ABSTRACT

ANALYSIS OF DETERMINANTS OF LABOR ABSORPTION
MANUFACTURING INDUSTRY SECTOR IN INDONESIA
PERIOD 2013-2021

By:
Nira Octavia
NPM. 193401051

Mentor:
Iis Surgawati
Asep Yusup Hanapia

This study aims to determine the effect of GDP, number of business units, and inflation on employment in the manufacturing industry sector in Indonesia in 2013-2021, both partially and together. The research method used in this research is a quantitative method with a descriptive approach and take secondary data obtained from the Central Statistics Agency (BPS) website. The model used in this study is a panel data regression model with a fixed effect model (FEM). The results showed that partially GDP and the number of business units had a positive and significant effect, meanwhile inflation had a negative and insignificant effect. Simultaneously, GDP, number of business units, and inflation have a significant effect on employment in the manufacturing sector in Indonesia period 2013-2021.

Keywords: Labor Absorption, GDP, Number of Business Units, Inflation, Manufacturing Industry Sector