

ABSTRACT

Employment is one of the countries development driving component, so the policy synergy needed to improve economic welfare. The expansion of the global economy expected to provide positive effect of domestic economy. The objectives of this research to determine the effect of foreign investment, domestic investment, economic growth, inflation, minimum wages, exports and imports towards employment at 33 Provinces in Indonesia from 2011 – 2020.

This study uses secondary panel data which is a combination of time series data and cross section data obtain from reports published by Central Bureau of Statistics. The analytical model used in this study is a mutiple linear regression use Robust Standard Error, the best model is Fix Effect Model (FEM). To help assist data analysis usin gprogram E-views 9.

The results of analysis show that foreign direct investment and imports have no significant positive effect on employment. Domestic investment, Gross Domestic Regional Product(GDRP), and the minimum wage have a significant positive effect, meaning that when the two variables increase, it will be followed by demand for labor. While inflation and exports have a negative effect on employment, this needs to be studied more deeply and look at other factors. The government also needs to improve policies and equity that does not only focus on Java.

Keywords: Investment, GDRP, inflation, minimum wages, international trade, employment.