

# Payment for Rice Milling Services Paid In Rice from the Perspective of Sharia Economic Law

Erma Dwiyaniti<sup>1</sup>, Annisa Zakiyatul Fadlila<sup>1</sup>

<sup>1</sup>Postgraduate Program of State Islamic University of Sayyid Ali Rahmatullah Tulungagung, Indonesia

Date of Submission: 20-11-2024

Date of Acceptance: 30-11-2024

**ABSTRACT:** Service payments should be based on mutual agreements between the service provider and recipient. However, in MuncakKabau Village, rice milling service payments are made differently, with no prior agreement on rates. The miller sets the price after the milling process is completed, and the payment is made in rice rather than money. This approach reflects traditional values and the community's connection to local agricultural products. Despite this, the practice raises questions regarding its compliance with Islamic economic law principles, which require a clear agreement between both parties before the transaction occurs. This study aims to analyze the practice of paying for rice milling services with rice from the perspective of Islamic economic law. Using a qualitative method and field research, the study focuses on gaining a deeper understanding of this phenomenon within the social and economic context of the local community. The findings indicate that the rice milling service payments in MuncakKabau Village do not comply with Islamic economic law because the payment is not based on a clear rate agreement at the start of the transaction. This could lead to potential injustices or disputes in the future. Therefore, clearer regulations and frameworks are necessary to ensure that rice milling transactions align with Islamic principles, such as fair, transparent agreements that adhere to legal norms.

**KEYWORDS:** service payment, islamic economic law, wage management

## I. INTRODUCTION

The basic principle in every economic transaction is the existence of an agreement between the two parties. This aims to create clarity and fairness in business relations (Maimun and Dara Tzahira, 2022). However, in MuncakKabau Village, the payment practice for rice milling services is different. The local community offers this service with a unique payment system, where

the rate for milling is not determined in advance. Instead, the miller sets the price after the milling process is complete.

Another uniqueness of the milling service in this village is the payment method that uses rice as a means of payment, not using cash. This approach reflects the traditional values that are still upheld by the MuncakKabau community, as well as their close connection to local agricultural products. In sharia, every transaction must be based on a clear and mutually beneficial agreement, so that no party is harmed (Sakti & Adityarani, 2020). With the ambiguity in pricing, it is feared that exploitative practices will emerge that can harm farmers as service providers. This requires a thorough evaluation of the existing mechanisms to comply with sharia principles.

This study aims to further analyze the practice of rice milling service payments paid for with rice from the perspective of Islamic economic law. The method used is qualitative with the type of field research, which allows researchers to gain an in-depth understanding of this phenomenon. By exploring the perspective of Islamic law, this study is expected to provide insight into the importance of clarity and agreement in every transaction, as well as its impact on the sustainability of the community's economy.

The results of this study indicate that the practice of paying for rice milling services in MuncakKabau Village is not fully in accordance with the provisions of Islamic economic law. The uncertainty that arises due to unilateral price determination by the miller emphasizes the need for clearer regulations. This regulation is important to ensure fairness and balance in the economic relationship between farmers and millers, so that both parties can feel the benefits of the transactions carried out.

## II. METHODOLOGY

This research method uses a type of field research. This research method uses a qualitative method used to analyze the practice of rice milling service payments in MuncakKabau Village (Chapter, 2023). The data sources used are primary and secondary data. Primary data is direct data obtained in the field. The primary data collection technique is through interviews and observations with farmers and factory employees as well as from factory owners. While secondary data is supporting data obtained from scientific journals and books. The data analysis technique uses descriptive, meaning that this study uses exposure and describes the results of the study according to observations and research conducted in the field.

## III. RESULT AND DISCUSSION

### Payment for Rice Milling Services Paid in Rice in MuncakKabau Village, East Oku Regency, South Sumatra

Payment for rice milling services in MuncakKabau village has been carried out since 2002 until now. At the beginning of the establishment of the rice mill, there was actually only one payment method, namely using cash. However, over time and the development of the rice milling business in the village, and adjusting to the needs of farmers and local economic conditions, the payment method has also changed (Afrizal, 2018). Now, payments are made in two more flexible ways, namely using cash and rice. This option makes it easier for farmers to adjust payments according to their capabilities at that time.

In 2002 in MuncakKabau village, the community also made payments for rice milling services using money amounting to Rp 15,000 per 10 kg of rice produced. This payment system was implemented, but it did not last long and was not widely implemented by the local community. This happened because it was considered difficult, considering that sometimes not all rice owners had cash at the time of the transaction. In addition, the system was considered impractical, so residents preferred other payment methods that were considered more efficient and less troublesome for both parties in the rice milling transaction process.

Therefore, people prefer to pay wages using rice because it is considered more practical and fair, people use customs as a valid contract because it has been a long time since there was no more *ijab qabul* during the transaction. From this incident, the owner of the ricemilling service wage finally determined two methods of ricemilling, namely using money and using rice. However, at this time, what is often used to pay ricemilling wages is only

using rice because wages using the money method are considered in effective.

The ricemilling transaction process is when there are people who want to mill rice, they can call the milling service to pick up the rice or the rice owner delivers it directly to the milling factory, the rice owner no longer asks about the wages that will be given using money or rice for milling services, the community already understands the system that is currently running, namely using rice, there have been wage payments using money but it did not last long and not many people did it, they are more accustomed to using rice (Musibau & Hamza, 2024).

After arriving at the mill, the rice that has been brought will be milled directly according to the predetermined process. After the milling process is complete, the factory will take the rice produced from the mill as a form of their wages. Usually, if the factory picks up directly from the farmer's house, they will come in the afternoon to pick up the rice to be milled. Then, after the rice is milled, the results will be delivered back to the farmer in the form of rice, with deductions from the wages that have been taken for the milling costs and the pick-up costs.

In the practice of determining wages for rice milling in MuncakKabau Village, East Oku Regency, South Sumatra, wages are paid in the form of rice (Izzan & Liyanti, 2022). The amount of wages taken is 10% of the amount of rice milled if the rice owner uses the transportation services provided by the rice milling company. However, if the rice owner chooses to deliver his rice to the rice milling company himself, the amount of wages taken will be lower, which is only 8%. This policy aims to provide flexible options for rice owners, taking into account the additional costs for transportation provided by the company. Thus, the amount of wages charged depends on how the rice owner organizes the process of transporting his rice, either using the company's services or delivering it himself, which can affect the total wages received in the form of rice.

Based on the results of the interviews that have been conducted, it can be concluded that there are still shortcomings in the public's understanding regarding the exact amount of wages that will be taken by the ricemill. This indicates an information gap that needs to be fixed, so that the public understands more clearly about the payment system or deductions that apply at the ricemill. The ambiguity regarding this matter of ten causes confusion among farmers who do not fully understand the amount of wages they will receive after the milling process is complete. Further

education regarding this matter is needed to avoid misunderstandings in the future.

### **The View of Sharia Economic Law on Wages for Rice Milling Services Paid in Rice**

Wages are cooperation based on elements of clarity and mutual benefit. Meanwhile, in sharia economic law, wages can be said to be *ijarah*. *Ijarah* is a contract that takes advantage of something received from another person by paying something with an agreement that has been determined with conditions (Al Fasiri, 2021). Meanwhile, according to the majority of scholars, *ijarah* is the sale of benefits and what may be rented is the benefit, not the object.

Leaseboth in the form of rent and in the form of wages, it is part of *muamalah* which is prescribed in Islam. The original law is that it is permissible or permissible if it is done in accordance with the provisions stipulated by Islam (Fitriani, 2020). *Ijarah* is permissible in Islamic teachings, based on one of the words of Allah SWT in QS al-Baqarah verse; 223.

Indeed, basically, all forms of transactions, be it buying and selling, pawning, lending, *musyarakah* (profit sharing) and so on are all permitted in Islam as long as there is no evidence that prohibits the transaction. In the rules of Islamic jurisprudence, it is explained that "the basic law of everything is permissible, so there is evidence that prohibits it". From the definition of wages, we can say that wages give us many benefits and bring benefits in community life, because sometimes what we need is not all we have, but sometimes it is in the hands of others. One of them, as a rice farmer, of course, really needs a rice milling machine so that the rice can be processed into rice and the owner of the milling machine certainly also needs rice farmers to operate the machine and meet daily needs.

When someone accepts a job or opens a business that offers goods or services, they generally expect compensation in the form of money as a form of appreciation for the efforts made. However, in the village of Muncak Kabau, East Oku Regency, South Sumatra, there is a different tradition. In this village, people who provide rice milling services are not paid with money, but with rice milled from farmers' rice. In other words, as a form of payment, they receive a portion of the milled rice, making this transaction more focused on the agricultural product itself than the cash commonly used in big cities.

Based on the pillars and conditions in the wage-wages transaction, in the context of this work, there are two parties involved. The first party is the rice farmer who acts as a service user, who in this

case is referred to as *mu'jir*. The farmer uses the services of the rice mill owner to mill his harvest. The second party is the rice mill owner, who functions as *musta'jir*, namely the party who receives wages to do certain work, namely milling the farmer's rice. In this relationship, the owner of the rice mill as *musta'jir* is required to carry out his duties according to the agreement and receive compensation in the form of wages. Meanwhile, the rice farmer as *mu'jir* is obliged to provide wages to the factory owner according to the results that have been agreed upon. Thus, both parties are bound by a mutually beneficial contract according to the principles in the pillars and conditions of wages.

The wages received in the form of rice for rice milling services are obtained from the results of the milled rice. Sometimes, the rice obtained is of good and excellent quality, but sometimes the rice obtained is of poor quality. The price of rice itself can fluctuate every season, sometimes going up or down. However, even though the price of rice varies, this does not affect the amount of wages received by farmers or rice milling services. Wages are still determined based on the initial agreement, which is usually a portion of the milled rice, without being affected by changes in rice prices in the market.

The rice milling service business, when viewed from the perspective of *muamalah fiqh*, is included in the wage-wage category (Mukaromah et al., 2021). In the Islamic concept, *ijarah* is a form of compensation received by someone for work done, in the form of fair and appropriate material compensation in the world, as well as rewards in the afterlife as a reward. In the *ijarah* contract, there is a basic principle that emphasizes the importance of an agreement between the two parties involved, which is reflected in the process of *ijab* (offer) and *qabul* (acceptance). Both parties, namely rice farmers as the party using the milling services, and the owner of the rice milling factory as the party receiving the wages, must reach a clear agreement regarding the amount of wages, the work to be done, and the time of its implementation. Thus, the relationship in this rice milling service reflects principles that are in accordance with Islamic teachings in terms of justice, transparency, and mutual benefit.

The practice of rice milling wages in Muncak Kabau Village, East Oku Regency, South Sumatra, is paid using rice, which is done unwritten. In Islamic economic law, for acts of worship, the principle applies that the form of worship that is valid is that which is mentioned in the Islamic evidence, while in acts of *muamalah*, the opposite principle applies, namely that everything is valid as long as there is no express prohibition on the action,

contained in the Fiqh principle, "The original law that determines the conditions in mu'âmalah is halal and permissible unless there is evidence (that prohibits it)".

It can be understood from the rules of ushul above that muamalah is halal when there is nothing that prohibits it. Every transaction that is carried out must be accompanied by *ijab* and *qabul* because both are elements that must be present in a contract is an agreement between two wills. There is a Fiqh rule that justifies that something that is determined by *'urf* as determined by *nash*, "customs can be made law".

The above ushul rule explains that customs that apply in society can be used as a legal basis, as long as the customs do not conflict with the principles of Islamic law. In this case, sharia can be determined by referring to existing customs, as long as the customs are in accordance with the provisions of sharia and do not contain prohibited elements (Ningsih & Yustiloviani, 2021). For example, in terms of wages, it must be ensured that there is no element of *gharar* related to *ujrah* or payment. Apart from that, the wage agreement must be fair and not harm either party, be it the wage giver or the wage recipient, so that it does not cause harm to both parties.

Payment of rice milling wages using rice in Muncak Kabau village, East Oku Regency, South Sumatra, has various significant benefits. One of them is that it can create harmony between residents, because they help each other in meeting their needs. In addition, this method can also foster an attitude of mutual assistance between farmers and rice millers. This process strengthens social relations in the community, thus creating stronger bonds between villagers. By giving and receiving assistance, the sustainability of rice milling activities can be maintained, which in turn has a positive impact on the harmony and welfare of the local community.

In the terms and conditions of wages regarding the consent and the amount taken must be clear. Muamalah is carried out based on the consideration of bringing benefits, avoiding harm and bringing *masalah* (Al Fasiri, 2021). Therefore, all forms of muamalah that damage or disrupt the life of society are not justified. This is based on the Qur'an, Surah Hud: 85. The verse explains that it is ordered to act fairly and not harm others that can cause harm.

Meanwhile, in the practice of paying rice milling wages in Muncak Kabau Village, East Oku Regency, South Sumatra, there is something that is not in accordance with Islamic law, namely the absence of an initial agreement stating how much

wages are taken, and when taking wages one of the parties does not attend the transaction process, there is no transparency, it is just a custom that has long been used as a provision by the community, the element of *gharar* in this practice could result in fraud and could harm one of the parties.

#### IV. CONCLUSION

The conclusion of this study shows that the practice of wages in a rice mill in Muncak Kabau Village, East Oku Regency, which pays wages in rice, is basically acceptable from the perspective of Islamic economic law, as long as it meets basic principles such as clarity and mutual benefit. Although this practice has been going on for a long time and is preferred by the community because it is considered practical, there is still ambiguity in the percentage of wages deducted, especially regarding the difference between the delivery of rice by the farmers themselves and the pickup by the factory. This has the potential to cause elements of *gharar* (ambiguity), which is contrary to the principles of transactions in Islam which demand transparency and clarity of contracts. Therefore, in order to create a wage system that is more in accordance with Islamic law, it is very important to ensure that there is a clear agreement and transparency regarding the amount of wages received, both in the form of money and rice, so as not to cause injustice or loss to either party.

#### REFERENCES

- [1]. Afrizal, A. (2018). Tinjauan Hukum Islam Tentang Pengupahan Penggilingan Padi Dengan Beras (Studi pada Pabrik Penggilingan Padi di Desa Sukajaya Kecamatan Katibung Kabupaten Lampung Selatan) Skripsi. UIN Raden Intan Lampung.
- [2]. Al Fasiri, M. J. (2021). Penerapan Al Ijarah Dalam Bermuamalah. *Ecopreneur : Jurnal Program Studi Ekonomi Syariah*, 2(2), 236. <https://doi.org/10.47453/ecopreneur.v2i2.446>
- [3]. Chapter, B. (2023). *Metoden*. In *Kollegial supervision*. <https://doi.org/10.2307/jj.608190.4>
- [4]. Fitriani, D. (2020). Studi Al-Qur'an Dan Hadis Aturan Hukum Konkrit: Ijarah (Sewa Menyewa). *Lentera: Indonesian Journal of Multidisciplinary Islamic Studies*, 2(1), 27–38. <https://doi.org/10.32505/lentera.v2i1.2112>
- [5]. Izzan, A., & Liyanti, H. A. (2022). Tinjauan Hukum Ekonomi Islam Dalam

- Sistem Pengupahan Penggilingan Padi (Studi Kasus Di Desa Cibunar Kecamatan Tarogong Kidul Kabupaten Garut). *Jurnal Hukum Ekonomi Syariah (JHESY)*, 1(1), 178–185.  
<https://doi.org/10.37968/jhesy.v1i1.222>
- [6]. Maimun dan Dara Tzahira. (2022). Prinsip Dasar Perbankan. *Sharia Economic Law*, 1(1), 125–142.
- [7]. Mukaromah, H., Sudarmaji, W., & Ulfa, L. (2021). Pemberian Upah Terhadap Petugas Ili-Ili Desa Tanjungsari dalam Perspektif Hukum Syariah. *Jurnal Ilmiah Ekonomi Islam*, 7(03), 1931–1936.
- [8]. Musibau, K. B., & Hamza, A. R. (2024). Minimum Wage Increases And Civil Servants' Welfare In Nigeria's Fourth Republic: An Examination Of Lagos And Osun States Civil Service. *International Journal of Advances in Engineering and Management (IJAEM)*, 6(11), 253–267.  
<https://doi.org/10.35629/5252-0611253267>
- [9]. Ningsih, V. A., & Yustiloviani, Y. (2021). Praktek Upah Mengupah Basiang Padi Dengan Sistem Indak Dilapesi Dalam Tinjauan Fiqih Muamalah. *JISRAH: Jurnal Integrasi Ilmu Syariah*, 2(3), 133.  
<https://doi.org/10.31958/jisrah.v2i3.4966>
- [10]. Sakti, L., & Adityarani, N. W. (2020). Tinjauan Hukum Penerapan Akad Ijarah Dan Inovasi Dari Akad Ijarah Dalam Perkembangan Ekonomi Syariah Di Indonesia. *Jurnal Fundamental Justice*, 1(2), 39–50.  
<https://doi.org/10.30812/fundamental.v1i2.900>