



Muslim Labor: Income and Hours Of Work in West Sumatera

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ABSTRACT

The discussion about labor still leaves problems from various points of view, especially in economics and religion. The religious environment has a big role in influencing individual behavior in making decisions to work. By using the theory of job supply, the research looks at the impact of income, gender, education, age, and marital status on working hours for Muslim workers. This study uses secondary data from IFLS-5 using the median quantile regression model, this is due to the occurrence of heteroscedasticity. In this article, the researcher emphasizes Muslim workers in West Sumatra Province, which is known as one of the provinces in Indonesia that still prioritizes sharia in the philosophy of life of its people. The results of this study indicate that the average working hours of Muslim workers in West Sumatra is 128 hours per month or 32 hours per week. In addition, the findings of this study report that income and gender have a positive and significant effect on working hours, while age and marital status have a significant and negative effect.

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1. Introduction

The discussion about labor still leaves problems from various points of view, especially in economics and religion. Religion and the religious environment have a big role in influencing consumer behavior, both individuals and organizations in decision making [1], including its role in the supply of labor [2]. Labor does not only act as an economic resource but also God's representative on earth. The discussion of labor has been explained in the Qur'an (QS. 7:172), namely that workers have the right to get a job and income according to their choice, and still have the right to carry out worship required by their religion and get wages and get a decent income for humanity. (Qur'an 53:39-41). This shows that Islamic teachings also play a role in the existence of labor and the supply of work. In the concept of labor supply, the amount of labor provided by the owner of the workforce at every possible wage within a certain period. In this article, we will look at how the influence of wages or income, gender, education, age, and marital status on working hours in Islamic societies in Indonesia empirically. Mohanty reported that income, education, age, and ownership of children affect the choice of working hours for both men and women [3]. Bertrand states that education can be used to enter the labor market and any change in qualifications will contribute to achieving a balance between supply and demand for labor [4]. Therefore, as was done in previous studies, this study also argues that income, education, age, and marital status have a positive effect on working hours. In contrast to previous studies, this study observes the Minangkabau community as a population of Islamic society. This is because the Minangkabau community is known as an ethnic group that adheres to Islamic teachings and has a philosophy of life, namely the Basandi Sarak Custom, Sarak Basandi Kitabullah. This philosophy is also the philosophy of life inherent in the Minangkabau people who make Islam the main foundation in the pattern of behavior in the values of life. This expression implies that Islamic teachings are the basis for every behavior of the Minangkabau people in the social, political, and economic fields [5]. In addition, this study is a follow-up to complement empirical evidence related to the concept of labor from an Islamic perspective [6]. The source of data in this study is secondary data from IFLS-5. The dependent variable in this study is working hours with the independent variables being income, gender, education, age, and marital status. The results show that income and gender have a significant and positive effect on working hours.

2. Research Methods

This study uses an explanatory research type with the data source used is secondary data derived from IFLS-5 data. IFLS (Indonesia Family Life Survey) is an Indonesian survey institution that is a collaboration between Rand Corporation and Survey Meter with a survey conducted throughout 2014. The results of this survey data are then processed using the STATA 13.0 Program. The data used in this study is about Muslim workers in West Sumatra with a total of 3475 respondents. The dependent variable in this study is the total working hours of Muslim workers every month, then the independent variables consist of monthly income (income), gender (gender), education (pend), age (age), and marital status (marriage status).

This study begins by using the OLS (Ordinary Least Square) method which is followed by testing the assumptions of linear regression [11]. By using the Ramsey test, it can be concluded that the model used does not have a specification error with a probability of $0.0000 < 0.05$. Furthermore, a multicollinearity test was carried out on the variables used in this study and the results showed that the value of $vif < 5$ and the value of $TOL > 0.20$ so it can be concluded that there is no multicollinearity in this research model. However, based on the normality test of data using Shapiro-Francia, it was concluded that the data used were not normal for the variables of working hours, age, education, and marital status. Finally, we carried out a homoscedasticity test using the Szroeter test, From the STATA output, information is obtained that the regression model has a variant that is not constant because the resulting p-value is < 0.05 . This can occur due to the abnormality of the data that has been tested previously.

The problem of data abnormalities can be overcome by using another analytical method, namely by using the Median Quantile Regression method with the following general form:

$$y = X\beta(\theta) + \varepsilon(\theta) \dots \dots \dots (2)$$

Where y is the response variable; $X\beta(\theta)$ is a variable vector of parameter estimators. The general equation for the quantile regression of the response variable (Y) is

$$Y = \beta_0(\theta) + \beta_1(\theta) \dots \dots + \beta_k(\theta) X_k + \varepsilon(\theta) \dots \dots \dots (3)$$

The general form of this research equation using Median Quantile Regression is as follows:

$$[(HW)] _med = \beta_0(\theta) + \beta_1(\theta)upah + \beta_2(\theta)gender + \beta_3(\theta)usia + \beta_4(\theta)pend + \beta_5(\theta)sttkwn + \varepsilon(\theta) \dots \dots \dots (4)$$

3. Results and Discussion

Based on the theoretical study above, the effect of income and working hours can be explained by using the median quantile regression model. This is done because the secondary data used is not normal. The results of IFLS 5 data processing show that 65% of the workforce in West Sumatra are female workers with an average monthly income of IDR 2,000,000. The characteristics of the workforce in West Sumatra can be seen in Table 1 below:

Table 1
Descriptive Statistics of Manpower in West Sumatra Province

Variable	Obs	mean	Std. Dev.	Min	Max
Working hours	3100	195.4232	316.0487	4	3992
Income	1749	1.0042	0.0874	1	2,828,427
Gender					
1. Male	3745	(base)			
2. Female	3745	0.6566	0.4749	0	1
Education					
1. No School	3745	(base)			
2. Primary School	3745	0.2694	0.4437	0	1
3. Middle School-High School	3745	0.6473	0.4779	0	1
4. University	3745	0.0790	0.2698	0	1
Age					
1. 15-30	3745	(base)			

Variable	Obs	mean	Std. Dev.	Min	Max
2. 31-45	3745	0.3250	0.4684	0	1
3. 46-60	3745	0,2013	0.4011	0	1
4. 61+	3745	0.0481	0.2139	0	1
Marital status					
0. Not Married	3745	(base)			
1. Marry	3745	0.5052	0.5000	0	1

Source: IFLS-5, data processed

After knowing the characteristics of the workforce in West Sumatra, the median regression quantile estimation is carried out. The results of the median quantile regression can be seen in the table below:

Table 2
Regression of Median Hours of Work for Muslim Workers in West Sumatra

Variable	Coefficient	Std. Err.	t	P>t
Income	59,067	19,985	2.96	0.003
Gender	16.00	2,362	6.77	0.000
Education	4.00	3.320	1.20	0.228
Age	-12.00	2,493	-4.81	0.000
Marital status	-84.00	4.742	-17.71	0.000
_cons	144.9328	24,002	6.04	0.000

Source: IFLS 5, data processed; Number of obs = 1745; Pseudo R2= 0.1843

From the table above, the equation for the estimation of working hours for Muslim workers in West Sumatra is obtained, namely:

$$HW = 144.9328 + 59,067 \text{ Income} + 16,00 \text{ Gender} + 4,00 \text{ Education} - 12 \text{ Age} - 84,00 \text{ Martial Status} + \epsilon$$

Table 2 above shows that all variables have a statistically significant effect on working hours. The average working hours of Muslim workers in this data is 128 hours/month. However, this median value is not the median value as the midpoint of two observations but one of the two centers of observation. Partially it can be said that the wage/income variable of Muslim workers is 59,067, meaning that if the percentage of wages/income has increased by 1 percent, it will increase working hours by 59.067 hours/month. This shows that an increase in income means that he will need additional time to work. The results of this study are in line with research conducted by [8] in Indonesia that an increase in income or wages for workers will cause the workforce to increase working hours.

Based on IFLS 5 data, it is found that the workforce is influenced by gender. This shows that there is a difference in working hours between men and women in West Sumatra of 16 hours/month. Table 2 above also shows the results of the estimated median regression quantiles on the age of workers. Age has a negative and significant effect on working hours. This means that as the age of the worker increases, the working hours will decrease. This shows that work productivity will decrease with increasing age so that the workforce will begin to reduce their work activities. The results are the same as the research conducted by [3], [10] in the Netherlands. The marital status variable has a significant and negative effect on working hours. This means that the workforce will be limited or divided by the time they have for work and family. Married workers will usually try to shorten their working time and use it for family purposes. This finding is in line with the research that has been done [9]

Based on the results of data processing above, it is known that the discussion of income and working hours can be done through labor supply where the supply of labor will be related to income and working hours. The supply of labor will give the individual freedom to determine the amount of income to be received but of course, the individual will adjust to the constraints that each individual has. In this article, the researcher emphasizes Muslim workers in West Sumatra Province, which is known as one of the provinces in Indonesia that still prioritizes sharia in the philosophy of life of its people.

The results of this study indicate that Minangkabau Muslim workers have an average monthly working hour of 128 hours, meaning that every week they will work for 32 hours. Based on the Islamic Labor Code (ILC) it is stated that working hours do not exceed 8 hours per day and 40 hours per week. This refers to QS. Al-Baqarah, 286, namely "God does not burden a person but according to his ability" and "God loves believers who like to work hard to make a living" (HR. Tabrani and Bukhari). These results also show that Muslim workers in the Minangkabau community continue to uphold this philosophy namely Adat Basandi Sarak, Sarak Basandi Kitabullah.

The results of this study also show that income, gender, and age have a positive and significant effect on working hours. The relationship between the income variable and working hours shows that the higher the income of a worker, the higher his working hours. This indicates that other times, namely leisure (time not for work) such as relaxing, recreation, socialization are inferior goods. This means that an increase in income or wages for workers will cause the workforce to increase working hours. These results show results that are in line with [8] in his research throughout Indonesia.

On the gender variable, there is a significant and positive effect, indicating that there are differences in working hours between men and women. This is certainly related to the roles and responsibilities of workers in the family. The working hours for men will likely be more stable than for women. Because for some women working will be charged with the responsibility of taking care of the family and taking care of the children. This condition can happen to women who work in non-formal fields. However, this matter still needs to be studied again because in this article no observations are made on this field of work. The effect of age on working hours shows the productivity or output produced. Increasing age will have an impact on reducing working hours.

4. Conclusion

The findings in this study indicate that the supply of labor in West Sumatra Province still pays attention to working hours. Working hours for Muslim workers in the Minangkabau community-West Sumatra Province are still said to be quite good from an Islamic perspective. The existence of the influence of gender on working hours shows that there are differences in working hours between men and women. This condition can explain the role of women workers in Muslim society. Differences in family responsibilities can be seen from the differences in working hours. In addition, it can be said that women working in West Sumatra do not forget their responsibilities.

However, this research still needs to be continued, by adding several other variables such as field of work, work experience, and even socio-demography to make it more comprehensive.

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