SUMMARY

This study aims to analyze the influence of the Regional Economic Growth, Regional Minimum Wage, Number of Population and Expected Years of Schooling on the Unemployment Rate in Central Java. A quantitative method with regression analysis was used to examine the relationship between these variables, utilizing secondary data from official sources. The research focuses on understanding how each variable affects unemployment rate, either directly or indirectly.

The results indicate that UMK and HLS do not have a significant effect on unemployment rate, suggesting the need for optimization of policies in these areas to ensure inclusivity and equity. Meanwhile, GRDP has a significant but negative effect, thus indicating that there is potential in line with the implementation of regional competitiveness policies. On the other hand, the Number of Population has a significant positive effect, indicating that the population shows tight competition in the labor market, so that it can increase the chances of unemployment if population growth is not balanced by economic growth and job opportunities.

This study provides benefits both theoretically and practically. Theoretically, the results add to the literature on the relationship between economic and demographic variables on unemployment, especially in Central Java. Practically, this study is expected to be a consideration for local governments in formulating policies related to minimum wages, human resource development, and demographic management to reduce unemployment rates. Thus, this study emphasizes the importance of synergy between economic policies and human development in overcoming the challenges of unemployment in the region.

Keywords: Regional Economic Growth, Regional Minimum Wage, Number of Population, Expected Years of Schooling, Unemployment Rate.