

SUMMARY

The title of this thesis is “The Effect of Land Transportation Sector Towards Economic Growth in Central Java Province”.

The purpose of this study was to determine the effect of number of motor vehicles, number of road lengths, capital and labor toward economic growth in Central Java Province from 1999-2017.

This research uses quantitative descriptive method, through the library study. The data are provided by Badan Pusat Statistik Central Java Province. The type of data used is time series.

Based on the result of research and data analysis using multiple linear regression analysis shows that: (1) number of motor vehicle has a positive and significant effect towards economic growth in Central Java Province, year 1999-2017, (2) the number of the road lengths has a negative and not significant effect towards economic growth in Central Java Province, year 1999-2017, (3) capital has a negative and not significant effect towards economic growth in Central Java Province, year 1999-2017, (4) labor has positive and significant effect towards economic growth in Central Java Province, year 1999-2017.

The implications from above conclusions in the future the government can provide improvements to community mobility services and for resources or transfer of material and production products such as trucks and the like to increase economic growth through the transportation sector. Central Java Provincial Government is expected to expand employment in various sectors so that the suitability between job applicants and available jobs will not cause unemployment because with the increasing quality of labor, it will improve productivity of workers to produce output. Regional governments are expected to pay attention to the length of the road and expansion so that it does not cause negative effects that can affect economic growth.

Keywords: Economic Growth, The Number of Vehicles, Number of Road Lengths, Capital and Labor.