

ABSTRACT

ANALYSIS OF FACTORS AFFECTING THE ABSORPTION OF LABOR IN FURNITURE INDUSTRY IN THE CITY METRO

By

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This research was conducted to determine what factors influence and contribute significantly to employment in furniture industries in Metro City. This research uses multiple regression approach Ordinary Least Square method (OLS).

Results of this study indicate that there are four variables as a factor labor absorption in furniture industries in the City metro that is wages, raw material prices, the price of output and the value of investments. Four variables has a significant influence on employment with R2 of 97,88% and 2,12% influenced by other variables outside the research. Based on the calculation coefficient obtained from the Wages amounted -0,13370, Raw Material Prices amounted -0,06036, Output Price amounted to 0,00882 and 0,41561 of Investment Value.

Keywords: Absorption of Labor, Wages, Raw Material Prices, Output Prices, Investment Value, Ordinary Least Squares (OLS)