

ABSTRACT

Indonesia is one of development countries, the grouping of countries based on the level of welfare, which one of the problems in development countries including Indonesia is unemployment. The amount of unemployment is important to measuring the success of economic development. This is because unemployment is one of indicator to indicate the level of welfare resulting from economic development. Increasing population also followed by an increasing number of labor force will increase the number of unemployed if not offset by increased employment opportunities.

The number of unemployment in Semarang city was high for the time period 1991-2008. With average of unemployment rate is 16.37 percent each year. The high of unemployment is economic phenomena in Semarang city. Purpose for this paper is to analysis correlation of factors that influence unemployment rate in Semarang city.

Based on the calculation of multiple regression analysis showed that variables related to wage a negative and significant at -0.000019, inflation is positively related and significant impact on the unemployment rate amounted to 0.088789, GDP has a negative and significant at 0.426937, the level of employment opportunities and significantly negatively related amounted to 0.220765. While the dependency ratio variables and not significant positive effect on unemployment, it is suspected because of the non-productive age population that still come to work so it does not affect the level of unemployment.

Keywords: Unemployment, Inflation, Wages, GDP, dependency ratio, Employment Opportunities