

ABSTRACT

Unemployment can be useful as one factor of achievement indicator from one state in order of economic development. In order to create good economic development, one state required a comprehensive strategy and policy to solve an unabsorptivity potential resources. In 2011, Central Java Province became the second province with great quantities of unemployment (BPS's data). This case be divergent with the economic development which has increase in each year.

This study aim to analysis how domestic regional gross product, inflation, province minimum wage, and the number of alphabetist having an effect to open-unemployment level in Central Java Province at 1990 to 2011. Ordinary least squares will be used as regression model in this study with time series data at 1990 to 2011.

Regression analysis results tell us that all independent variables are influential to open-unemployment level in Central Java Province. R^2 value is 0.852, mean that 85.2% is an explanation of dependent variable. Whereas, 14.8% explainable by the other variables which excluding of the variables in this study.

Key Words: Open-Unemployment Level, Domestic Regional Gross Product, Inflation, Province Minimum Wage, Number of Alphabetist, Time Series