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# Analysis of the Effect of Regional Original Income, Regional Minimum Wage, Unemployment, and Education on Poverty in the Regency/City of Bali Province

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**ABSTRACT:** Poverty is a condition in which a person is below the minimum standard value line, especially in terms of income and consumption. The phenomenon of poverty is one of the macroeconomic diseases, as a developing country poverty is a low standard of living. The purpose of this study was to analyze the effect of the variables of local original income, regional minimum wage, movement, and education simultaneously and partially on poverty in the Regency/City of Bali Province in the 2015-2020 period, and also to analyze the variables with the dominant contribution in influencing poverty. in the Regency/City of the Province of Bali in the 2015-2020 period. The data used in this study is secondary data obtained from the Central Statistics Agency as many as 54 data. The data analysis technique used in this research is multiple linear analysis technique. The results of the analysis show that local revenue, regional minimum wages, and education simultaneously have a significant effect on poverty in the districts/cities of Bali Province in the 2015-2020 period. Regional original income, regional minimum wage and education partially have a negative and significant effect on poverty, the variable partially has no effect on poverty. The education variable is the variable that has the most dominant influence on poverty in the districts/cities of Bali Province in the 2015-2020 period compared to local revenue, regional minimum wages, and movement.

KEYWORDS: Education, Local Original Income, Poverty, Regional Minimum Wage, Unemployment

# I. INTRODUCTION

Development is an effort to increase all resources which is carried out in a planned and sustainable manner with the principle of equitable and fair use. Development is also a multidimensional effort that includes changes in various aspects of life that aim to improve people's welfare. Economic development is basically a reference for regional development or it can be said in regional development planning. The purpose of this national or economic development is to improve economic performance in order to be able to create jobs and organize a decent life for all people which in turn will realize the welfare of the population in a country.

The main problem faced by developing countries is poverty (Vincent, 2009). The phenomenon of poverty is one of the macroeconomic diseases faced by countries in the world, including Indonesia. As a developing region, poverty is a low standard of living, namely the existence of a level of deficiency in a number or group when compared to the standard of living. In addition, the problem of poverty directly appears to have an influence on the level of health, life, morale, and sense of self-esteem of those who are classified as poor.

Poverty is one of the fundamental problems that are the focus of government attention in any country. Alleviating poverty and creating prosperity for the people is the ultimate goal of a country, including Indonesia. In Indonesia, poverty is a very crucial and endless problem, not only because of its increasing tendency, but also the consequences that not only cover the economic scope but also social problems and domestic political instability. Therefore, poverty alleviation must be a top priority in economic development, both in the short and long term.

The term poverty arises when a person or group of people is unable to meet the level of economic prosperity which is considered the minimum requirement of a certain standard of living. From an etymological point of view, "poverty" comes from the word "poor" which means having no possessions and lacking. Meanwhile, the Ministry of Social Affairs and the Central Bureau of Statistics define poverty from the perspective of basic needs, namely poverty is the inability of individuals to meet the minimum basic needs for a decent life.

Poverty is a condition that concerns a person's inability to meet the minimum demands of life, especially from the aspect of income and consumption. Poverty is a complex problem for both developed and developing countries, so that overcoming it requires appropriate and sustainable strategies (Vincent, 2009). Poverty will

limit an individual's ability to stay healthy and develop his skills so it must be cured or at least reduced. The problem of poverty is a complex and multidimensional problem. Therefore, the problem of poverty always gets the main attention in Indonesia and this poverty alleviation effort must be carried out comprehensively.

It is further defined that poverty is a condition in which a person is below the standard value line for minimum needs, both in terms of food and non-food which is called the poverty line or the poverty line. From this definition, it can be concluded that a person can be said to be poor if his income is below the poverty line. According to the World Bank, the standard poverty line is in the range of US\$ 1.9 or when reflected with the poverty line released by BPS, the poverty line will be equivalent to US\$ 2.5. This means that people are called poor by the World Bank if their spending is still less than US\$ 1.9 per day.

As for the effects of the community's inability to fulfill their food life, it will cause the inability to meet nutritional needs, of course this will have an impact on decreasing the level of health. Apart from having an impact on health, poverty also has an impact in the social sector, such as increasing crime and social jealousy, and can create an unsafe situation in the community. Poverty also has an impact in the field of education, this is because poverty makes a person unable to meet the need for education. This low education will certainly cause people to be unable to compete in finding work, so that it will create unemployment.

The poverty rate in Indonesia is still unevenly distributed, some areas still have high poverty rates and some other regions have low poverty rates. The province of Bali, which is well-known as a tourism destination among local and foreign tourists and has economic growth above national economic growth, also has the same problem in economic development, namely the problem of population poverty (Bali in Figures, 2013; 419). The problem of poverty in the Province of Bali can be seen in the percentage of poor people in the Regency/City of the Province of Bali which is shown in Table 1.

Table 1.
Percentage of Poor Population in Bali Province by Regency/City 2015-2020

Regency/City	Number of Poor People (percent)						
	2015	2016	2017	2018	2019	2020	
Jembrana	5,84	5,33	5,38	5,20	4,88	4,51	
Tabanan	5,52	5,00	4,92	4,46	4,21	4,27	
Badung	2,33	2,06	2,06	1,98	1,78	2,02	
Gianyar	4,61	4,44	4,46	4,19	3,88	4,08	
Klungkung	6,91	6,35	6,29	5,86	5,40	4,87	
Bangli	5,73	5,22	5,23	4,89	4,44	4,19	
Karangasem	7,44	6,61	6,55	6,28	6,25	5,91	
Buleleng	6,74	5,79	5,74	5,36	5,19	5,32	
Denpasar	2,39	2,15	2,27	2,24	2,10	2,14	
Bali Province	4,74	4,25	4,25	4,01	3,79	3,78	

Source: Central Bureau of Statistics of Bali Province, 2021

Based on Table 1 data obtained from the Central Statistics Agency (BPS) it is known that the poverty rate in the Regency/City of Bali Province is still relatively high in distribution even though the percentage of poor people in Bali Province has decreased from year to year. Starting from 4.74 percent in 2015 and continuing to decline from year to year until 2020 to 3.78 percent. Seen in Jembrana Regency which initially experienced a decrease in the percentage of the poor in 2015-2016, but experienced an increase in the percentage of the poor in 2017 and in 2018-2020 the percentage decreased again. This is in contrast to Karangasem Regency which has succeeded in reducing the percentage of poor people in 2015-2020.

Several factors that can affect the level of poverty are local income, regional minimum wages, unemployment, and education. According to Law no. 33 of 2004, Regional Original Revenue (PAD) is defined as regional revenue obtained from local levies in accordance with regional regulations and statutory regulations. This regional original income comes from regional taxes, regional levies, the results of separate regional wealth management, and other legitimate income which includes the proceeds from the sale of regional assets that are not separated, demand deposits, interest income, gains on the difference in the exchange rate of rupiah with other currencies. foreign money, commissions, discounts or other forms as a result of the sale and procurement of goods and services by the regions (Nehen 2016:410).

Santosa (2013), states that local revenue has an influence on reducing regional poverty. This is because the higher the local revenue received by the government, the larger the budget, especially in the allocation of spending for the welfare of the community, which is one indicator of poverty. The higher the level of community welfare, the lower the level of poverty in the community. The better the region in managing the potential of the region, the higher the income received so that it will affect the increase in community welfare and reduce the number of existing poor people.

Wages are compensation for services from workers in the form of money. The Regional Minimum Wage (UMR) is the minimum wage standard received by workers from the company in accordance with the decent living needs (KHL) applicable in the province concerned. The idea of a minimum wage has been started since the 1970s with the aim of ensuring that in the long term the minimum wage for each region can at least meet the minimum living needs (KHM). According to Mankiw (2006:133-134), the regional minimum wage is one of the factors that affect the unemployment rate which can have an impact on the poverty level.

The determination of the minimum wage level carried out in an area will have an influence on the magnitude of the existing unemployment rate. The higher the wage set by the government, the lower the number of people working in the area. Therefore, the higher the wage set will have an effect on the high level of unemployment that occurs. However, according to some economists, the increase that occurs in the regional minimum wage is negatively correlated with poverty levels, where the higher the regional minimum wage, the lower the poverty rate. Increasing the minimum wage is believed to increase the standard of living of workers, reduce poverty, and create an effect through increasing consumption to new job opportunities (Ramdhan, et al. (2017).

Furthermore, another factor that causes poverty is unemployment. Unemployment is a condition whose existence cannot be avoided in both developing and developed countries. Unemployment is usually caused because the number of people in the workforce or people looking for work is not proportional to the number of job opportunities or existing job opportunities. Unemployment can also be caused by many social factors, one of which is often heard of being a victim of layoffs from the company or place of work which causes job loss.

Nugroho (2015) states that the unemployment variable shows a positive relationship and has a significant effect on poverty, according to him unemployment has a bad effect, namely it can reduce people's income which will result in a decrease in the level of prosperity that has been achieved by a person. The lower the welfare of the community due to being unemployed, it will increase their chances of being trapped in poverty. According to Sileika (2013), said that unemployment is directly influenced by poverty. Poverty and unemployment are the biggest problems faced by most countries in the world. According to Osinobi (2005), there is a very strong relationship between the poverty rate and the unemployment rate.

The province of Bali itself is still experiencing this unemployment problem, while the high unemployment rate in the province of Bali is one of them caused by the factor of low job opportunities obtained by the community. Because poverty and unemployment have a strong relationship, it is necessary to reduce the poverty rate also to reduce the unemployment rate. With the decline in the unemployment rate, it will have an impact on reducing the poverty rate, this happens if employment opportunities can absorb the existing workforce, in this case the government's role in expanding employment opportunities is needed.

The next factor that determines poverty is education. Education is an important and pioneering factor in future development. This is because education involves character building as well as strengthening human identity itself. Education is also a form of investment in human resources. Education is one way to increase the knowledge of the population, because in current development it is very necessary to have the participation of an educated and skilled population in order to fully participate in the development of an area.

In terms of education, poverty can occur because of the low level of education in an area. Education can reduce poverty while poverty can limit people's access to education. Poverty that occurs in Indonesia in general is caused by the low level of education achieved, where the lower a person's education, it will affect the wages or salaries received will be low, for that education is very important for someone to take a proper education to increase productivity and income.

The relationship between education and poverty is very closely related to each other, because the higher a person's education, the higher a person's skills and competitiveness in the world of work. Education with poverty is the higher a person's education, the potential for increasing the economic growth of a region so that it will reduce the poverty rate. This means that the higher the average length of schooling each year will reduce the poverty rate that will occur in the Province of Bali because it has the ability and expertise that will make a person get a job and a salary that is in accordance with the last education that has been taken.

Based on the background of the problem above, we want to do further research on the factors that affect the poverty rate in the Regency/City of the Province of Bali for the 2015-2020 period. The researcher tries to identify four variables that influence the dependent variable in the main problem, namely the level of poverty. The four variables are Regional Original Income, Regional Minimum Wage, Unemployment and Education so as to get the right solution in overcoming poverty problems, especially in the Regency / City of Bali Province.

# II. LITERATURE REVIEW

Etymologically, "poverty" comes from the word "poor" which means not having possessions and lacking. The Ministry of Social Affairs and the Central Bureau of Statistics define poverty as an individual's inability to meet the minimum basic needs for a decent life. In short, poverty can be defined as a low standard of living, namely the lack of material in a number or group of people compared to the standard of living prevailing in the society concerned.

In general, poverty is also defined as a lack of income to meet basic or basic life needs. In a proper sense, poverty is understood as a state of lack of money and goods to ensure survival. Poverty is an integrated concept that has five dimensions, namely: 1) poverty, powerless, 3) vulnerability to emergency situations (state of emergency), 4) dependence and 5) good isolation. geographically and sociologically. In addition, there are several understandings of poverty according to experts. According to Todaro, poverty is a person or group of people who have often poor health conditions, many of whom cannot read and write, are unemployed and the prospects for achieving a more dismal standard of living are very bleak.

According to Nasikun (2001), there are several sources and processes that cause poverty, namely: (1) Policy induces processes, namely the poverty process that is preserved, reproduced through the implementation of a policy, including anti-poverty policies but in reality it preserves it. (2) Socio-economic dualism, ex-colonial countries experience poverty due to colonial production patterns, in which farmers are marginalized because the most fertile land is controlled by large-scale farmers and is export-oriented. (3) Population growth, a perspective based on Malthus' theory that population growth is like a geometric series, while food growth is like an arithmetic progression. (4) Resources management and the environment, is an element of natural resource management and the environment, such as agricultural management, where cutting down will reduce productivity. (5) Natural cycles and processes, poverty occurs because of natural cycles. For example living on critical land, where if it rains it will cause flooding, but if the dry season will experience water shortages. It does not allow maximum and continuous productivity.

#### III. RESEARCH METHODS

This type of research in this study uses a quantitative approach in the form of associative. This research was conducted in the Regency/City of the Province of Bali, which includes the nine Regencies/Cities in the Province of Bali. The location of this research was chosen because from the data that has been obtained there are still differences or inequality in poverty rates in the Regency / City of Bali Province, which means that there are still areas that have low poverty levels but there are also areas that have high poverty rates. On this basis, the researcher wants to analyze the factors that influence poverty in the Regency/City of the Province of Bali. The scope of this research is to observe the effect of regional original income, regional minimum wage, unemployment, and education on poverty in the Regency/City of Bali Province in 2015-2020. The object of this research is poverty as the dependent variable and local revenue, regional minimum wage, unemployment, and education as independent variables.

The type of data used in this research is quantitative data. Sources of data used in this study is secondary data. The secondary data used in this study is time series data for the 2015-2020 period. The data sources in this study were obtained from the Central Statistics Agency (BPS) of Bali Province in 2020 as well as various literatures related to this research. The data collection method for this study used the non-participant observation method, which is the method chosen in data collection carried out in this study which consisted of: observing, taking notes, and studying descriptions of books, articles, scientific works in the form of theses, journals, and documents from agencies such as BPS, internet, and literature on local revenue (PAD), poverty, minimum wages, unemployment, and education.

This study uses panel data. Panel data is a combination of two data characteristics, namely cross section and time series. There are 9 regencies/cities in Bali Province and 6 years are taken from 2015-2020 as time series data in this study. This year's range is used, because the poverty rate in Bali Province tends to fluctuate, so a study was conducted to determine the factors that influence poverty during that period of year. So, in this study, 54 data were collected. The data analysis technique used in this research is multiple linear regression analysis.

# IV. RESULT AND DISCUSSION

This descriptive analysis is used to convey information or an overview of the characteristics of the research variables so that they can be understood and informative. This descriptive analysis consists of the number of observations, minimum value, maximum value, mean value and standard deviation. In this study, the data used are Poverty Level, Regional Original Income, Regional Minimum Wages, Unemployment, and Education that have been collected and then processed with the results seen in Table 2 by showing the results of descriptive statistical analysis.

Table 2.: Descriptive Statistic

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	N	Minimum	Maximum	Mean	Std. Deviation			
Poverty level	54	1.78	7.44	4.6159	1.54809			
Locally-generated revenue	54	45721018.00	4835188460.00	723041573.2593	1140740572.83843			
Regional minimum wage	54	1622000.00	2930093.00	2158546.7222	332879.62542			
Unemployment	54	.34	7.62	2.0731	1.72187			
Education	54	5.42	11.47	8.1894	1.61330			

Source: Primary data processed, 2022

Based on the results of the descriptive statistical test in Table 2, it shows that the Poverty level shows a minimum value of 1.78 percent and a maximum value of 7.44 percent with an average of 4.6159 percent, meaning that the average poverty rate in Bali Province is 4.6159266 percent. Regional Original Income shows the minimum value of regional original income, which is Rp. 45,731,018 and the maximum value is Rp. 4,835,188,460 with an average of Rp. 723,041,573.26 means that the average local revenue received is Rp. 723,041,573.26 thousand rupiah. The Regional Minimum Wage shows a minimum value of Rp. 1,622,000 and a maximum value of Rp. 2,930,093 with an average of Rp. 2,158,547, meaning that the average regional minimum wage in the province of Bali is Rp. 2,158,547 thousand rupiah. Unemployment shows that the minimum value is 0.34 percent and the maximum value is 7.62 percent with an average of 2.0731 percent, meaning that the average unemployment rate in Bali Province is 2.0731 percent. The X4 variable, namely Education, shows that the minimum value is 5.42 years and the maximum value is 11.47 years with an average of 8.189444 years, meaning that the average length of schooling in Bali Province is 8.1894 years.

Based on the regression equation, it shows that the constant value of 43,326 indicates that if the other independent variables are zero, then the Poverty variable will increase by 43.326 percent. The regression coefficient value of Regional Original Income is -0.276 which has a negative relationship with poverty, which means that for every one thousand rupiah increase in Regional Original Income, the Poverty level will decrease by 0.276 percent assuming other variables remain. The regression coefficient value of the Regional Minimum Wage is -1.459 which has a negative relationship with poverty, which means that for every 1 rupiah increase in the Regional Minimum Wage, the Poverty level will decrease by 1.459 percent with the assumption that other variables are constant. Unemployment regression coefficient value of 0.250 has a positive relationship with poverty, which means that for every 1 percent increase in Unemployment, the Poverty level will increase by 0.250 percent assuming other variables remain. The regression coefficient value for Education is -5.818, which has a negative relationship with poverty, which means that for every 1 year increase in the average length of schooling, the Poverty level will decrease by 5.818 percent with the assumption that other variables are constant.

Table 3.

Multiple Linear Regression Test Results

Coefficients<sup>a</sup>

		Unstandardized	l Coefficients	Standardized Coefficients		
		В	Std. Error	Beta	t	Sig.
1	(Constant)	43.326	7.556		5.734	.000
	Locally-generated revenue	276	.099	197	-2.800	.007
	Regional minimum wage	-1.459	.557	146	-2.618	.012
	Unemployment	.250	.111	.121	2.251	.029
	Education	-5.818	.537	736	-10.826	.000

a. Dependent Variable: Poverty level Source: *Primary data processed*, 2022

Based on the results of the calculation of the significance test simultaneously obtained the results that Local Original Income, Regional Minimum Wage, Unemployment, and Education simultaneously have a significant effect on Poverty in the Regency / City of Bali Province. This can be seen from the results of the analysis of the calculated F value of 97.682 > F table of 2.53 or a significance value of 0.000 = 0.05. This explanation shows that Regional Original Income, Regional Minimum Wage, Unemployment, and Education together can have an influence on Poverty in the Regency / City of Bali Province, therefore for the regional government to be more thorough and on target in managing Regional Original Income so that can be useful for society. Likewise, the Regional Minimum Wage is set so that it has been calculated to be able to meet the community's Decent Living Needs. Unemployment and Education also need assistance from the government and awareness from the public that higher education will make us have high creativity and can open up jobs which will help reduce unemployment and will have an impact on decreasing the level of Poverty in the Regency / City of Bali Province.

Based on the results of the calculation of the significance test simultaneously obtained the results that Local Original Income, Regional Minimum Wage, Unemployment, and Education simultaneously have a significant effect on Poverty in the Regency / City of Bali Province. This can be seen from the results of the analysis of the calculated F value of 129.377 > F table of 2.53 or a significance value of 0.000 < = 0.05. This explanation shows that Regional Original Income, Regional Minimum Wage, Unemployment, and Education together can have an influence on Poverty in the Regency / City of Bali Province, therefore for the regional government to be more thorough and on target in managing Regional Original Income so that can be useful for society. Likewise, the Regional Minimum Wage is set so that it has been calculated to be able to meet the community's Decent Living Needs. Unemployment and Education also need assistance from the government

and awareness from the public that higher education will make us have high creativity and can open up jobs which will help reduce unemployment and will have an impact on decreasing the level of Poverty in the Regency / City of Bali Province.

Based on the results of the calculation of the partial significance test, the results obtained that the Regional Original Income partially has a negative and significant effect on Poverty in the Regency / City of Bali Province. That is, if there is an increase in Regional Original Income, it will have an effect by decreasing the level of Poverty. Theoretically, Regional Original Revenue is the income obtained by the region which is collected based on regional regulations in accordance with statutory regulations. The greater the amount of income in an area, the lower the poverty level in that area. This means that the independence of a region in generating local revenue is needed to reduce poverty. High Original Regional Income will affect development and development in the region which is realized in the form of procurement of facilities, infrastructure, and infrastructure intended for the public interest so as to improve welfare which in turn can reduce poverty in the region. The results of this study are in line with the research conducted by Fitriyanti and Handayani (2021) that Regional Original Income has a negative and significant effect on Poverty in Central Java Province which is indicated by the results of a significant value of 0.0012 which is smaller than 0.05. This result is also in line with the research conducted by Wididarma (2021) that based on the calculation results obtained, the significance value is 0.000 less than 0.05, it can be concluded that Regional Original Income has a negative and significant effect on Poverty in Regency/City governments in North Sumatra.

Based on the results of the calculation of the partial significance test, the results obtained that the Regional Minimum Wage has a negative and significant effect on Poverty in the Regency / City of Bali Province. This means that the higher the Regional Minimum Wage received, the lower the level of Poverty and vice versa if the lower the Regional Minimum Wage received it will increase the level of Poverty. This shows that the Regional Minimum Wage applicable in the Regency/City of the Province of Bali has been able to meet the standard of Decent Living Needs (KHL). So that people can meet their needs and make people above the poverty line. The effect of increasing the regional minimum wage on the poverty level is that the increasing value of the regional minimum wage will increase people's interest in working and making business so that the level of product creativity increases, the poverty rate will decrease. The results of this study are also supported by research conducted by Iksan (2022) that the results of the analysis obtained a probability value of 0.002 <0.05, which means that wages have a negative and significant effect on poverty.

Based on the results of the calculation of the partial significance test, it was found that unemployment had a positive and significant effect on poverty in the Regency/City of Bali Province. This means that if the unemployment rate increases, it will have an effect on increasing the poverty rate in the Regency / City of Bali Province, and vice versa. These results indicate that the higher the unemployment rate, the more unproductive the population will be, so that the population will not be able to fulfill their daily needs. The increasingly unfulfilled needs of life will increase the existing poverty level. This is in line with economic theory, according to Sukirno (2004) the bad effect of unemployment is to reduce people's income which in turn reduces the level of prosperity. The lower the welfare of the community, the greater the chance of being trapped in poverty. Unemployment will cause various economic and social problems. The results of this study are in accordance with previous research conducted by Wisnawa & Widanta (2022) that based on the analysis obtained a probability value of 0.182 <0.05, which means that the unemployment rate has a positive and significant effect on poverty in the East Bali Region. This result is also in line with research conducted by Adi Putra (2018), the results of the analysis of the probability value are 0.000 <0.05, this means that unemployment has a positive and significant effect on poverty in Bali Province.

Based on the results of the calculation of the partial significance test, it was found that education had a negative and significant effect on poverty in the Regency / City of Bali Province. This means that the higher the education or the average length of schooling, it will reduce poverty and vice versa if the education taken is low, the poverty rate will increase. According to Todaro (2000), education in many countries is a way to save themselves from poverty. Policies related to increasing human capacity are needed to free oneself from the shackles of poverty. One way is through education, where education is a long-term investment in order to permanently get out of poverty. Lack of education will cause poverty conditions to remain high this is because the human resources produced are of poor quality and will have an impact on the lack of employment. Higher education in society can open up new opportunities in finding a job. In addition, this research is also supported by research conducted by Wisnawa (2021) based on the results of the analysis obtained a probability value of 0.000 <0.05 which indicates that education has a negative and significant effect on poverty in the East Bali Region.

Based on the analysis results indicate that the Standardized Coefficients value of each independent variable that affects poverty, the results show that the Education variable is the variable with the largest standardized regression coefficient value. This happens because the higher the education obtained, the wider the knowledge possessed. Increasing the level of education will increase productivity as well so that it will affect

poverty, especially in the Regency/City of the Province of Bali. So it can be concluded that the most dominant independent variable in influencing poverty is the education variable.

# V. CONCLUSION

Regional Original Income, Regional Minimum Wage, Unemployment, and Education simultaneously have a significant effect on Poverty in the Regency/City of Bali Province. Regional Original Income, Regional Minimum Wage and Education partially have a negative and significant effect on Poverty in the Regency/City of Bali Province. Partial unemployment has a positive and significant effect on poverty in the Regency/City of Bali Province. Education variable is the variable that has the most dominant influence on poverty in the Regency/City of Bali Province.

The results of this study can be used as material for consideration for the Regency / City government of Bali Province in making policies to reduce the level of Poverty in the Regency / City of Bali Province. Especially in terms of utilizing Regional Original Revenue, it is even wiser in providing infrastructure and facilities needed by the community, so that each region experiences equitable development and will have an impact on the welfare of the community. It is hoped that the company in setting wages for its workers refers to the Regional Minimum Wage that has been set by the government with the aim of protecting workers from the company's arbitrariness in providing improper wages. In addition, by setting wages in accordance with the Regional Minimum Wage, the wages received by workers are equal. Regency/City Governments in Bali Province are expected to seriously deal with unemployment and education problems by providing training to the community to improve their abilities and full educational scholarships for the poor so that all people who are classified as poor can complete their education, so that the poor people gain knowledge to open fields. job and to get a decent job. For further researchers, it is hoped that this research can be useful as a reference material for conducting research related to the problem of poverty. Further researchers can change the research location to determine the effect in different locations and can add other variables that have not been included in this study including Investment, Economic Growth, Human Development Index, Population Number, and Tourist Visits.

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