

ABSTRACT

The purpose of this research is to analyze the impact of cash transfer on labor supply in Indonesia. Using the Fixed Effect method. Longitudinal survey data from the Indonesian Family Life Survey (IFLS) in batch 4 of 2007 and batch 5 of 2014 were used as data sources, using a sample of household members.

The results of the study show that the existences of a direct cash assistance program has no significant effect on the labor supply. Other factor included in this study as control variables were wages, age, gender, marital status, education and location of residence. Another factor that influences the labor supply includes the gender, marital status and education. Wages, the age and the location of residence have no effect on the labor supply.

Keywords : Bantuan Langsung Tunai, Work Hour, Fixed Effect.