

# **AGRICULTURAL SECTOR EXPENDITURE ALLOCATION EFFICIENCY AND IMPROVEMENT CONTRIBUTION TO GDP IN THE LAMPUNG PROVINCIAL OF ITS AGRICULTURAL SECTOR.**

**BY**

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The problem in this research is: How efficient budget funds in the Agricultural Sector Agriculture Sector GDP increase in Lampung Province Year 2004-2008 budget?. The purpose of this paper is: To evaluate the efficiency of allocation of budget funds rate Agriculture Lampung province in the 2004-2008 budget year boost agriculture sector GRDP Lampung Province.

Analysis tools used in this research is quantitative analysis is analyzed based on efficiency analysis. Analysis of management efficiency local budgets intended to find out how much the efficiency of an implementation of activities / projects by making comparisons between the output and input. Categorized efficiently achieved if the analysis is less than 1 (one) or below 100 percent. The smaller this analysis, the more efficient and vice versa.

Results show the performance of local governance is good, because efficiency analysis in 2004 and 2005 respectively 36.23 percent and 41.76 percent in financial performance is below 60 percent and it is considered highly efficient, in 2006 amounted to 76.98 percent efficient because it is categorized in financial performance are between 60-80 per cent while in 2007 and 2008 respectively for 94.08 percent and 91.72 percent in financial performance between 90-100 percent categorized as less efficient, on average average of 68.15 percent in financial performance are between 60-80 percent can be classified efficiently. It is obvious that the efficiency of the agricultural sector expenditure allocation to the agriculture sector GRDP Lampung province each year are good, with the increase in economic growth each year. This shall mean the allocation of budget expenditure by the agricultural sector's Gross Regional Domestic Product (GDP) are more efficient.

Conclusion performance of this research is showing the financial performance of the agricultural sector is good. Agricultural sector contribution to GDP from year to year in Lampung province with an average of 42.47 percent per year role. This shows the stability of total revenue earned from the agricultural sector in its role of Regional Gross Domestic Income (GDP) in Lampung Province

Suggestions are proposed based on this research is to better the existing budget should be performance oriented and public interests. It means these expenses take precedence to the interests of society is to improve the welfare of society. With the hope to increase the GDP of agriculture sector so as to increase its contribution to GDP of Lampung Province.