

ABSTRACT

This study attempts to investigate the relationship between tourism and employment absorption in Indonesia during the period of 2018-2022. The dependent variable in this study is labor absorption in Indonesia with three independent variables namely wage per hour (UPAH), Gross Domestic Regional Product (GDRP) per capita, number of tourist visits (WIS), and number of room occupied (HOTEL). The research method used in this study is panel data regression and the type of data used is secondary data obtained from the Indonesian Central Bureau of Statistics website for 2018-2022 with a observation size of 170. Based on the research results, the wage on hour (UPAH) variable has a negative effect and significant to the number of labor absorption of the 34 Indonesian provinces in 2018 – 2022. The Gross Domestic Regional Product (GDRP) per capita, number of tourist visits (WIS), and number of room occupied (HOTEL) variable has a positive and significant effect on the number of labor absorption of the 34 Indonesian provinces in 2018 – 2022.

Keywords: Tourism industry, labor absorption, wage, GDRP, tourist visit, room occupied