

ABSTRACT

ANALYSIS OF LABOR AND ECONOMIC GROWTH OF GOVERNMENT EXPENDITURE IN BANDAR LAMPUNG

By

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Economic growth is one of the benchmarks in seeing economic improvement, if economic growth improves the economic improvement in the area is getting better, whereas if the economic growth in the region, the increase of the economic decline will also decrease.

The purpose of this study was to analyze the effect of variable labor (TK), and government spending (G) to economic growth during the period 2000 to 2012 in the research method used was Ordinary Least Square / OLS. The data used are secondary data is the data period of 2000 to 2012.

The results showed that the variables of the OLS estimation results note that the labor variable has a regression coefficient of 0.022940 (positive value), shows that if there is a change of 1 percent increase in kindergarten (*ceteris paribus*) it will cause a change in the increase in economic growth of 1.2 percent. From the estimation, it is known that the government expenditure variable has a regression coefficient of 0.032413 (positive value), showed that the increase in G if there is a change of 1 percent (*ceteris paribus*) it will lead to changes in economic growth of 0.01 percent.

Keywords: Economic Growth, Employment, Government Spending