

## IMPLEMENTATION OF WAGE UNIT RESULTS IN MEETING THE DECENT LIVING NEEDS (KHL) OF BATIK WORKERS

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### ABSTRACT

*Wage based on unit of output is a wage paid based on the production or quantity of goods produced by the worker, in this research, the amount of batik produced by the batik maker. This type of wage has not been regulated in detail by the Labor Law so that employers and workers are free to determine indicators in wage payments. In addition, the payment of wages based on units of results in meeting the Decent Living Needs (KHL) has not been widely discussed in research on wages or employment. This study aims to determine the implementation of piece-rate wages for batik workers, Pekalongan (Batang) area in Central Java and Cirebon, West Java to see the welfare of batik workers. This research uses qualitative methods with data collection instruments in the form of interviews and field observations. The magnitude of the poverty line and the average monthly per capita expenditure of the community at the provincial and city levels are indicators in determining the welfare level of workers. The results show that the piece-rate wages received by batik workers are higher than the city and provincial poverty lines, but still low when compared to the average monthly per capita expenditure at the provincial and city levels. Nevertheless, employers can determine the amount of wages below the government's decision if employers and workers have agreed. In conclusion, the wages received by the batik workers have not been able to fulfill the KHL of the batik workers optimally. However, batik makers are considered prosperous because they have fulfilled Article 36 Paragraph (2) of Government Regulation No. 36 of 2021 where wages in Small and Medium Enterprises, especially batik, have fulfilled at least 50% of the average consumption of the provincial community and at least 25% above the poverty line at the provincial level.*

**KEYWORDS** Wages, Piece-rate wages, Poverty Line, Average expenditure per capita



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## INTRODUCTION

Government Regulation of the Republic of Indonesia Number 15 of 2007 on the Procedure for Obtaining Manpower Information and the Preparation and Implementation of Manpower Planning explains that manpower development is one aspect of national development because manpower is categorized as a subject as well as an object in development. One of the benchmarks of development success is by measuring workers' income to see the welfare of the Indonesian people. It cannot be denied that a person's income has a positive and significant relationship with the level of welfare of him and/or his family (Herawan, 2014). Where, one form of community income is a salary in the form of money (rupiah) obtained by working, which is an activity carried out by a person with the aim of obtaining income (Badan Pusat Statistik, 2023). In Article 1 Point 2 of Law Number 13 of 2013 concerning Manpower, people who are able to do work to meet their needs are referred to as workers.

Indonesia is a country with a high level of labor, but it is inversely proportional to the available jobs (Wijayanti, 2009). In certain conditions and fields, workers' bargaining power is lower than employers. As a result, the government must be involved and play a role in the labor aspect through the establishment of laws and regulations. The aim is to provide protection to workers from the threat of exploitation, resolve and harmonize the relationship between workers and employers (Kahpi, 2018). The role in question is the ratification of regulations related to employment, some of which are Law Number 13 of 2003 concerning Manpower in conjunction with Law Number 6 of 2023 concerning the Stipulation of Government Regulations in Lieu of Law Number 2 of 2022 concerning Job Creation into Law and its derivative regulations. Article 1 Paragraph (1) of Law Number 13 of 2003 Concerning Manpower defines manpower as all matters related to labor before, during, and after the working period. One of the things related during the working period includes the aspect of wages (Simanjuntak, 2003).

Wages are one of the elements of a work agreement because it is related to the purpose of a person working (Wijayanti, 2009). Wages have a very crucial role, not only for workers, but also for employers (Oktaviani, 2019). For workers, wages are one of the incomes used to meet the needs of themselves and their families. This is clearly different when viewed from the employer's point of view. For employers, wages are crucial because they are related to production costs and business sustainability (Junaedi, 2018). Thus, there is a need for regulations that regulate and balance the different perspectives and definitions of wages from workers and employers.

The government as the arbiter of labor is obliged to establish a wage policy (Simanjuntak, 2011). The government through Law No. 6/2003 on the Stipulation of Government Regulation in Lieu of Law No. 2/2002 on Job Creation into a Law on Manpower cluster establishes a wage policy as one of the efforts to realize workers' rights to a decent standard of living for workers and their families and to create a conducive and sustainable business climate. Wages are regulated in a regulation consisting of 7 (seven) policies. The same regulation also stipulates 2

(two) ways of paying wages, namely wages paid based on units of time and based on units of output. Payment of wages based on units of time is generally determined based on the applicable minimum wage, while wages based on units of output are determined by an agreement between employers and workers.

Wage payment based on piece-rate in Indonesia has not been widely discussed in research related to labor or wages. In fact, according to Chew (2017), wage policies for wages based on unit results are very commonly used in developing countries. In addition, research on Industrial Relations (IR) in fulfilling workers' welfare generally only discusses non-economic welfare facilities such as worship facilities, health facilities, canteens, and so on. Thus, the essence of wage provision as a form of realization of workers' welfare from an Industrial Relations perspective is less visible in previous research. For this reason, research related to wages paid based on output units and their ability to realize workers' welfare is very important and interesting to be discussed further.

The sample in this study were batik workers. This research was conducted in the Pekalongan and Cirebon areas which are famous as batik producing cities in Indonesia. Batik is an Indonesian heritage that has become an icon and is famous internationally. However, who would have thought that this nation's heritage business, the majority is still in the form of Micro, Small and Medium Enterprises (MSMEs), where wages are given in the form of daily money for casual workers or Borongan (unit of results). In Pekalongan, data collection was carried out at BR, BT, and Community R (Batang), while in Cirebon, data collection was carried out at Kampung Batik. In Batik MSMEs, wages are given to workers based on the number of batik completed, some are paid daily, and weekly depending on the entrepreneur and the agreement with each batik maker. The principle of paying wages based on this unit of output is in line with the No Work No Pay principle in Article 93 Paragraph (1) of Law No. 13/2003 on Manpower, which states that wages are not paid if workers do not perform work. In batik-making activities, wages are not paid if the batik ordered has not been completed.

However, this piece-rate wage system has led to a number of problems in employment. The first is the uncertainty of the wages received by workers. If a worker does a lot of transportation in a day, the worker will get a large wage, and vice versa. The second problem that arises is that the wages paid are relatively low when compared to other sewing or textile workers, because the process of making batik takes a long time, especially written batik. However, good batik entrepreneurs are still micro businesses, so they are not obliged to pay workers based on the minimum wage, and it is determined only based on the agreement between workers and batik makers. With these conditions, this research is very interesting to study and research further because the unit wage applied in Pekalongan and Cirebon has not yet been explained in more detail in the rules of labor law.

The problem limitation in this study is related to the amount of unit wage applied to Batik MSMEs and its impact on the fulfillment of batik makers' welfare in terms of the poverty line and the average expenditure per capita per month in Pekalongan (and Batang) and Cirebon issued by the Central Statistics Agency (BPS). To emphasize the direction of the discussion, a detailed problem formulation

is made in the form of questions. (1) How is the policy and implementation of wages based on unit results on batik makers in Pekalongan and Cirebon? And (2) How is the amount of wages based on piece-rate wages in fulfilling the welfare of workers in batik MSMEs?

## **RESEARCH METHOD**

The research method used is descriptive qualitative method, which is a method used to analyze research results in order to draw conclusions (Sugiyono, 2017). The purpose of the descriptive research method is to provide a systematic and accurate description based on existing facts. Data is collected descriptively so that the focus of research is not to seek explanations, test hypotheses, make predictions, but to find theories with a focus on observation (Suteki & Taufani, 2018). The type of data used is primary data obtained from interviews and observations at batik MSMEs in Pekalongan and Cirebon and literature studies to explain the phenomenon of wage unit results based on applicable laws and regulations.

Furthermore, data analysis techniques are carried out by categorizing to filter data, presenting and interpreting data, then drawing conclusions so that it is easy to understand (Sugiyono, 2017). The steps taken in data analysis in this study are (1) Categorization of data; (2) Elimination of data; (3) Presentation of data for analysis; and (4) Drawing conclusions.

## **RESULT AND DISCUSSION**

The results and discussion in this study are divided into 3 parts, namely: (1) The policy and implementation of wages based on unit results are reviewed based on applicable regulations and the ability of Batik entrepreneurs; and (2) The welfare of batik workers (batik makers), namely an explanation of the level of welfare of batik makers by comparing income (wages) with the poverty line and average per capita expenditure in Pekalongan and Cirebon.

### **Policy and implementation of wage unit results**

Based on Article 18 paragraphs (1) and (2) of Government Regulation No. 36 of 2021, wages based on units of results are determined in accordance with the agreed work results, of course, between employers and batik makers. However, in determining the amount of monthly wages (if the employer will pay monthly), the determination of monthly wages based on units of results to fulfill the implementation of statutory provisions, is determined based on the average wages of the last 12 (twelve) months received by workers or batik makers. However, based on the research findings, namely the results of interviews and observations with batik entrepreneurs, article 8 paragraph (1) can be implemented but paragraph (2) cannot. This is because workers tend to ask for daily or weekly wages, none of which are monthly. Furthermore, employers also do not calculate the average wage of a batik maker per 12 months because projects or orders are uncertain and there are no employees to calculate and make such bookkeeping. Thus, the amount of

wages given by employers is based on market habits, the wishes of the batik makers or the price of rice. This finding is in line with the theory put forward by Kartika, et al (2016) that the provision of wages is not only influenced by government policy factors but there are other factors such as the standard cost of living of workers, the size of the wage comparison, demand and supply, and the company's ability to pay wages. If wages are set above the company's ability, it will affect business stability.

Therefore, all batik entrepreneurs who are respondents in this study choose to use the piece-rate system because (a) they have not been able to meet the minimum wage standards set by the central and provincial governments. Especially for hand-written batik makers where the work is long and cannot be targeted (both time and results); (b) batik entrepreneurs do not yet have a wage structure and scale. The respondents admitted that they did not understand the structure and scale of wages so they had never made this; (c) batik entrepreneurs have not been able to provide overtime wages in accordance with applicable regulations, this is very interesting because batik makers who work from home cannot control their working hours, some work all day, some until night, it is up to the batik maker; (d) batik entrepreneurs have not been able to pay workers who are absent for any reason. Basically, batik makers do not always come to the entrepreneur's place (workshop) so there is no term that wages must be paid even if they are not present; (e) batik entrepreneurs do not consider the needs of workers as stated in Article 58 Paragraph (1) of Government Regulation No. 36 of 2021 in determining the amount of wages based on unit results, such as fines, compensation for wage deductions, wage advances, house rent / company-owned goods, workers' debts or installments, and overpayments of wages. In this case, employers pay all the wages that have been promised to batik makers, they are never fined if they are late, because there is no target; batik makers are also never compensated even though the results are not as expected; and batik employers also never deduct the wages paid, no taxes and others. Entrepreneurs also do not charge the cost of renting the house that is used as a batik workshop, or the tools used (used during batik) to batik makers, but on the sales or selling price of the product later.

### **Welfare of batik workers (batik makers)**

The explanation of the level of welfare of the batik makers is explained by comparing their income (wages) per day, per week or monthly, with the poverty line and the average expenditure per capita in Pekalongan and Cirebon.

#### ***Income (Wages) of Batik Workers***

Basically, there are several types of batik which are divided based on how they are made, namely: batik tulis, batik cap, and batik print (printed with a machine). The cheapest batik is printed batik which is usually already in the form of negligee clothes or pants. The selling price from entrepreneurs ranges from Rp. 20,000 - Rp. 100,000 depending on the size of the batik cloth ordered. Batik that is widely used as uniform clothes, or party dresses/ondangans is stamped batik whose selling price ranges from Rp. 100,000 - Rp. 500,000, some are still in the form of cloth, some have become ready-made clothes. Furthermore, the most expensive batik is written batik, where the manufacturing process is quite long because it is

done manually. The workmanship of written batik usually ranges from 2 weeks - 1 year, so the selling price ranges from Rp. 500,000 - Rp. 6,000,000 per sheet with sizes ranging from 2 X 1 meter to 2.7 X 1 meter (this price is based on interviews with first-hand batik entrepreneurs). However, this written batik is usually only used as a display for collection and not made into clothes, bags, sandals, etc.

Based on the results of interviews and observations, the wage system used by MSME-scale batik entrepreneurs in Pekalongan and Cirebon consists of only 2 schemes, namely daily and piece-rate. In Pekalongan, entrepreneurs pay workers ranging from 50,000 - 80,000 / day for daily workers, and there are also entrepreneurs who give bonuses if the written batik has been completed, amounting to Rp. 300,000 per piece of written batik. In addition, most batik makers are paid based on units of output or what is often referred to as piecework. The batik maker is paid from Rp. 3,000 - Rp. 25,000 per piece per motif for stamped batik ranging from 20 - 210 cm. As for written batik, workers in each process are paid Rp. 15,000 - Rp. 350,000 per cloth per motif. Thus, the wages given will be higher based on the level of difficulty and how many motifs are requested in 1 piece of batik cloth (piece).

Especially for written batik, there are several processes carried out by several people so that the piece-rate wage is also based on the type of work. In making written batik, it starts with washing the cloth, designing (drawing), mencanting (nembok/ngeblok), coloring, and penglorodan (washing wax or night). The process of dicanting, coloring and dyeing occurs repeatedly according to the number of colors and motifs to be made. Based on data from several batik entrepreneurs, the wages paid to workers in charge of washing cloth and dyeing are paid in the range of Rp. 15,000 - Rp. 20,000 per dozen. Workers in charge of designing are usually paid a range of Rp. 25,000 - Rp. 90,000 per cloth, depending on the complexity of the motif. Furthermore, the coloring and dyeing process can be done by the same person with a wage range of Rp. 43,000 - Rp. 50,000 per day. Therefore, in calculating the income of batik workers in Pekalongan and Cirebon.

**Table 1. Wages of hand-written batik workers by type of work in Pekalongan and Cirebon**

Batik Tulis	Wages		
	Lowest	Highest	Unit
MSME Entrepreneur			
Fabric washing	Rp. 15.000	Rp. 20.000	Dozen/day
Designing (drawing)	Rp. 25.000	Rp. 90.000	pattern/fabric
Dyeing (nembok/ngeblok)			
Coloring	Rp. 43.000	Rp. 50.000	per day
Dechlorodan (wax or night washing)	Rp. 15.000	Rp. 20.000	lusin

Furthermore, based on information from respondents regarding the wages they receive in making hand-written batik, the processing time and the results, the

data in Table 2 is projected to calculate the average wages received per week and per month based on the lowest and highest unit wages received by workers. In addition, this calculation can also explain the estimated wage capital spent by the entrepreneur in producing 1 piece of hand-written batik cloth. The following is an example of calculating the average income of batik workers based on their type of work.

**Table 2. Estimated average wages of hand-written batik workers based on output units or targets**

Batik Tulis			Average Wage per Week		Average monthly wage	
MSME Entrepreneurs	Days	unit	Lowest	Highest	Lowest	Highest
Fabric washing*	1	1 dozen	Rp. 90.000	Rp. 120.000	Rp. 360.000	Rp. 480.000
Designing (drawing)	2-3	1 motif/kain	Rp. 150.000	Rp. 360.000	Rp. 600.000	Rp. 1.080.000
Dyeing (nembok/ngeblok) Coloring	7-20	1 motif/kain	Rp. 258.000	Rp. 300.000	Rp. 1.032.000	Rp. 1.200.000
Dlorodan (lily or night washing)*	1	1 dozen	Rp. 90.000	Rp. 120.000	Rp. 360.000	Rp. 480.000

Based on the table above, the estimated wage for a worker who washes cloth is, for example: if 1 person can wash at least 1 dozen cloth per day, the wage per week is between Rp. 90,000 - Rp. 120,000, or Rp. 360,000 - Rp. 480,000 per month. Not only that, if there is a batik cloth that is half-finished and needs to be lorodged (dying), the worker will receive more wages, where dying is usually not as easy as washing the cloth at the beginning. So that every day, workers can usually only bleach a maximum of 1 dozen per day, with an estimated wage received ranging from Rp. 180,000 - Rp. 240,000 per week or Rp. 720,000 - Rp. 960,000 per month.

Furthermore, based on data from several batik entrepreneurs, if the worker in charge of designing batik can complete 2 cloths with one motif, the wage received is IDR 75,000 per week or IDR 300,000 per month. This wage is usually given to workers who design from home (WFH). If the worker can complete 2 fabrics with 2-3 motifs, the wage received is estimated at Rp. 360,000 per week or Rp. 1,080,000 per month. Whereas, the prices set by each entrepreneur vary widely and within a fairly significant range of numbers. Entrepreneurs set design wages based on subjective assessments of the design results. The process of making hand-drawn batik designs takes a relatively long time because it is done manually, without technological assistance, so the wage range above fluctuates greatly in the field.

The part that we are most familiar with and is often viral in the media is dicanting and coloring. This process is repetitive and cannot be targeted. In general, employers provide daily wages for this process, where daily wages range from Rp.

43,000 - Rp. 50,000 per day. If the batik being worked on is less than 2 meters in size and only 1 motif, the canting and coloring process can take 1 week. The estimated wage of workers ranges from Rp. 258,000 to Rp. 300,000. Normally, the batik that is done is 2.7 X 1 meter in size, if with a smaller motif (fine) then the time needed will be longer. Based on information from informants, the time needed to complete one fine batik is usually 20 days (canting and color only). So that the wages earned by batik makers in one month range from Rp. 1,032,000 - Rp. 1,200,000.

In addition, the majority of batik makers in Pekalongan and Cirebon work part-time (nyambi), so piece-rate wages are only given to workers who do the dyeing and coloring from home (WFH). There are entrepreneurs who come to the batik maker's house and make orders for motifs, sizes, and provide all the materials needed. There are also batik makers who work independently and give it to the business when it is finished, without any request from the business. Based on the results of interviews with respondents and resource persons, the piece rate or piece-rate given is determined based on the size of the motif, the finer the motif, the more expensive.

**Table 3.**  
**Wages of traditional batik makers (WFH) in Pekalongan and Cirebon**

Batik Tulis	Upah		
Batik Village (WFH)	Lowest	Highest	Unit
All process until completion with fabric and tools from the entrepreneur	Rp. 300.000	Rp. 350.000	Per Fabric finish
All process until completion with own capital	Rp. 500.000	Rp. 1.000.000	Per Fabric finish

Table 3 represents the wages of batik makers who do not work in workshops, shops or at the employers' premises but work from home (WFH). They work with materials and fabrics and canting tools that are given or loaned by batik entrepreneurs according to the requests of batik entrepreneurs. But there are also batik makers who work based on their desires, and after the finished product or batik tulis is finished, they will be paid by batik entrepreneurs who have become their regular customers. Based on information from WFH batik makers, they make batik only as a part-time activity (nyambi). They only fill their spare time as housewives. If they have to go to the batik business, it means they have to work from morning to evening. But if they are WFH, they can work at any time, and without any specific targets. "If you want quick money, yes, finish it quickly, if you are still patient, yes, it's okay" is the ultimate sentence from WFH batik makers.

On the other hand, the employers cannot force all the batik artisans to work in the workshop because of the limited space and not all the artisans are willing to do so. For entrepreneurs, negotiating with batik makers is not easy, especially with batik makers who are 60-80 years old (elderly). Although batik makers are generally no longer in their productive age, batik entrepreneurs usually also have



confidence in their ability to make batik that has been passed down for decades. However, this is also the basis or reason for employers to provide low wages, to which batik makers also tend to surrender. If they like the price offered then they take the job, if they don't like it then they don't take it. In addition, batik results cannot be targeted; both in terms of processing time, quantity of results and demand for motifs. This is a strong reason for entrepreneurs to provide wages with a piece-rate system; paid when the results are available, especially for WFH batik makers. Entrepreneurs also provide a calculation of the wage capital spent to produce written batik with the following estimates.

**Table 4.**  
**Estimated wage capital for making simple hand-written batik**

Batik Tulis		Simple motif wage		
MSME Entrepreneurs	Unit	Wages	Time (days)	Total Wages
Fabric washing	1 dozen	Rp. 1.250	1	Rp. 1.250
Designing (drawing)	1 motif/kain	Rp. 50.000	3	Rp. 50.000
Dyeing (nembok/ngeblok)	1 kain	Rp. 43.000	7	Rp. 301.000
Coloring				
Chlorodan (wax or night washing)	1 kain	Rp. 1.250	5*	Rp. 6.250
<i>Total wage for one sedernaha batik tulis</i>				<b>Rp. 358.500</b>

**Table 5.**  
**Estimated wage capital for making small (fine) batik tulis motifs**

Batik Tulis		Upah motif kecil (halus)		
MSME Entrepreneurs	Unit	Wages	Time (days)	Total Wages
Fabric washing	1 kain	Rp. 1.250	1	Rp. 1.250
Designing (drawing)	1 motif/kain	Rp. 90.000	4 - 5	Rp. 90.000
Dyeing (nembok/ngeblok)	1 kain	Rp. 50.000	20	Rp. 1.000.000
Coloring				
Chlorodan (wax or night washing)	1 kain	Rp. 1.250	10*	Rp. 12.500
<i>Total wage for one sedernaha batik tulis</i>				<b>Rp. 1.103.750</b>

Table 4 and table 5 above are illustrations of the calculation of wage capital issued by entrepreneurs or independent batik makers, where in the above calculations the value of capital issued does not include the materials and tools needed. This becomes a dilemma, when the wages of hand-written batik makers are considered small or the price of hand-written batik is considered too expensive in the market. In fact, the traditional and lengthy process affects the cost and capital of making batik, where simple hand-written batik requires a wage capital of up to IDR 358,500 and fine batik of IDR 1,103,750. This capital does not take into account overtime, electricity, water, and the cost of purchasing batik tools such as

canting, stoves, etc. Based on the sales data of hand-written batik from entrepreneurs, simple hand-written batik with large motifs is sold starting from IDR 500,000 per sheet, while fine batik is sold starting from IDR 2,000,000 per sheet, even the most expensive price from the first hand in Pekalongan and Cirebon is IDR 6,000,000 per sheet. This price is based on interviews with first-hand batik entrepreneurs. If it has entered the shop and gone through the industrial promotion process, the most expensive written batik in Indonesia can reach a price of IDR 100,000,000.

#### ***Welfare of batik workers (Pembatik)***

One way that can be used to measure the welfare of workers is to compare the amount of wages received by workers with the poverty line and average per capita expenditure issued by the Central Statistics Agency (BPS). In determining the poverty line and average per capita expenditure, BPS conducts a survey based on 64 components and types of Decent Living Needs (KHL) which refer to Permenaker No. 18 of 2020 concerning Amendments to the Minister of Manpower Regulation No. 21 of 2016 concerning Decent Living Needs (KHL). The poverty line is the minimum rupiah value spent by a person to meet their basic needs in a month. Meanwhile, the average expenditure per capita is the range of expenditures made by households on final goods and services with the aim of meeting needs such as food, clothing, and other necessities and various types of services in an area. To be able to determine the objective point of the ability of wages to fulfill the welfare of workers, indicators are used in the form of:

- Poverty lines at the city level, namely Pekalongan city, Batang district and Cirebon city;
- Poverty lines at the provincial level, namely West Java and Central Java;
- Average monthly per capita expenditure in the cities of Pekalongan, Batang and Cirebon;
- Average expenditure per capita per month at the provincial level, namely West Java and Central Java.

These indicators were obtained through the results of the National Socio-Economic Survey in March 2022 conducted by the Central Statistics Agency (BPS) of Pekalongan and Cirebon. Based on data released by BPS Pekalongan city in 2022, the poverty line per capita per month is Rp. 513,000 while the average expenditure per capita per month by commodity group and expenditure group (Rupiah) in the Pekalongan Ex-Karesidenan is presented in the following table.

**Table 6.**  
**Average expenditure per capita in Kab. Batang and Pekalongan in 2022**  
**(IDR)**

No.	District	Monthly Per Capita Expenditure Distribution		
		Food	Non Food	Total
1.	Batang	Rp. 524.403,73	Rp. 457.381,51	Rp. 981.785,23
2.	Pekalongan	Rp. 619.620,63	Rp. 497.664,66	Rp. 1.117.285,29

The average per capita expenditure as a reference is Pekalongan and Batang Regency, which are the largest batik-producing cities/districts in Central Java. Based on the calculation of the average wage of batik workers in Pekalongan, it can be seen that the amount of wages received is above the poverty line, but has not reached the minimum limit of average per capita expenditure in 2022. Furthermore, based on data from BPS West Java Province, it is known that the poverty line is at Rp. 467,000 with an average per capita expenditure of Rp. 1,095,738 per month. This figure shows a situation similar to Pekalongan and Batang, where the income (wages) of batik workers is above the poverty line but still does not reach the average monthly per capita expenditure.

Therefore, it can be seen that the average monthly Take Home Pay of batik workers (batik makers) only meets 2 of the 4 welfare indicators determined in the research instrument, namely the poverty line at the city level and at the provincial level and cannot meet the average monthly per capita variable of the Pekalongan and Cirebon city communities. It should be noted that the determination of the value of the poverty line and per capita expenditure is an individual calculation, not per family, so that the wages received by batik workers are not fully able to fulfill the welfare of workers, especially batik makers who have families and make this work a source of livelihood in meeting the proper needs of the family.

In line with the opinion of Mangkunegara (in Kartika et al., 2016), the standard cost of living is one of the important factors that must be taken into consideration in determining the amount of wages. In essence, the purpose of a person working is to fulfill the needs of workers, especially batik makers and their families. In the event that the wage given is below the standard cost of living, it is certain that the wage is not able to fulfill the welfare of workers. However, the amount of wages given to workers has met the provisions of the lowest wage line in Article 36 Paragraph (2) of Government Regulation No. 36 on Wages, which is 50% of the average consumption of the community at the provincial level and 25% above the poverty line of the community at the provincial level. In this study, the average consumption that is used as a reference is the provinces of West Java and Central Java.

## CONCLUSION

Based on the results and discussion of the implementation of the unit wage, its comparison with the poverty line and the average monthly per capita expenditure in Pekalongan and Cirebon, the conclusions that are in accordance with the research questions above are The policy and implementation of wage unit results on batik workers are not in accordance with the laws and regulations stipulated by the government. The amount of wages is not determined based on the 7 (seven) wage policies in Article 6 Paragraph (2) of Government Regulation Number 36 of 2021 concerning wages, but is determined based on the objective assessment of employers, the wishes of batik workers or the price of rice. This arrangement cannot be said to

be better or not better than the laws and regulations because the wage policy for output units has not been regulated in detail, either in the Law or in the Government Regulation. For this reason, this wage policy can continue to be implemented as long as there is an agreement between workers and employers.

The amount of wages based on the unit of output received by batik workers only fulfills 2 welfare indicators, namely the poverty line at the city and provincial levels. Meanwhile, 2 other indicators, namely, the average monthly per capita expenditure of the city and provincial communities are not met. So that the wages received by batik workers have not been able to balance the consumption expenditures of the community, especially for those who are married. Thus, the amount of wages given to workers has not been able to provide welfare for workers. Even so, the wages given to workers have met the lowest wage line stipulated in Article 36 Paragraph (2) of Government Regulation Number 36 of 2021 where wages in MSMEs must meet at least 50% of the average consumption of provincial people and at least 25% above the poverty line at the provincial level.

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