

ABSTRACT

Economic growth is generally defined as an increase in the ability of an economy in producing goods and services. Economic growth is one measure of economic development. Development programs that were designed and implemented by the government ought to have a perception of demography. Demography, or in this case the population, is the center of all policy and program development. As the subject of development, the population must be fostered and developed so as to be able to become the development motivator. Was like this conversely, the development also must be able to be enjoyed by the relevant population.

This research uses demometric approach using time series data with a sample of 21 years that is from the year 1988-2008 with the area of the research is Central Java. The analytical tool used in this study is Ordinary Least Square (OLS).

The purpose of this study was to determine the condition of employment sectors of the economy in Central Java by using the independent variables that is population growth and sectoral GDP of each sector of the economy to analyze the labor absorption capacity of each sector.

Based on the results obtained by data processing that population growth variables influence the number of sectoral employment in the sector of agriculture and LGA and sectoral GDP influence the number of sectoral employment in all sectors of the economy of Central Java and the obtained coefficient of elasticity that can demonstrate the ability of each sector to absorb labor.

Keywords: demometric, sectoral employment, population, sectoral GDP