

## **ABSTRACT**

### **ANALYSIS LABOUR ABSORPTION IN INDUSTRIAL CONVECTION IN PRINGSEWU REGENCY**

In an effort to cultivate the small and medium enterprises as well as to cope with unemployment, there are issues that need to be solved, one of which is on the demand for labour. This study aims to determine the effect of variable wages, the price of the main material, the price of output and the value of the investment on employment. In this study using multiple linear regression analysis to calculate and analyze how much influence the average wage of workers, the average price of the main material, the averages price of output, and the value of the investment on employment in the industry of the District Pringsewu convection. Estimates obtained from the calculation results that these variables jointly affect the demand for labor by 68.98% and the remaining 31.02% is influenced by other variables outside of research. From the results of the study also obtained the result that the negative wage effect but not significant, the main material prices and a significant negative effect, output prices influential positive and significant. The value of investments and a significant positive effect on employment in the industry convection.

**Keywords:** Industrial convection, average wages, the average price of the main raw material, the average price of the output, the value of the investment.