Analysis of Several Factors that Influence Poverty Levels in Bali Province with Unemployment as an Intervening Variable

I Putu Yogi Surya Adi Candra[1], Dra. Ni Putu Martini Dewi, M.Si[2]

[1,2] Faculty of Economic and Business, Udayana University, Denpasar, Bali, Indonesia, 80361

ABSTRACT: The objectives of this study are 1) to analyze the effect of education level, minimum wage, population, investment, economic growth on unemployment rate in Bali Province, 2) to analyze the effect of education level, minimum wage, population, investment, economic growth on poverty in Bali Province, 3) to analyze how the effect of unemployment rate mediates education level, minimum wage, population, investment, economic growth on poverty rate in Bali Province. To analyze how the effect of the unemployment rate mediates the level of education, minimum wage, population, investment, economic growth on the poverty rate in Bali Province. The analysis technique used in this research is descriptive analysis and path analysis. The data used is panel data consisting of a combination of time series data with cross section with 108 observations obtained through secondary data. The result of this research shows that 1) population, and economic growth have a significant negative effect on the unemployment rate in Bali Province, 2) education level, investment has a positive but insignificant effect on the unemployment rate in Bali Province. 3) minimum wage has a negative but insignificant effect on the unemployment rate in Bali Province. 4) education level has a significant negative effect on the poverty rate in Bali Province. 5) minimum wage, economic growth, and unemployment rate have a significant positive effect on the poverty rate 6) investment has a positive but insignificant effect on the poverty rate in Bali Province, 7) the unemployment rate is not an intervening variable or mediates the level of education, minimum wage, population, investment and economic growth. 8) population has a negative and insignificant effect on the poverty rate in Bali Province.

KEYWORDS: Poverty, Unemployment, Investment, Wage Minimum. Growth economic

I.   INTRODUCTION

Indonesia is a developing country with a population of 275.77 million people in 2022 according to the Central Statistics Agency (BPS). The high population of Indonesia has an impact on increasing unemployment rates in Indonesia due the lack of people who need work is not proportional to the jobs needed. This is related to employment issues in Indonesia which is the biggest problem in Indonesia. According to the Central Bureau of Statistics (BPS) in employment indicators, open unemployment is those who do not have a job and are looking for a job, those who do not have a job and are preparing to open a business, those who are unlikely to get a job, work less from two days during the week. (Bappenas, 2022). The open unemployment rate (TPT) in Indonesia is still quite high, this is based on the lack of job opportunities in Indonesia and the lack of jobs that match the skills of job applicants. Open unemployment is caused by the number of workers or job seekers which is not being proportional to the number of jobs and employment opportunities. Things to reduce unemployment rate in Indonesia is to increase national development, especially that support in the economic side. National development can improve people's welfare because by increasing people's welfare, it is able to improve labor productivity therefore it reducing the unemployment rate in Indonesia. Indonesia needs to conduct changes to support national development to increase labor productivity. The high unemployment rate in Indonesia also has an impact on the percentage of poverty in Indonesia.

The high unemployment rate in Indonesia has worsen the economic development that lead to the high poverty rate, both in urban and rural areas. Poverty in Indonesia is caused by a low level of education which causes Indonesian human resources to lack knowledge, apart from that the low Regional Minimum Wage also influences the level of poverty because it reduces the costs of daily living. Some factors that are known to influence the reduction of poverty and unemployment rates are economic growth, education level. Based on The BPS's data, it is shown that Bali is a province with a fairly low unemployment rate in Indonesia Bali ranks 13th from 2021-2023 among other provinces. The low unemployment rate in Bali is caused by several supporting factors, including education, minimum wage, population, and economic growth. The results of this research are strengthened by the results of research conducted by Spenceley and Seif (2003), stating that poverty alleviation by implementing pro-poor tourism is providing attention and opportunities to poor communities in tourism activities has a positive impact on poverty alleviation. The

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unemployment rate in Bali Province is dominated by Denpasar City, Badung Regency, and Gianyar Regency in percentage terms in 2022. The high unemployment and poverty rate in Bali Province is influenced by several factors, including education, wages, population, and capital investment. foreign investment (FDI) and economic growth.

Education is a process that aims to increase skills, and knowledge and increase a person's independence and personality formation. People with higher education tend to be considered to have a higher quality compared to people who have relatively lower education (Arifin, 2020). Apart from the level of education, another factor that can influence high unemployment and poverty levels is the minimum wage. Wages are costs paid by companies to workers for working for the company (Mankiw, 2000: 140). The minimum wage in Bali Province increases every year. The minimum wage issued by the government increases job opportunities and work motivation will also increase and vice versa, if the wage set in an area is too low, leading to a high level of unemployment in that area (Pramudjasi, et al, 2019). With every increase in the minimum wage of 2,934, unemployment in Indonesia will decrease. (Effendy, 2019).

The population is also a factor in the unemployment rate and poverty level. Residents are those who have lived in an area for at least 6 months or less than 6 months but intend to stay (BPS, 2023). An increasing population that is accompanied by the adequate quality of human resources is reliable development capital, however, if the quality of human resources is low it will become a burden on development. The population in Bali Province increases every year. This high population can increase the number of unemployed. This is because the number of job opportunities is not proportional to the number of people applying for jobs. Bali Province, which has very potential tourism assets, needs to increase employment opportunities in the tourism sector to reduce the unemployment rate

The problem of unemployment is also related to investment that can be made to reduce the unemployment rate, namely by encouraging the level of investment in both Domestic Investment (PMDN) and Foreign Investment (FDI). This investment activity will require a lot of production input, including labor, so that labor absorption increases, thereby reducing unemployment rate (Zulhanafi, et al, 2013). Foreign investment or investment in Bali Province was recorded as experiencing significant fluctuations from 2011 to 2022. The large number of foreign investments in Bali Province makes Bali Province better known internationally so the unemployment rate will decrease because of the many job opportunities opened by investors from foreign countries. Likewise with the investment level. According to Kurniawan (2014:5), the higher the investment level, the unemployment rate will decrease. According to Harrod Domar's theory in Stefanus (2017), in theory, investment not only creates demand but also increases production capacity. This means that the greater the production capacity, the greater the need for labor, assuming full employment, this is because investment is an addition to production factors, one of which is labor. In this way, the economy as a whole can absorb as many workers as possible, so that labor force participation will increase. According to Lusiana (2012), the investment law was issued, specifically increasing investment and employment opportunities to encourage national economic growth. In article 3 paragraph (2) the objectives of carrying out investment have been determined, namely: (1) Increasing national economic growth; (2) Creating jobs; (3) Increasing sustainable economic development; (4) Increasing the competitiveness of the national business world; (5) Increasing national technological capacity and capabilities; (6) Encouraging community economic development; (7) Managing the potential economy to become a real economic power by using funds originating from both within the country and abroad; (8) Improving community welfare.

Bali Province is a province that relies on tourism as its main source of employment. In Indonesia, Since Bali Province occupies the first position with a fairly low poverty rate and thirteenth unemployment rate in 2022, it is important to determine what influences it. Therefore, the main objective of this study is to determine the influence of education level, minimum wage, population density, rate of investment and economic growth to the rate of unemployment and poverty in Bali.

II.   LITERATURE REVIEW

Keynes' theory says that the problem of unemployment occurs due to low aggregate demand. So the hampered economic growth is not caused by low production but low consumption. The higher the unemployment rate, the higher the poverty rate. Conversely, if the unemployment rate can be reduced so that poor people can meet their living needs, the poverty rate will also decrease, therefore, the less unemployment rate, the less the poverty level. Poverty is a condition of economic inability to meet the average living standards of people in an area. According to Todaro (1997) states that variations in poverty in developing countries are caused by several factors, namely geographical differences, population size and income levels, historical differences, some were colonized by different countries, differences in the wealth of natural resources, and the quality of human resources (Tisniwati, 2012). Poverty arises because of unequal patterns of resource ownership which give rise to unequal distribution of income, differences in the quality of human resources, and due to differences in access to capital. High levels of unemployment and poverty are influenced by several factors, including education, wages, population, foreign investment (FDI), and economic growth.

The issue's formulation is a brief piece of writing that contains the author's questions about the topic. The formulation of the issue in this study is as follows, based on the topic that has been discussed:

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1. What is the influence of education level (X_1), minimum wage (X_2), population (X_3), investment (X_4), and economic growth (X_5) on the unemployment rate (Y1) in Bali Province?
2. How do the level of education (X_1), minimum wage (X_2), and population (X_3), investment (X_4), economic growth (X_5) affect the level of poverty (Y_2) in Bali Province?
3. How does the unemployment rate (Y_1) mediate the level of education (X_1), minimum wage (X_2), population (X_3) Investment (X_4), and Economic Growth (X_5) on the poverty rate (Y_2) in Bali Province?

The purpose of a study may be to identify or describe a concept or to explain or predict a situation or a solution to a situation, which indicates the type of study to be conducted. Based on the discussion that has been carried out, the research objectives are as follows:

1. To analyze the influence of education level (X_1), minimum wage (X_2), population (X_3), investment (X_4), and economic growth (X_5) on the unemployment rate (Y1) in Bali Province.
2. To analyze the influence of education level (X_1), minimum wage (X_2), and population (X_3), investment (X_4), economic growth (X_5) on the level of poverty (Y_2) in Bali Province.
3. To analyze the influence of the unemployment rate (Y_1) mediating the level of education (X_1), minimum wage (X_2), population (X_3) Investment (X_4), and Economic Growth (X_5) on the poverty rate (Y_2) in Bali Province?

The purpose of research is to investigate the circumstances of, reasons for, and consequences of a particular set of circumstances. Such research is conducted to improve our understanding.

1. Theoretical Benefits. It is expected that the results of this study can test and prove theories regarding the influence of education level, minimum wage, population, investment, and economic growth on unemployment and poverty levels in Bali Province. It is expected that this study can provide information regarding the benefits of reducing unemployment and reducing the poverty level in Bali Province.
2. Practical Benefits. It is expected that this study can provide information and input for the community, government, and other parties in Bali Province regarding the level and impact of unemployment and poverty levels so that in the future it can minimize unemployment and reduce the poverty rate in Bali Province.

III. RESEARCH METHOD

This research uses an associative quantitative approach to answer the research hypothesis. This research was conducted to determine the relationship of several variables, education level, minimum wage, population, investment, and economic growth on the unemployment rate and poverty rate in Bali Province. Bali Province was chosen as a research location because it has a fairly low poverty rate compared to other provinces. The objective of this research is to determine the factors that influence poverty in Bali Province. The object of this research is focused on the unemployment rate and poverty rate. This research uses several variables, including endogenous variables (Dependent variables), exogenous variables (Independent variables), and connecting variables (Intervening variables). The endogenous variable used in this research is the poverty level in Bali Province (Y_2) while the exogenous variables used are education level (X_1), minimum wage (X_2), population (X_3) investment (X_4), and economic growth (X_5). The poverty level in Bali Province (Y_1) is the Intervening Variable. This research uses panel data, namely combined data between time series data for 2011-2022 (12 years) and cross sections of 9 districts/cities in Bali Province obtained from the Central Statistics Agency (BPS). The total data from this research is 108 observations. The data analysis techniques used are descriptive statistical analysis and path analysis. Descriptive statistical analysis is an analysis carried out to determine the existence of variables, either in one or more variables without making comparisons of the variables themselves and looking for relationships with other variables. Path analysis is used to determine the direct relationship between independent variables and the dependent variable and indirect relationships through intervening variables

The regression equation for path analysis used in this research is as follows:

Structural model 1: $Y_1 = \alpha + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + e_1$ ....(1)

Structural model 2: $Y_2 = \alpha + \beta_4 X_1 + \beta_5 X_2 + \beta_6 X_3 + \beta_7 Y_1 + e_2$ …............. (2)

Information:

Y_1 = Unemployment

Y_2 = Poverty

α = Constant

X_1 = Education

X_2 = Minimum Wage

X_3 = Population

X_4 = Investment

X_5 = Economic Growth

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$\beta_1, \beta_2, \beta_3,\ldots$ = Regression Coefficient of each Variable
e = Error

IV. RESEARCH RESULT AND DISCUSSION

Bali Province is included in the Lesser Sunda Islands which has a length of 153 km and a width of 112 km, and is about 3.2 km from the island of Java. Bali Province is a province consisting of 9 districts/cities, 57 sub-districts, and 717 villages/sub-districts. Bali Province also has 1,453 Pakraman villages and 4,295 hamlets. Each district/city in Bali Province has a diverse area and population. Bali Province is famous for its tourism sector, which includes several districts. The tourism sector plays a very important role in increasing foreign investment in Bali to increase economic growth and reduce the unemployment rate and poverty rate in Bali Province. The level of poverty in Bali is influenced by several interrelated factors, including education, minimum wage, population, investment, economic growth, and unemployment levels. In this research, the data obtained was analyzed to determine the influence of these factors on poverty levels in Bali Province.

The average length of education of residents in Bali Province

Education is the most important factor in long-term investment in improving the quality of human resources. The more rapid development of the times, the higher the need for quality and highly competitive Human Resources (HR). Based on data from BPS, it is known that the average length of schooling for residents in Bali Province by Regency/City continues to improve every year. In the last 11 years, Denpasar City has always been ranked first in terms of the average length of school, namely in 2022 it will reach 11.5 years. Meanwhile, Karangasem occupies the lowest position compared to other districts. In 2022 the average length of schooling for its residents will be 6.67 years. The average of length of education in 2022 in the other districts are 8.64 (Jembrana), 9.15 (Tabanan), 10.64 (Badung), 9.55 (Gianyar), 8.46 (Klungkung), 7.47 (Bangli), 7.56 (Buleleng). The average length of education in Bali Province is 9,39 in 2022 (BPS, 2022).

Regency/City Minimum Wage in Bali Province

UMK or district/city minimum wage is the standard minimum wage that employers must pay to workers which has been regulated by each policyholder, namely the governor and regent/mayor, in giving wages by employers it cannot be less than the UMK which has been regulated by the government. Based on data from BPS, Badung Regency has the highest minimum wage for the last 11 years, 2.961.285 in 2022. Denpasar City is second highest, followed by Ginayar, Tabanan. Meanwhile, Bangli Regency is known to have the lowest UMK, namely 2,494,810 in 2022. Overall, the rate of wage in Bali Province in 2022 is 2.516.971 (BPS, 2022). Wages can encourage work morale and labor productivity, which will cause production to increase, so rising wages result in people offering labor to companies to increase, and unemployment down.

Population in Bali Province

The population is a group of people who occupy a certain area which can change at any time due to the process of birth, death, and movement from one area to another area. In Bali Province, the amount of population is calculated according to the Original Identity or Population Identification Card. The population in Bali Province is quite dense and increases every year. In 2022, Denpasar (741), Badung (558), Gianyar (520) and Tabanan (464) are the fourth highest in Bali Province, and the total population in Bali in 2022 is 4374,3. This high population can increase the number of unemployed people, this is because the number of job opportunities is not proportional to the number of people applying for jobs.

Investment Level in Bali Province

Investment is a form of investment activity and spending capital, which is used to be able to increase necessary goods both in terms of production, where one type of investment that is used as a reference is investment from abroad or foreign investment (PMA). This investment activity will require a lot of production input, including labor, so that labor absorption increases, thereby reducing unemployment (Zulhanafi, et al, 2013). Based on data from the Central Statistics Agency, for the last 11 years, Denpasar is the district with the highest FDI (1.136.541) figure and Bangli (8.597) is the district with the lowest FDI figure in 2022. The other districts are mentioned as follows: Jembrana (107.299), Tabanan (670.349), Gianyar (944.099), Karangasem (55.008) and Buleleng (126.336). It shows that there is a very distinct difference between the urban and rural are regarding its FDI.

The descriptive statistics result

The descriptive statistics used in this research are average, standard deviation, maximum, and minimum. Descriptive statistics of this research data are shown in Table 4.1. Poverty has the highest point at 43.70000 and the lowest at 8.760000. The mean value is 20.22417 and the median poverty value is 19.18500. The standard deviation value of poverty is 8.673382. Unemployment has the highest point at 7.620000 and the lowest at 0.340000. The mean value is 2.486343 and the median is 2.005000. The standard deviation value of the unemployment variable is 1.789939.

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Table 4.1 Results of Descriptive Statistical Analysis

Variables	Mean	Median	Maximum	Minimum	Std. Dev.	Obs
Unemployment	2.486343	2,005000	7.620000	0.340000	1.789939	108
Poverty	20.22417	19.18500	43.70000	8.760000	8.673382	108
Education	8.061204	7.795000	11.50000	4.600000	1.650951	108
Minimum wage	1925210.	1991529.	2961285.	893000.0	597265.1	108
Total population	3671.694	3617,000	9578,000	207,0000	2561.004	108
Investment	574153.0	124792.5	4899094.	0.000000	1019875.	108
Economic growth	4.198981	5.935000	9.970000	-1,655,000	4.349937	108

Source: Data processed with EViews 12.10, 2024

Education has its highest value of 11.50000 and its lowest of 4.600000. The mean value is 8.061204 and the median is 7.795000. The standard deviation value of education is 1.650951. The minimum wage has the highest value of 2961285 and the lowest of 893000.0. The mean value is 1925210 and the median is 1991529. The standard deviation value of the minimum wage is 597265.1. The population has the highest value of 9578,000 and the lowest of 207,0000. The mean value is 3671,694 and the median is 3617,000. The standard deviation value for the population is 1.650951. The investment has the highest value of 4899094 and the lowest value of 0.000000. The mean value is 574153.0 and the median is 124792.5. The investment standard deviation value is 1019875. Economic growth has the highest value of 9,970,000 and the lowest value of -1,655,000. The mean value is 4.198981 and the median is 5.935000. The standard deviation value of economic growth is 4.349937

Path analysis (Path Analysis)
The path analysis coefficient calculation was carried out using regression analysis via EViews Statistics 12.0 software to get the results shown in Table 4.2 and Table 4.3 below.

Table 4.2 Results of Path Analysis of Regression Equation 1 (Education Level, Drinking Wages, Population, Investment, Economic Growth Against Unemployment)

Model	R Square	Coefficients Beta	Sig
Level of education		1.201809	0.0524
Minimum wage		-6.96E-07	0.2076
Total population	0.650207	-0.008341	0.0054
Investment		1.07E-07	0.5042
Economic growth		-0.257885	0.0000

Based on the results of the analysis of sub-structural path 1 shown in the table above, the structural equation obtained is as follows:

$Y_1 = \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + \beta_5 X_5 + e_1$

$Y_1 = 1.201809X_1 + {-6.96E\text{-}07}X_2 + {-0.008341}X_3 + 1.07E\text{-}07X_4 + {-0.257885}X_5 + e_1$

Table 4.3 Results of Path Analysis of Regression Equation 2 (Education Level, Drinking Wage, Population, Investment, Economic Growth, Unemployment Against Poverty)

Model	R Square	Coefficients Beta	Sig
Level of education		-3.204110	0.0112
Minimum wage	0.942063	3.60E-06	0.0014
Total population		-0.010253	0.0936
Investment		4.89E-07	0.1268
Economic growth		0.305190	0.0003
Unemployment		0.828856	0.0001

According to the results of the analysis of substructural path 2 shown in the table above, the structural equation obtained is as follows:

$Y_2 = \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + \beta_5 X_5 + \beta_6 Y_1 + e_2$

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$Y_2 = -3.204110X_1 + 3.60E\text{-}06X_2 + -0.010253X_3 + 4.89E\text{-}07X_4 + 0.305190X_5 + 0.828856Y_1$

Based on substructural model 1 and substructural 2, the calculation of the standard error value is as follows:

$e_i = \sqrt{(1 - R_i^2)}$

$e_1 = \sqrt{(1 - R_i^2)} = \sqrt{(1 - 0.650207)} \, 2 = 0.75975710404 \quad e_2 = \sqrt{(1 - R_i^2)} = \sqrt{(1 - 0.942063)} \, 2 = 0.333543599096$

Based on the calculation of the standard error value above, the standard error result for the Unemployment variable (e1) is 0.75975710404 and the standard error for the poverty level variable (e2) is 0.333543599096. The calculation of the total coefficient of determination is as follows

$R^2m = 1 - (e1)2 \, (e2)2 = 1 - (0.75975710404)2 \, (0.333543599096)2 = 0.93505154015$

Based on the results of the two regressions, it was found that the total determination value was 0.9350, which means that 93.50 percent of the poverty level variable was influenced by the variables of education level, minimum wage, investment, population, economic growth, and unemployment. Meanwhile, the remaining 6.50 percent is influenced by other factors not included in the research model.
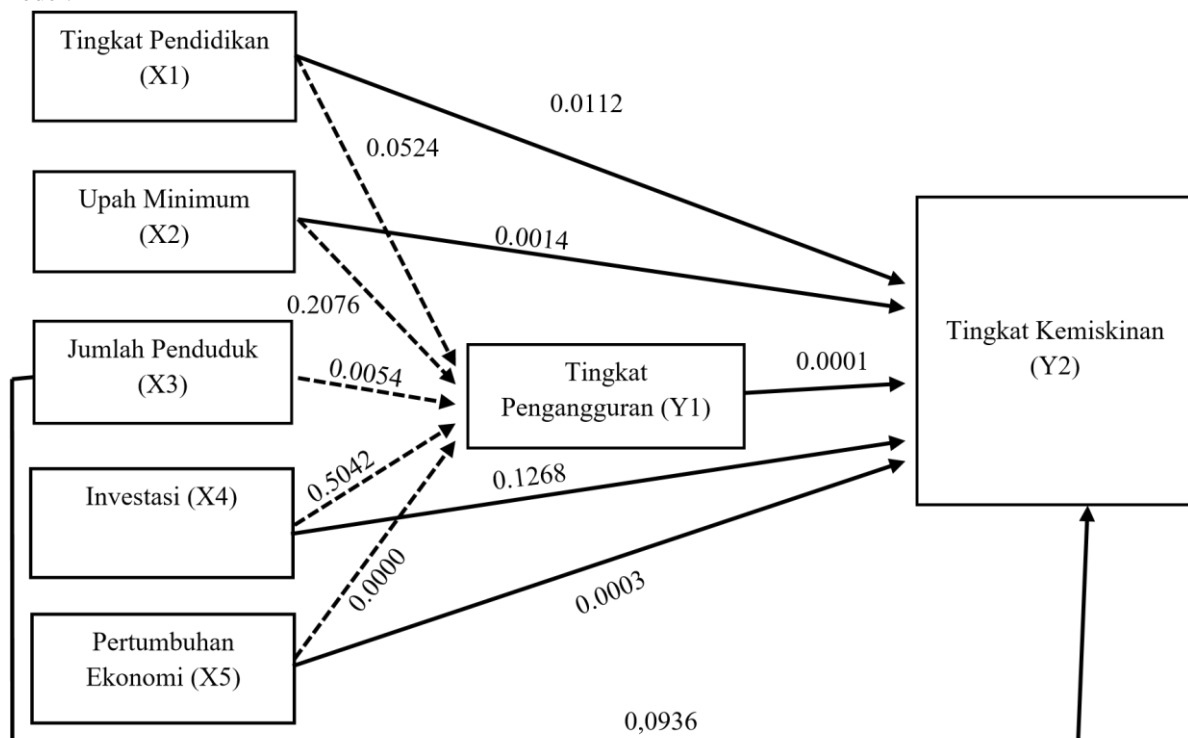

Figure 4. 1 Diagram of Path Analysis Results

Structure I testing was carried out to determine the direct influence of minimum wage education level, investment, population, economic growth, and unemployment in Bali Province using Eviews Statistics 12.0 software, so the regression is shown in Table 4.4 below.

Table 4.4 Results of *Structure I Coefficients*

Coefficient [a]

Variables	Coefficients	Std. Error	t-Statistic	Prob.
C	-0.945520	4.097744	-0.230741	0.8180
X_1	1.201809	0.611731	1.964604	0.0524
X_2	-6.96E-07	5.48E-07	-1.268854	0.2076
X_3	-0.008341	0.002929	-2.848125	0.0054
X_4	1.07E-07	1.60E-07	0.670451	0.5042
X_5	-0.257885	0.031407	-8.210984	0.0000

a. *Dependent Variable: Y1*

Source: *Secunder data processed, 2023*

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Based on Table 4.4, the results of structural equation I are obtained as follows:

$Y_1 = \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + \beta_5 X_5 + e_1$

$Y_1 = 1.201809 X_1 + -6.96E{-}07 X_2 + -0.008341 X_3 + 1.07E{-}07 X_4 + -0.257885 X_5 + e_1$

In the tests carried out on structure II was to determine the influence of minimum wage education level, investment, population, economic growth, unemployment, and poverty in Bali Province directly using EViews Statistics 12.0 software, the regression results obtained are displayed in table 4.5

Table 4.5 Results of *Structure Coefficients II*

Coefficient [a]

Variables	Coefficients	Std. Error	t-Statistics	Prob.
C	40.28272	8.126653	4.956865	0.0000
X_1	-3.204110	1.237491	-2.589197	0.0112
X_2	3.60E-06	1.10E-06	3.286019	0.0014
X_3	-0.010253	0.006052	-1.694277	0.0936
X_4	4.89E-07	3.17E-07	1.540809	0.1268
X_5	0.305190	0.081600	3.740077	0.0003
Y_1	0.828856	0.204494	4.053211	0.0001

 b. *Dependent Variable: Y_2*
 Source: *Secunder data processed, 2023*

Based on Table 4.5, the results of structural equation I are obtained as follows:

$Y_2 = \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + \beta_5 X_5 + \beta_6 Y_1 + e_2$

$Y_2 = -3.204110 X_1 + 3.60E{-}06 X_2 + -0.010253 X_3 + 4.89E{-}07 X_4 + 0.305190 X_5 + 0.828856 Y_1$

DISCUSSION OF RESEARCH RESULTS

The Influence of Education Level on Unemployment
The test results obtained a beta coefficient value for education level on Unemployment of 1.201809 with a significance value of (0.0524) > 0.05. This shows that the level of education has a positive but not significant effect on unemployment in Bali Province. Research conducted by Pramudjasi et al (2019), shows that the level of education is not significant on unemployment but has a positive effect so if the level of education increases, unemployment will also increase.

The Effect of Minimum Wages on Unemployment
The test results obtained a negative value of the minimum wage beta coefficient on Unemployment of -6.96E-07 with a significance value of (0.2076) > 0.05. This shows that the minimum wage has a negative but not significant effect. The results of this research are by research by Sisnita and Prawoto (2017). Test results show that the Regional Minimum Wage has no significant effect on the unemployment rate, this shows that changes in the minimum wage will not affect the unemployment rate in Lampung Province.

The Effect of Population on Unemployment
The test results obtained a negative beta coefficient value of the Population Number of Unemployment of -0.008341 with a significance value of (0.0054) < 0.05. This shows that population has a significant negative effect on unemployment in Bali Province. This is also in line with research from Emanuelle (2022) which states that the most significant variable influencing unemployment in Bali Province in 2011-2020 as indicated by the size of the regression coefficient and its comparison with the probability of each variable is Population Growth. Based on this, it can be said that high population growth can be both beneficial and detrimental.
In this scenario, if the population is not absorbed by business units or the labor market, it will become an obstacle to economic development, increasing the number of unemployed individuals. As a result, when the population grows without a concomitant increase in employment, the unemployment rate rises, putting pressure on the economy

The Effect of Investment on Unemployment
The test results obtained a positive beta coefficient value of the Population Number of Unemployment of 1.07E-07 with a significance value of (0.5042) > 0.05. This shows that investment has a positive but not significant effect on unemployment in Bali Province. Investment does not affect the unemployment rate, this result is in line with Ali (2020) who states that investment has no effect on the unemployment rate in Sulawesi because high investment is only focused on big cities whose industrial sectors have good performance. Similar to conditions in Sulawesi, investment realization in South Sulawesi Province is also centered in Makasar

which is the provincial capital and even the economic center of Sulawesi. Uneven investment results in inequality of development between regions and the unemployment rate in remote areas is not affected by the high level of incoming investment.

The Effect of Economic Growth on Unemployment

The test results obtained a negative beta coefficient value of Economic Growth on Unemployment of -0.257885 with a significance value of (0.0000) < 0.05. This shows that economic growth has a significant negative effect on unemployment in Bali Province. The results of this research are in line with research conducted by The results of this research are in line with the results of a research according to Zubaidi et al., 2020 which shows that economic growth has a negative and significant effect on unemployment.

The Effect of Education on Poverty

The test results obtained a negative beta coefficient value of education level on Unemployment of -3.204110 with a significance value of (0.0112) < 0.05. This research is by research from Darmawan and Wenagama (2017) which states that the education variable partially has a negative and significant effect on poverty in Bali Province. This means that when the level of public education in an area increases, the poverty level in that area will decrease. This research is supported by research from Ariasih and Yuliarni (2021) which states that partially the level of education has a negative and significant effect on the poverty level of districts/cities in Bali Province. Effect of Minimum Wage on Poverty

The test results obtained a positive beta coefficient value of education level on Unemployment of 3.60E-06 with a significance value of (0.0014) < 0.05. This shows that the minimum wage has a significant positive effect on unemployment in Bali Province which also found that the minimum wage has a positive relationship with poverty. This can be seen from the macroeconomic model, where an increase in the minimum wage leads to an increase in the unemployment rate. This increase in the unemployment rate can be associated with an increase in the minimum wage which will increase poverty, resulting in a lack of impact of the minimum wage on poverty.

The Effect of Population on Poverty

The test results obtained that the beta coefficient value of the population on unemployment was negative at -0.010253 with a significance value of (0.0936) > 0.05, which means H0 was accepted. This shows that population size has a negative but not significant effect on poverty in Bali Province. This is by research from Aprilia and Sugiharti who said that this research resulted in the conclusion that the variables of education and population do not influence poverty, which means that the increase in population does not affect the increase in poverty levels.

The Effect of Investment on Poverty

Based on the hypothesis in the research, states that the level of education has a positive but not significant effect on poverty. The test results obtained a negative beta coefficient value of education level on Unemployment of 4.89E-07 with a significance value of (0.1268) > 0.05. This shows that investment has a positive but not significant effect on poverty in Bali Province.

The results of this research are by those stated by Mustamin et al., (2015) who stated that the results that did not affect investment and poverty were thought to be because most of the existing investment was only carried out by the middle and upper class and it only had an impact on their own lives and does not have an impact on the lives of poor people.

The Effect of Economic Growth on Poverty

The test results obtained a positive beta coefficient value of education level on Unemployment of 0.305190 with a significance value of (0.0003) < 0.05. This shows that population size has a significant positive effect on poverty in Bali Province. This is stregnthened by research from Pratama and Utama (2019) which identified that based on the results of the analysis that had been carried out, it was found that economic growth had a positive and significant effect on poverty levels in the Regencies/Cities of Bali Province. This means that economic growth has not been able to reduce the percentage of poverty.

Effects of Unemployment and Poverty

The test results obtained a positive beta coefficient value of education level on Unemployment of 0.828856 with a significance value of (0.0001) < 0.05. This shows that the unemployment hypothesis has a significant positive effect on poverty in Bali Province. This shows that population size has a significant positive effect on poverty in Bali Province. Research from Paramita and Purbadharmaja (2015) states that Unemployment (X_1) has a positive and significant effect on Poverty (Y_2), which means that the higher unemployment in an area, the level of poverty will increase, and vice versa, if an area experiences a reduction in unemployment, then poverty will also decrease.

Mediation test of the Unemployment variable on the influence of education level on poverty

The mediation test of the unemployment variable on the influence of education level on poverty gives the Z value (1.767). It is greater than 1.96. It means, the education variable does not affect poverty through the unemployment variable, in other words, the unemployment variable is not a variable that mediates the effect of education level on poverty. The results of this research is in line

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with the research from Dhewanata and Saskara (2020) that stated the education variable has no effect on poverty through the unemployment variable, in other words, the unemployment variable is not a variable that mediates the effect

Mediation test of the Unemployment variable on the effect of minimum wages on poverty
The mediation test of the Unemployment variable on the effect of minimum wages on poverty gives the Z value (-1.340) which is greater than 1.96. It means that the education variable does not affect poverty through the unemployment variable. The unemployment variable is not a variable that mediates the effect of education level on poverty. The results of this research is in line with the research by Puspita and Rustariyuni (2022) which states that TPT (Y_1) is not an intervening variable for UMK (X2) on poverty (Y2) in the SARBAGITA area. UMK does not have an indirect effect on poverty through unemployment. Unemployment does not mediate the effect of minimum wages on poverty in Bali Province. This illustrates that the minimum wage has more of an impact on poverty than it does on unemployment. Minimum wage policy is a policy established by the Government to protect the interests of workers. It is expected that the existence of this minimum wage policy will have a positive impact on workers by increasing the level or standard of living of workers. Increasing the level or standard of living of workers certainly has a good impact on reducing poverty, because workers can fulfill their living needs through the wages they receive

Mediation test of the Unemployment variable on the effect of population on poverty
The Mediation test of the Unemployment variable on the effect of population on poverty gives the Z value (-0.233) which is greater than 1.96. The education variable does not affect poverty through the unemployment variable. The unemployment variable is not a variable that mediates the effect of education level on poverty. The results of this research is strengthened by research from Dwipatna and Setiawina (2021) which states that "unemployment rate does not mediate the relationship between population growth rates, education level, and the unemployment rate to the poverty level in regencies/cities in Bali ".

Mediation test of the Unemployment variable on the influence of investment on poverty
The mediation test of the Unemployment variable on the influence of investment on poverty gives the Z value (0.775) which is greater than 1.96, the education variable does not affect poverty through the unemployment variable. The unemployment variable is not a variable that mediates the effect of education level on poverty. The results of this research is in line with the research of Puspita and Rustariyuni (2022) that stated TPT (Y_1) is not an intervening variable for FDI (X_4) on poverty (Y_2) in the SARBAGITA area. FDI does not have an indirect effect on poverty through TPT.

Mediation test of the Unemployment variable on the influence of economic growth on poverty
The mediation test of the Unemployment variable on the influence of economic growth on poverty gives the Z value (-0.896) which is greater than 1.96. It means the education variable does not affect poverty through the unemployment variable. The unemployment variable is not a variable that mediates the effect of education level on poverty. The results of this research is in line with the research by Dhewanata and Saskara (2020) that analyzed the GRDP variable as not affecting poverty through the unemployment variable. The unemployment variable is not a variable that mediates the influence of GRDP on poverty. TPT (Y_1) is not an intervening variable for economic growth (X_1) on poverty (Y_2) in the SARBAGITA area in other words, economic growth does not have an indirect effect on poverty through TPT.

Implications Of The Research Results
The unemployment and poverty in Bali is influenced by several important factors. The level of education has no significant effect on unemployment but has a positive effect so if the level of education increases, unemployment will also increase. An increase in the regional minimum wage has a negative influence on the number of unemployed districts/cities in Bali Province, which means that with increasing wages, the population will have more encouragement to look for a job, thereby reducing the number of unemployed. Population figures for unemployment show negative and insignificant results. If the population is not absorbed by business units or the labor market, it will become an obstacle to economic development, increasing the number of individuals who are jobless. The investment variable on unemployment shows positive results but it is not significant. This shows that the higher the investment, the more unemployment will increase. In other cases, unemployment will increase due to the lack of available job opportunities, but foreign investors continue to invest in Bali Province. If economic growth increases, the unemployment rate for Bali Province will decrease. This means that the Bali Provincial government can support the unemployment rate in Bali Province by continuing to increase the percentage of economic growth and being able to open up extensive job opportunities due to the percentage that continues to increase.

The education level of Bali Province has an effect on the poverty level. The higher education level in Bali, the lower the poverty in Bali is. The better the quality of human resources are, the more people will be able to work. The minimum wage has a positive relationship to poverty. This shows that the high minimum wage in Bali Province is not able to reduce the unemployment rate in Bali Province. Workers in Bali Province tend to work according to their skills, interests, and talents.

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The results of research on population numbers on poverty levels show negative but not significant results which are by research from Margareni and Yasa (2016). This means that if the population increases in Bali Province is not equipped with adequate human resources and is not balanced by adequate facilities and infrastructure, it will cause an increase in poverty in the Bali Province region, where these facilities and infrastructure include educational assistance as well as social assistance from the government. Investment has a positive but not significant effect on poverty alleviation. The cause of insignificance is due to a lack of competitiveness between regions, where investment is still centered in central economic and industrial areas only. Increased economic growth can cause poverty to also increase. In conclusion, unemployment has a positive and significant effect on poverty, which means that the higher unemployment in an area, the level of poverty will increase, and vice versa, if an area experiences a reduction in unemployment, poverty will also decrease.

V. RESEARCH IMPLICATIONS

Based on the results and discussion of the research described in the previous chapter, the conclusions can be drawn as follows:

1. Population and economic growth have a significant negative effect on the unemployment rate in Bali Province.
2. Education level and investment have a positive but not significant effect on the unemployment rate in Bali Province.
3. Minimum Wage has a negative but not significant effect on the unemployment rate in Bali Province.
4. The level of education has a significant negative effect on the poverty level of Bali Province.
5. Minimum wages, economic growth, and unemployment rates have a significant positive effect on poverty levels
6. Investment has a positive but not significant effect on poverty levels in Bali Province.
7. The population has a negative and insignificant effect on the poverty level in Bali Province.
8. The unemployment rate is not an intervening variable or mediates education level, minimum wage, population, investment, and economic growth.

Based on the results of the analysis, discussion, and research conclusions, the suggestions that can be given to related parties are follows:

1. The Bali Provincial Government and related parties need to focus on improving the quality of education, minimum wage investment, and economic growth because increasing this can reduce poverty levels and unemployment rates in Bali Province. Apart from that, the population must be taken into account because the increase in population in Bali Province has a positive effect on the increase in unemployment rates so it can increase poverty in Bali Province.
2. The Bali Provincial Government needs to examine policies to reduce existing inequality rates, because high levels of investment, adequate minimum wages, and equitable economic growth in each region can reduce the decline in poverty rates because there is still income inequality in society.
3. The Bali Provincial Government and related parties can issue various social protection programs for the community for their work.

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