

ABSTRACT

This study aims to analyze the Effect of Labor Productivity, Domestic Investment, Foreign Direct Investment and Wages. Increasing the number of people who are not accompanied by the absorption of labor will cause some problems in it such as the development process is hampered and high unemployment.

The data used is secondary data, data obtained through the documentation of data Central badan pusat statistic (BPS) as for the analysis tool used in this study is multiple linear regression with IBM SPSS 19.00 program.

The result shows that based on regression result of Labor Productivity Variables of 1,94318 Negative Influence on Employment Absorption, Variable domestic investsment (DI) Positive influence on labor absorption of 0.75, Foreign Domestic investment (FDI) variable negatively affect Labor absorption of 0, 164, Negative Influential Variables Against Labor Absorption per 1% Wages will decrease Employment Absorption of 0.526

Keywords: *Absorption of workers , labor productivity, foreign Direct Investment (FDI), Domestic Investment (DI), Wages*