

## ABSTRACT

### PRODUCTION UNIT ANALYSIS OF INFLUENCE ON REAL WAGES AND LABOR ABSORPTION IN INDUSTRIAL OF TAPIS

In Bandar Lampung

By

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The basic problem is to maximize economic development in a productive job creation is sustainable. In an effort to place of employment provision as a starting point in attempting humans Indonesia became the main force of development. In Indonesia, the rate of population growth is not matched with the equitable distribution and lack of labor market.

Problem of expansion of employment opportunities is one of the main problems of today, but basically there is a way to expand employment opportunity, namely through the development of labor-intensive industries (Labor Intensive) which absorbs relatively more labor in their production process. Relation to the economy, small industries, especially industrial of Tapis can improve the economy, especially developing countries like Indonesia, which has a workforce that quite a lot.

This study aims to determine the effect of variable units of production and real wages to labor absorption in the industrial of Tapis in Bandar Lampung period 2004.1 - 2008.4. The analytical method used is ordinary least square, followed by hypothesis testing and simultaneous partially through t test and f. The results in the period 2004 - 2008 by Data quarter we concluded that, based on the calculations and discussion, conclusions that can be given by the authors is that the results of calculations and statistical tests as a whole (F test) at the level of confidence of 95 percent, indicating that the value of  $R^2 = 0.763820$  which means that the variable unit of production and real wages have a real impact for 76.3820 percent of industrial labor absorption of Tapis in Bandar Lampung. While the remaining 23.618 percent is influenced by other factors beyond the model of this research. Meanwhile, according to t test independent variables that turned out production units have positive and real wage variables negatively affect the employment screening industry in Bandar Lampung. In calculating the independent variable is the elasticity of production units and real wages can be concluded:

- a. Variable elasticity coefficient calculation unit of production equal to 0.023646217 show flexibility towards the development of production units of labor absorption. This means an increase of one percent of the production units will result in increased employment of .023646217 per cent, assuming the other variables fixed (ceteris paribus).
- b. Variable coefficients calculation real wage elasticity of - 0.035582521 showed stagnansi real wages of labor, meaning that real wages decline by one percent would reduce employment of - 0.035582521 per cent, assuming other variables fixed (ceteris paribus) .