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mister@serambimekkah.ac.id

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Farah Fadilla Putri, Eli Apud Saepudin, Neng Cahya Yulianti, Tasya Adela Talitha,
Nabila Astuti Istyaningrum, Azzahra Nayla Aqila

Prodi Administrasi Publik, Fakultas Ilmu Sosial dan Ilmu Politik, Universitas Bina Bangsa

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The Influence of Labor Organization Participation on Minimum Wage Policy in Banten Province

¹Farah Fadilla Putri, ²Eli Apud Saepudin, ³Neng Cahya Yulianti, ⁴Tasya Adela Talitha,
⁵Nabila Astuti Istyaningrum, ⁶Azzahra Nayla Aqila

Prodi Administrasi Publik, Fakultas Ilmu Sosial dan Ilmu Politik, Universitas Bina Bangsa

Email

farahfadillap@gmail.com¹, eli.apud.saepudin@binabangsa.ac.id², cahyayulianti5@gmail.com³,
101003bil@gmail.com⁴, azzahranaylaaqila03@gmail.com⁵, tasyaadelatalitha@gmail.com⁶

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ABSTRACT

An organization is a group of people who work together to achieve a common goal. In the context of labor, an organization can be a trade union or labor federation that aims to fight for the rights and welfare of workers. Laborers are individuals who work for wages. They can work in various sectors, such as industry, manufacturing and services. Workers often join organizations to strengthen their voice in fighting for their rights. A policy is a set of rules and principles that govern something. In the context of labor, policies can be in the form of laws, government regulations, or collective agreements between employers and workers that regulate the rights and obligations of workers, wages, working hours, and working conditions. Labor organizations play an important role in fighting for the rights and welfare of workers. They advocate for pro-labor policies, such as a decent minimum wage, humane working hours, and safe working conditions. Labor organizations also assist workers in resolving disputes with employers. Pro-labor policies can help improve the welfare of workers and their families. Good policies can ensure that workers get decent wages, humane working hours, and safe working conditions. Organizations, workers, and policies are closely linked. Labor organizations help workers fight for their rights and welfare. Pro-labor policies can help improve the welfare of workers and their families.

Keywords: Organization; Labour; Policy

INTRODUCTION

The minimum wage for laborers in Banten Province remains a complex and ongoing problem. Here are some of the main problems faced: Low Minimum Wage Increase, The increase in Banten's minimum wage is often not in line with inflation and workers' living needs (KHL). In 2024, Banten's UMP only increased by 2.50%, far below national inflation which is predicted to reach 5%. This makes it difficult for workers to meet their daily needs. Minimum Wage Gap Between Districts/Cities. There is a minimum wage gap between districts/cities in Banten. Banten's 2024 UMP is Rp 2,727,812.11, but the minimum wage in several districts/cities is still far below that. For example, the minimum wage in Pandeglang Regency is only Rp 2,369,973.31. Employer Non-Compliance. There are still many employers who do not comply with the minimum wage regulations. Workers often receive wages below the stipulated UMP/UMK. Lack of government supervision of the implementation of the minimum wage is still weak. This causes many employers to not comply with the minimum wage regulations.

Weak Bargaining Position of Labor, The bargaining position of labor in minimum wage negotiations is still weak. This is caused by several factors, such as: The high level of unemployment. The lack of strong labor organizations. Lack of support from the government. Impact The minimum wage issue can have various negative impacts, such as Poverty of workers and their families, Decreased quality of life of workers, Increased crime, Conflict between workers and employers. Some solutions that can be done to overcome the problem of minimum wage labor in Banten. Determination of a decent minimum wage based on inflation and KHL: Determining the minimum wage must consider inflation and KHL so that workers can live prosperously. Narrowing the minimum wage gap between districts/cities: The government needs to intervene to narrow the minimum wage gap between districts/cities in Banten.

Strict law enforcement against non-compliant employers, strict law enforcement needs to be carried out against employers who do not comply with minimum wage regulations. Strengthening government supervision, government supervision of minimum wage implementation needs to be strengthened. Strengthening labor organizations, workers need to be encouraged to strengthen their organizations in order to have a stronger bargaining position in minimum wage negotiations. Government support for workers, the government needs to provide support to workers, such as training and education, to improve their skills. It is important for all relevant parties to work together to resolve the issue of minimum wages for workers in Banten. A decent and fair minimum wage can help improve the welfare of workers and their families, and encourage economic growth in Banten. The endogenous growth theory states that investment in human capital and physical capital will affect long-term economic growth so that the government has an influence on economic growth such as changes in public investment consumption and tax revenue.

public investment consumption and tax revenue. Economic growth factors are bureaucracy, infrastructure, political stability, government policies, laws and regulations. (lian, 2023)

According to economic theory, investment is spending to buy capital goods and production equipment with the aim of replacing and especially adding to capital goods in the economy that will be used to produce goods and services in the future. (Novella Luckytha Putri, 2023)

The result of t test of investment has a significant effect on the unemployment rate in Banten Province. This is because investment in Banten Province is more directed towards the capital-intensive sector rather than labor-intensive, so that the increase in investment driven by the technology use sector does not absorb labor, while on the other hand the increase in population is increasing. According to economic theory, investment is spending to buy capital goods and production equipment with the aim

of replacing and especially adding to capital goods in the economy that will be used to produce goods and services in the future (Islam Zulfikar & Haviz, 2022).

Labor wages are also part of human rights, where in the UN Covenant on Economic, Social and Cultural Rights which has been ratified by Indonesia, it is stated that labor wages must be used to provide a decent life for workers and their families and it is the responsibility of the State to guarantee it. (Hasyim et al., 2023).

The minimum wage functions as a safety net, while the wage implementation system in the company is through the structure and scale of wages. In order for this to be implemented and can be obeyed by all parties, the wage system in Indonesia is regulated in Law Number 13 of 2003 concerning Manpower, and more specifically regarding wages the Government issued Government Regulation Number 78 of 2015 concerning Wages. (Meinita, 2022)

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The purpose of determining the minimum wage is to realize a decent income for workers. Several things that are taken into consideration include improving the welfare of workers without neglecting the productivity of the company and its progress, as well as considerations regarding general economic conditions. (Kuswanto & Permata Dewi, 2016)

To create public trust, it takes the role of a qualified leader in managing and running all elements in the organization so that it becomes a synergy that leads to quality services (Islam Zulfikar & Haviz, 2022) (Hadian, 2015).

A strong organizational culture that is in line with organizational goals and strategies can have a positive impact on overall organizational performance and effectiveness. For this reason, it is necessary to conduct periodic evaluations of the organizational culture to ensure that the existing values and norms are still relevant and effective. If necessary, make changes and adjustments to maintain compatibility with organizational development. (Darmawan, 2022).

Social capital has a very high influence on the development and progress of various economic sectors.

various economic sectors. Fukuyama (1999) shows the results of studies in various countries which show that strong social capital will stimulate the growth of various economic sectors due to the high level of trust and the closeness of relationships in a wide network that grows among fellow economic actors. (Haridison, 2004)

Compensation has a significant effect on performance with an influence value of 0.213. This finding confirms that the work values set are a limitation on how employees should behave and behave at work according to organizational goals (Sutoro et al., 2020).

Formal organizations in the form of trade unions are a forum needed by workers to channel their various aspirations and demands. However, in reality, many workers do not realize that labor unions are an inherent right for workers. (Kurniawan, 2016)

In a monopsonistic market, the number of buyers is much less than the number of sellers. As a result, the power of buyers becomes much greater than the power of sellers. (Sugiarto, 2016) poverty is a condition of the population both per person

METHODS OF RESEARCH

The research method of this article uses a qualitative descriptive method where all problems and solutions are related to the theme and taken from various sources.

RESULT AND DISCUSSION

The participation of labor organizations in determining the minimum wage policy in Banten Province is still limited. The following are some of the findings: Labor organizations do not have strong representation in the Banten Provincial Wage Board (DPP). Access to information: Workers still find it difficult to obtain accurate information related to the determination of the minimum wage. The capacity of labor organizations in advocating and negotiating minimum wage policies still needs to be improved. Coordination between labor organizations is still weak.

The limited participation of labor organizations in determining the minimum wage policy in Banten is caused by several factors, among others: Weak regulations, regulations governing the participation of labor organizations in determining minimum wages are still weak. Employer intervention: Employer intervention in the minimum wage setting process is still common. Limited resources: Labor organizations have limited resources to advocate and negotiate minimum wage policies. Lack of government support: Government support for labor organizations in fighting for workers' rights is still lacking.

CONCLUSION

Strengthen regulations governing the participation of labor organizations in setting minimum wages. Prevent employer intervention in the minimum wage setting process. Provide support to labor organizations in the form of training, funding, and access to information. Improve coordination among labor organizations to strengthen their bargaining position. Further research needs to be conducted to find out more deeply about the participation of labor organizations in determining the minimum wage policy in Banten Province. The results of the research can be used to formulate more appropriate and effective solutions..

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