# ABSTRACT

Poverty is a problem in almost every country that inhibits economic growth, one of which is in Indonesia. The problem of poverty in the Kedungsepur area is influenced by several factors, namely Gross Regional Domestic Product (GRDP), minimum wages, and regional spending. This study aims to analyze the effect of Gross Regional Domestic Product (GRDP), minimum wages, and regional spending on the poverty rate in the Kedungsepur area in the period 2019-2023.

This study uses a quantitative method with secondary data obtained from the Central Java BPS (Central Statistics Agency) in 2019-2023. Then this study also uses panel data regression analysis with the Fixed Effect Model (FEM) panel data regression analysis method to determine the results of the effect of GRDP, minimum wages, and regional spending on the poverty rate in the Kedungsepur Area in the period 2019-2023. The research is based on indicators influencing the poverty rate based on several theories and previous studies. The research objects consist of 6 districts/cities in the Kedungsepur area, namely Kendal Regency, Demak Regency, Ungaran (Semarang Regency), Semarang City, Salatiga City, and Purwodadi (Grobogan Regency).

The results of the study show that the GRDP variable has a negative and significant effect on poverty. Minimum wages have a positive and significant effect on poverty, while regional spending has a negative and insignificant effect on poverty.

Keywords: Poverty, GRDP, Minimum Wage, Regional Spending, Panel Data Regression