ABSTRACT

The high inequality of income distribution that occurs in the Special Region of Yogyakarta Province shows that economic development has not succeeded in bringing equity to the community. For this reason, an analysis is needed to determine the factors that inequality of income distribution in order to reduce inequality of income distribution that occurs in the Province of D.I Yogyakarta. The purpose of this study was to determine the effect of economic growth, HDI, Distric/City Minimum Wage, and Open Unemployment Rate.

This research uses secondary data obtained from the Central Statistics Agency (BPS) of D.I Yogyakarta Province. The data in this research is panel data consisting of cross section data from 5 districs / cities and time series data for 2010-2018. The data analysis used was panel data regression analysis with the Fixed Effect regression model.

The results of the regression analysis show that economic growth does not have a significant effect on inequality in income distribution. Meanwhile, HDI, Distric/City Minimum Wages and Open Unemployment Rate have a significant effect on inequality of income distribution. HDI has a negative effect, while Distric/City Minimum Wage and Upon Unemployment Rate have a positive effect on inequality of income ditribution in the Province of D.I Yogyakarta in 2010-2018.

Keywords: Inequality of Income Distribution, Economic Growth, HDI, Distric/City Minimum Wage, Open Unemployment Rate.