

CHAPTER V

CONCLUSION AND SUGGESTION

A. Conclusion

Based on the previous discussion, the researcher arrives to the conclusion as follow:

1. The legal problem, especially from the laborers, the new wage formula in the Government Regulation No. 78 of 2015 on Wages is not sufficient for the welfare of laborer because the wage increase is limited only by considering national inflation and national economic growth. So, the wage earned by laborer is only enough to buy the basic needs only. Then, from the employers, some have accepted and some have not yet accepted this new wage formula. Employers who have accepted the formula stated that the wage formulation in the regulation make the employers easier to determine the amount of wage for laborers, while, employers who have not yet accepted, stated that employers will be more difficult to determine the wage for laborers because the wage increase based on national inflation and national economic growth which are clearly different from DIY condition.
2. The role of local government is already good in settling the legal problem on minimum wage determination in the Special Region of Yogyakarta (DIY), for example, the Governor of DIY has issued the Governor Regulation No. 74 of 2016 on Minimum Wage to protect the laborers. In addition, in order to calm down the controversy and to make the laborer

and the employer understand more on the prevailing regulation, the local government of DIY has facilitated the deliberation/coordination with three elements of tripartite (government, employers, laborers) to discuss matters relating to minimum wage, including the procedure, legal basis, etc. Furthermore, to improve the welfare of laborers, the local government of DIY has also provided education, occupational injury insurance, health insurance, life insurance, pension/retirement insurance and 15 (fifteen) rental flats for laborers.

B. Suggestions

In order to have the best formulation of minimum wage determination, the researcher suggests:

1. The Central Government

The central government as the policy-maker is suggested to be able to accommodate the interests of employers and laborers in all regions in Indonesia. The central government should not generalize the minimum wage in all regions by using national inflation and national economic growth standard, because the economic situation of each region is different.

2. The Local Government

The local government as the implementer should pay more attention to all aspirations and opinions of the parties concerned. The regional minimum wage determination is suggested to keep using the

decent living needs survey and conducting openly so that the participation of both parties becomes more real.

3. The Employer

The employer is suggested to improve communication and cooperation with the laborer in paying the minimum wage in accordance with wage formula, to ensure the wage setting is acceptable to both parties and to reach mutual agreement without misunderstanding.

4. The Laborer

Although the laborers disagree with the minimum wage formula, they are suggested not to use their own ego and interest in minimum wage determination and they should listen the opinions of the employers and local government.