dalam Kontrak Komersial* (Yogyakarta: LakBang Mediatama, 2004), p. 24.

¹⁹Saprudin, "Sosialisering Process Hukum Perburuhan dalam Aspek Kebijakan Pengupahan", *Mimbar Hukum* 24, No.3 (2012), p. 10.

²⁰Edy Sutrisno, *Manajemen Sumber Daya Manusia*, Jakarta: Kencana, 2011, p. 183.

²¹Ismail Nawawi Uha, *Manajemen Sumber Daya Manusia Buku 1* (Sidoarjo: Dwiputra Pustaka Jaya, 2014), p. 188.

²²Bentein, Kathleen, and Sylvie Guerrero. "The Employment Relationship: Current Research Avenues." *Relations Industrielles / Industrial Relations* 63, No. 3 (2008), p. 409–24. <http://www.jstor.org/stable/23077500>.

condition in order to carry out functions as one of the factors of production.²³ Minimum Living Needs or Physical Needs is one of the components that influence the size of the minimum wage, two other components that also affect are the consumer price index and economic growth.²⁴

Minimum wage simplicity is determined through tripartite discussions at the Wage Council, which cover a wide array of social, economic, political, and ideological factors. The minimum wage policy is a product of economic, political, and ideological conflicts and compromises which arise among various interest groups in Indonesia's compound society.²⁵ The most damaging provision in PP Number 36 of 2021 is that the Government increases labor wages by considering inflation and national economic growth (Articles 25 and 26).²⁶ Consequently, the minimum wage of workers will only be increased by 8 to 10 percent per year. This is obviously not enough to support the daily needs of laborers and basic living expenses. The Government's crackdown has reduced the positive impact of tripartite discussions at the Wage Board. As a result, workers/workers and trade unions fought alongside him while the Government remained in a discriminatory state.

Buchari Alma, in his book, put forward the methods of payment of wages known as the wage payment system, namely:²⁷

1. Wage system according to time,
2. Merit wage system,
3. Wholesale wages,
4. Premium wage system, reward or bonus.

However, the system, in providing wages, must still pay attention to the principle of fairness and decency to meet the needs of workers. In practice, the fulfillment of the minimum wage does not accommodate the needs of life, which

²³ Niels Spierings, "How Islam Influences Women's Paid Non-Farm Employment: Evidence from 26 Indonesian and 37 Nigerian Provinces," *Review of Religious Research* 56, no. 3 (2014).

²⁴ Sonny Sumarsono, *Ekonomi Manajemen Sumber Daya Manusia dan Ketenagakerjaan*, Yogyakarta: Graha Ilmu, 2003, p. 182.

²⁵ Surya Tjandra. *Hukum dan Pembangunan Ketenagakerjaan di Indonesia*, Tesis Universitas Leiden, <https://scholarlypublications.universiteitleiden.nl/handle/1887/37576>, 2016, p. 162.

²⁶ Buana, M. S., & Budiman, R., "Indonesia's minimum wage policy after the omnibus law: A comparative analysis from Islamic principles", *UUM Journal of Legal Studies* 13, no. 2 (2022), p. 207.

²⁷ Buchari Alma, *Manajemen Pemasaran dan Pemasaran Jasa, Edisi Revisi, Cetakan 10* (Bandung: Alfabeta, 2013), p. 206.

causes workers to make savings it affects productivity to be low. Indirectly affects the competitiveness of the company.²⁸

Furthermore, the existence of wage arrangements has been determined by law on how to determine and how to determine them, so it can be said that the arrangements include heteronomous legal rules²⁹ characterized by the prohibition of paying wages lower than the minimum wage. So is the element of time in work; work a certain time and a non-specific time. This period has been determined in the laws and regulations so that the parties in deciding cannot differ from the laws and regulations and can be classified into heteronomous legal rules. Then the element of command born from the relationship of workers as subordinates with superiors so that they are subordinate³⁰ is classified as an autonomous rule of law.

An employment relationship is something abstract, while an employment agreement is said to be something concrete or tangible.³¹ The existence of an employment agreement will create a bond between employers and workers. In other words, this bond of an employment agreement is the employment relationship.³² Both employers and workers should fully understand the critical role of each party in the employment relationship.

Labor Relations and Wages in the Perspective of Islamic Law

Human beings always need other human beings to carry out life in the world. The rules in social life are summarized in the law of muamalah. In a narrow sense, it is all contracts that allow the man to exchange benefits for the means and rules that have been established by God, and man is obliged to obey Him.³³ According to Dede Abdurahman, et al. The term buying and selling is the same as the term buying and selling.³⁴ The muamalah performed is acceptable if it is carried out in accordance with the rules and principles for the

²⁸Symeonidis, George. "The Effect of Competition on Wages and Productivity: Evidence from the United Kingdom." *The Review of Economics and Statistics* 90, no. 1 (2008), p. 134–46.

²⁹Siti Nurhayati, Emi Wakhyuni, and Syaiful Asmi Hasibuan, "Enforcement of Labor Wages Below the Minimum Standard Reviewed from Government Regulation (PP) Number 36 of 2021 Concerning Wages and Islamic Law," *International Journal of Research and Review* 10, no. 4 (2023).

³⁰Asri Wijayanti, *Menggugat Konsep Hubungan Kerja* (Bandung: Lubuk Agung, 2011), p. 56.

³¹McKeown, T., & Ayoko, O. (2020). Relationships at work – why do they matter so much? *Journal of Management & Organization*, 26(2), p. 133-134.

³²Adrian Sutedi, *Hukum Perburuhan*, Jakarta: Sinar Grafika, 2009, p. 45.

³³Abdul Rahman Ghazaly, et.al., *Fiqh Muamalat* (Jakarta: Kencana Prenada Media Group, 2012), p. 3.

³⁴Dede Abdurohman, et.al., "Tinjauan Fiqih Muamalah terhadap Jual Beli Online", *Jurnal Ecopreneur 1*, No. 2 (2020), p. 42.

benefit of the people as in Sura al- Baqarah/2: 275, which means: "Allah has justified buying and selling and forbidding usury".³⁵

Whether we realize it or not, humans are always in contact with each other in order to meet the needs of their lives.³⁶ In this regard, the Qur'an in addition to putting enormous pressure on the importance of work, also clearly shows that man was created on the face of the earth to work for his life.³⁷ The provider of benefits or labor is called labor, or workers will get compensation in the form of wages from the job provider. In fiqh, it is called rent to hire the services of human labor, which is called akad *ijarah al 'amal*, which is an *ijarah* that utilizing employing a person to do something.³⁸

Work will be of worship value if whatever work we do does not neglect and forget us of our obligations to God. Busy work should not make us abandon commitments. The responsibility for every Muslim to work is contained in letter at- Taubah/9: 105.

And say, "Work ye, then Allah shall see your work as His Messenger and the believers will see your work, and you shall be returned to Allah Who knows the real, and then preach to you what you have done".

Compulsory work is a good value in realizing welfare accompanied by noble morals. Indeed, the man was created to worship God as stated in surah az-Zariyat/51: 56, that work is worship broadly as long as the work is *al-kasb al-halal*. To work in Islamic law is to enhance human dignity and dignity and to realize the benefit of man in the world and the hereafter.

All work is good as long as it is within the confines of God's rules. The things ordered in *muamalah* are:³⁹ object halal transactions to prohibit doing business related to the illegitimate. In addition to carrying out obligations, workers/laborers have the following rights:

1. Obtaining wages, premiums, gifts, and so on, according to the same agreement between work and business before starting work.
2. As human beings of Allah Almighty, workers deserve fair and humane treatment. (Q.S. al-Baqarah (2): 213; Q.S. an-Nisa (4): 36; and Q.S. ar-Rum (30): 38).

³⁵A H Ismail and R Pradesyah, "Wages in Islamic Law," *Proceeding International Seminar of ...* 4 (2023).

³⁶Ahmad Azhar Basyir, *Asas-Asas Hukum Muamalat* (Hukum Perdata Islam) (Yogyakarta: UII Press, 2000), p. 11-16.

³⁷Afzallurahman, *Muhammad sebagai Seorang Pedagang* (Jakarta: Yayasan Swarna Bhumi, 1997), p. 286.

³⁸M. Yazid Afandi, *Fiqh Muamalah dan Implementasinya dalam Lembaga Keuangan Syariah* (Yogyakarta: Logung Pustaka, 2009), p. 188.

³⁹Djamil, Fathurrahman, *Hukum Ekonomi Islam: Sejarah, Teori, dan Konsep* (Jakarta: Sinar Grafika, 2013), p. 155.

3. Get enough opportunity to worship. (Q.S. al-Jumu'ah (62): 9) Labor/laborers are free to do their religious worship in proportion. Employers should not deprive workers of the opportunity to worship.

Although the worker must be obedient to the employer, if the order that is not following the norms held even applies to sin, then he has the right to refuse the order/duty that indicates sin. It means: "From Abdullah r.a of the Prophet SAW (it is reported that) He said: then if he is commanded to do the same thing, then there is no obedience and obedience." (Hadith al-Bukhari).

Furthermore, every human being working is entitled to a reward/reward. Wages in Islam are known as *ujrah al-'amal* derived from the Arabic *al-ijarah*, which means to give wages.⁴⁰ The concept of wages arises because there is ownership of services from someone *ajir* (person who is contracted to his labor/worker/service provider) by *mustajir* (person who acquires labor/wage/recipient of services). Encyclopedi Islam states that wages are *ijarah*. *Ijarah* is a contract based on a benefit in exchange for services.

The Hanafiyah group defines *ijarah* as an agreement that contains the ownership of certain benefits of an object that is replaced by a payment in the agreed amount. In other words, it can also be mentioned that *ijarah* is one of the contracts containing the taking of something by means of replacement.⁴¹ A house owned by A, for example, is used by B to live in. B pays A a certain amount of pay in exchange for taking that benefit, it is called *ijarah* (rent). The existence of a person, such as C working on D with the agreement that D will pay a certain amount of the reward is also called an *ijarah*.⁴² Meanwhile, according to Ulama Syafi'iyah, he argues that *ijarah* is a transaction of a certain benefit that is intended, is *mubah*, and is used in exchange for certain benefits.⁴³

Setting a fair wage for a worker according to sharia will is not easy. The complexity of the problem lies in the size that will be used and can help transform the concept of fair wages into the world of work. In setting wages, an entrepreneur is not justified in acting cruelly toward groups of workers by depriving them of the right entirely from their part of themselves. Wages are set most appropriately without having to oppress any party. Wages or the provision of wages is one of the issues that various parties have never debated, both private and Government. Not few amounts of wages also always trigger conflicts between employers and employed people.

⁴⁰Fauzi, A. (2021) "The Wage System (Ijarah) In Islam: A Comparative Perspective of the Scholars", *Iqtishodia: Jurnal Ekonomi Syariah*, 6 (2), p. 31–35.

⁴¹Arifuddin Muda Harahap, "Rules on Wage Standard to Improve Workers' Living Needs in the Perspective of Maqasid Al-Shari'ah," *Ahkam: Jurnal Ilmu Syariah* 18, no. 2 (2018).

⁴²Helmi Karim, *Fikih Muamalah* (Jakarta: Raja Grafindo Persada, 2002), p. 29.

⁴³Ismail and Pradesyah, "Wages in Islamic Law."

As quoted by Siswadi, wages based on the Hadith of Ahmad's History, that wages can be classified into two:

1. the wages already mentioned (*ajrun musamma*), the wages already mentioned have their condition when mentioned must be accompanied by the sincerity of both transacting parties; and
2. Commensurate wages (*ajru al-mitsli*) are wages comparable to his work as well as to the conditions of his work (working profession) if his ijarah contract has mentioned the services (benefits) of his work.⁴⁴

In addition to the hadith, there are also two kinds of wages in the Islamic religious perspective, including:

1. Wages within the scope of rent (ijarah) which are basically sellers of benefits if interpreted in the sense of *syara'*.
2. Upah *ji'alah*, the one who performs a job desired by the giver of this *ji'alah*, will get his wages. *Ji'alah* also includes rewarding people who have saved and returned other people's property.⁴⁵

The basis for determining wages taught by the Prophet is to provide information on wages that will be received before the work is carried out. Wages can be based on the type of work, as Allah says in surah al-Ahqaf (46): 19 which means "And for each of them the degree according to what they have done and for Allah to provide for them (in return) their work while they are not harmed.

The wage conditions agreed upon by the scholars are wages in the form of fixed property that can be known, and no kind of ijarah is allowed. The legal requirement of the ijarah⁴⁶ based on the Compilation of Sharia Economic Law is that the parties to the contract must be capable of carrying out legal acts and fulfilling the pillars of the ijarah send envy; the existence of a party who rents/*musta'jir*; the presence of objects that are looted/*ma'jur* and the existence of contracts. The ijarah contract must be with clear sentences, whether oral, written, or gestured. The terms of the ijarah are also conveyed by Nasrun Haroen as follows:

1. The parties have been baligh and sensible.
2. The contracting parties expressed their willingness to perform the ijarah contract.

⁴⁴Siswadi, "Pemberian Upah yang Benar dalam Islam Upaya Pemerataan Ekonomi Umat dan Keadilan", *Jurnal Ummul Qura IV*, No.2 (2014) p. 108.

⁴⁵Harahap, "Rules on Wage Standard to Improve Workers' Living Needs in the Perspective of Maqasid Al-Shari'ah."

⁴⁶Syafe'i Rachmat, *Fikih Muamalah* (Bandung: Pustaka Setia, 2001), p. 121-124.

3. *Ijarah* object, in this case, the benefits, must be perfectly known; may be handed over and used in an al-hued and unblemished manner; as much as halal; not an obligation for tenants; and something commonly rented out.
4. Rent wages should be clear. Prophet Muhammad SAW. says in the hadith of Abu Sa'id al-Khudri "Whoever wages a laborer, let him explain his wages."
5. Rent wages are not as general is the benefits rented.⁴⁷

In Sura al-Kahfi (18): 30, Allah says: "As truly as those who have faith and righteous charity be, surely We will not waste the reward of those who do His good deeds". Affirming that in retaliation for the work done by man, surely God will reciprocate justly. God will not act zalim by wasting the charity of his servant. This concept of justice in wages dominates every practice that has ever occurred in an Islamic country. Justice does not mean that something is divided. Equally, the higher the expected income, it must be harmonized between high sacrifices.⁴⁸

The clarity of the *ijarah* agreement and the commitment to do so is also the main principle of justice. In surah al-Maidah (5): 1, God says which means "O people of faith, fulfill the covenants." Then, upah hend workersaknya dibayarkan on time. There is no reason for employers to stall or cut salaries. As in the Historical Hadith of Ibn Majah Ibn Umar, which means "From Abdullah Ibn Umar (it is reported that) he said: Rasulullah SAW. said: pay the wages of the laborer before it dries."⁴⁹

Wages can be established according to the circumstances within reasonable limits (*'urf*) or by first having talks between the worker and the devotee before starting the work. It will not be sinful for an employer to provide appropriate payment for its workers. This eligibility can also use the Government's regulation of the minimum wage or basic needs. Fairness in Islam means enough regarding food, clothing, and board, and reducing workers' rights because it will be detrimental. The right in wages means not giving a person a wage far below the salaries usually given. If this is allowed, the employer is considered to have done nothing for the worker.

Working in Islam has principles that must be observed, namely: justice; please help and mutual benefit; clarity of agreement agreements and transparency of wages; mutual responsibility; freedom in the practice of

⁴⁷Nasrun Haroen, *Fiqih Muamalat* (Jakarta: Gaya Media Pratama, 2007), p. 228.

⁴⁸Susilo Martoyo, *Manajemen Sumber Daya Manusia* (Yogyakarta: BPFY-Yogyakarta. 1990), p. 104.

⁴⁹Al-Hafidz Abi Abdillah Muhammad ibn Yazid ibn Majah al-Quzwayni, *as-Sunan*, juz 3 (Syria: Dar al-Risalah al- 'Alamiyah, 2009), p. 511.

worship; and the principle of sincerity or consensual which is permanent when agreements take place between workers and wage earners.⁵⁰

Wages as a logical consequence of work in Islam, are closely related to the concept of morals, which penetrate the limits of life, which is of the dimension of the afterlife and is commonly referred to as a reward. Hukum Islam is largely centered on the public interest (*al-masalih al-ammah*) and includes the maintenance of faith, soul, property, reason, and descent. This interest is included in the needs of *daruriyat*, that is, to maintain essential,⁵¹ fundamental, and absolute conditions. Wages, if worthy, will be one of the reassuring and happy parts of livelihood.

Regarding employment, Indonesia's regulatory design is pro-investment and learning, while the Government is tight-lipped about discriminatory industrial relations. The Government is more oriented toward one party in industrial relations, namely business interests, and investment. Therefore, this Islamic principle can contribute to the product of policies in the field of fair wages in determining the minimum wage and actively supervising labor relations in Indonesia. However, the Islamic principle and its qualified moral spirit have not been used as the primary foundation in realizing regulations or policies that are more humane and directly proportional to the value of justice.

Conclusion

The concepts of labor relations and wages, both in Islamic and labor law, aim to ensure that workers get legal certainty and can live a decent life. Employment relations in the perspective of labor law must be based on employment agreements either in writing or verbally. In contrast, work relationships in the Islamic perspective, wage activities include the study of *ijarah*, which is a lease activity in terms of services. The payment of wages required in Islam is based on the type of work performed, while in the concept of labor it can be based on time, type of work and volume. Although the sources of Islamic law are the Qur'an and Hadith, Islamic law is dynamic because it guarantees the justice and welfare of workers and employers in labor relations. In Islamic Law the working relationship is based on fairness, without exploitation, efficient, and does not violate other sharia principles and wages are included in the study of *Ijarah*. For labor relations and wages to meet human dignity, it is necessary to have a labor regulation that pays attention to the principles of relations and wages in Islamic law. Establishing regulations that accommodate the mountain of Islamic law becomes necessary so that labor

⁵⁰Buana and Budiman, "Indonesia's Minimum Wage Policy After The Omnibus Law: A Comparative Analysis From Islamic Principles."

⁵¹Said Syarifuddin, "Maslahat as Considerations of Islamic Law in View Imam Malik", *Samarah: Jurnal Hukum Keluarga dan Hukum Islam* 4, no. 1 (2020), p. 95.

relations and wages provide justice for workers for the realization of harmonious industrial relations.

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