THE EFFECT OF UNEMPLOYMENT LEVELS ON POVERTY LEVELS IN PALEMBANG CITY REGION

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ARTICLEINFO	ABSTRACT
Keywords: Unemployment; Proverty; Macroeconomi	Unemployment and poverty are two macroeconomic indicators. This research discusses the problem of the unemployment rate against the poverty rate in the city of Palembang in 2020–2021. The purpose of this study is to determine the effect of the unemployment rate in the city of Palembang on the poverty rate in 2020–2021. This study uses multiple linear analysis methods with secondary data and a quantitative approach. Unemployment or joblessness is a term given to people who do not work at all or who are looking for work. Unemployment can also be interpreted as a situation when someone does not have a job. Unemployment is also generally found in the number of workers or someone looking for work that is not proportional to the number of available jobs they can get. Therefore, problems in the economy due to unemployment can reduce productivity and income in society, which can lead to poverty and other social problems. Unemployment, according to BPS, is a resident who is not working but is looking for work or preparing for a business, or feels that it is impossible to get a job (is desperate), or has been accepted to work but has not started working yet. BPS determines the poverty criteria using the basic needs approach, while the poverty indicators used are the head count index and the severity index,
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1. INTRODUCTION

The increasing number of unemployed in Palembang City has an impact on economic growth, especially poverty. According to the Central Bureau of Statistics for the City of Palembang, the unemployment rate in 2020 was 82,771 people, or 9.86%, while in 2021 there were 84,193 people, or 10.11%. With the increase in the number of unemployed in the city of Palembang, it has an impact on poverty. One of the causes of the large number of unemployed in the city of Palembang is the lack of employment opportunities. The number of the working force in the city of Palembang in August 2021 was 832,203, a decrease of 6,514 people compared to August 2020. In line with the decrease in the total workforce (TPAK), which also decreased by 1.48 percentage points to 63.93 percent, The working population is 748,610 people, a decrease of 7936 people from August 2020.

The employment field that experienced the largest percentage increase in Palembang City was the Industrial Secretariat (1.47 percentage points). while the sector that experienced the biggest decline in Palembang City was the service sector (1.0 percentSecretariat (1.47 percentage points). while the sector that experienced the biggest decline in Palembang City was the service sector (1.0 percent). Reducing the unemployment rate and reducing the poverty rate are equally important because, in theory, if people are not unemployed, it means they have jobs and income, and with the income they have from work, it is expected that they will be able to meet the necessities of life. If the necessities of life are met, then you will not be poor, so it is said that with a low unemployment rate (high employment opportunities), the poverty rate is also low. Therefore, a comprehensive, synergistic, and integrated strategy is needed to overcome unemployment so that the problem is completely resolved.

2. LITERATURE REVIEW

Job opportunities are the number of people who can be accommodated to work in a company or agency. "Employment opportunities can be interpreted as the number of residents or people who are working or who have gotten jobs; the more people who work as a result of an economic activity, the more jobs there are; thus, employment opportunities include jobs that have been filled, and employment opportunities can also be interpreted as participation in development," (Sagir, 1995). The factors that affect employment opportunities include the age of the workforce, the number and size of the existing workforce, the amount of total demand from

the public, the amount of investment made by individuals and private business entities, tax policies, and the government's ability to carry out manpower development. Labor has a very important role in companies and development, namely as agents of development. Manpower issues are one of the most important issues and have an impact on the economy and non-economy, which can cause new problems. High unemployment rates can lead to low income and affect poverty.

Labor in general can be defined as everyone who is able to do work that produces goods or services that are useful for himself or society. According to Law No. 13 of 2003 concerning employment, "labor" is any person who is able to do work to produce goods or services, both to meet their own needs and for the community. In Indonesia, the labor force is the population of productive age, aged 15–64 years, who already has a job but is temporarily unemployed, as well as those who are actively looking for work.

According to Hamzah (2014), labor is labor that works both inside and outside the working relationship with the main means of production in the production process, both physically and mentally. Workers have the same opportunity without discrimination to get the same job without discrimination from the company. Work ability is measured physically by the age of the workforce; in other words, people who are of working age are considered capable of working. Labor is everyone who is able to do work to produce goods, products, and services both to meet their own needs and those of the community. The workforce consists of the labor force and the non-labor force. The work force, or labor force, consists of (1) working groups and (2) unemployed and looking for work groups. Labor is the most important factor in the production process, so it can be said that employment opportunities will increase if output increases. So that policies can be formulated that give impetus to the expansion of employment opportunities, economic policy tools can reduce unemployment.

Unemployment or being "jobless" is a term given to people who do not work at all or who are looking for work. Unemployment can also be interpreted as a situation when someone does not have a job. Unemployment is also generally found in the number of workers or someone looking for work that is not proportional to the number of available jobs they can get. Therefore, problems in the economy due to unemployment can reduce productivity and income in society, which can lead to poverty and other social problems.

Unemployment according to BPS is residents who do not work but currently look for job , or prepare something business , or feel no possible get work (break hope), or already received work but not yet start work . The BPS determines poverty criteria using the basic needs approach, while the poverty indicators used are the headcount index, poverty gap index, and poverty severity index. Headcount index to find out the percentage of the population that is categorized as poor.

Poverty is a state of being unable to meet basic needs such as food, clothing, shelter, education, and health. Poverty can be caused by a scarcity of means to meet basic needs or difficulty accessing education and employment. Poverty is a global problem and is one of the strategic indicators used to measure the success of development. And it is calculated annually by the central statistics agency (BPS) based on the results of the national socio-economic survey (SUSENAS).

According to Soerjono Soekanto, poverty is defined as a situation where a person is unable to maintain himself according to the standard of living of the group and is also unable to utilize his mental and physical energy in the group. According to Gillin and Gillin, "poverty is a condition when a person is unable to maintain a normal standard of living." high enough to provide physical and mental efficiency to enable him and his family to function properly according to society's standards, either due to inadequate income or unwise spending,

According to Bellinger (2007), "The concept of poverty is multidimensional, defined, and explained." In general, poverty can be measured in two dimensions: the income or wealth dimension and the non-financial factor dimension. Poverty in the income or wealth dimension is not only measured by the low income received because low income is usually temporary, but is also measured through the ownership of assets such as land for small farmers and through access to public services. Meanwhile, from the non-financial factor dimension, it is marked by the existence of decisions or helplessness that can also affect various low-income households.

The problem of poverty is multidimensional and caused by many factors that are not only in the economic sector but also in the political, social, cultural, and other social systems (Suharto, 2005). Poverty is not only related to income levels but also to social, environmental, and even empowerment and participation levels. Sen (1995) states that "poverty should not be considered only as low income but must be considered as a capability handicap," according to Chambers in Nana (2006). "Poverty, especially in rural areas (rural poverty), is a problem of powerlessness," where isolation, vulnerability, and physical weakness are interrelated and influence each other.

However, poverty is a determining factor that has a stronger influence than the others. In connection with the situation and characteristics of poverty, the government, especially the regional government, must place it as one of the fundamental problems that must be the center of attention so that it can be quickly resolved. Some experts argue that the approach that is considered quite effective in reducing poverty is to create economic activity in the region, which is characterized by the ability of the region to create economic growth.

3. METHOD

The method used in this research is descriptive-explanatory. descriptive because the method studied describes the object being examined (Ruslan, 2006:12). Furthermore, this research examines the relationship between variables, so this research is classified as explanatory research, namely research that intends to test and explain the relationship between independent variables (exogenous variables) and dependent variables (endogenous variables) (Ruslan, 2006: 15). The two variables that will be examined using regression analysis techniques with the help of SPSS for Windows version 18.0 are the unemployment rate and the poverty rate. The data in this study is secondary and originates from the BPS. It is pooling the data, namely a combination of time series (2020-2021) for 2 years in Palembang City.

4. RESULT AND DISCUSSION
CHARACTERISTICS OF UNEMPLOYMENT

The open unemployment rate (TPT) is an indicator used to measure labor that is not absorbed by the labor market and illustrates the underutilization of labor supply. TPT August 2021 Sakern results of 10.11%. This means that out of 100 people in the workforce, there are around 10 unemployed people. In August 2021, TPT increased by 0.25% point when compared to August 2020.

TPT BY GENDER

In August 2021, the TPT for men and women was 10.11%. TPT for men in August 2021 decreased by 3.92% points while TPT for women decreased by 5.62% when compared to August 2020.
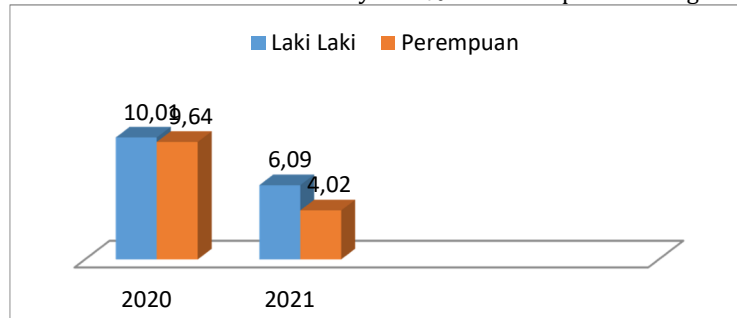

Figure 1. Trends in the Open Unemployment Rate (TPT) by Gender (percent), August 2020-August 2021
Source: August 2020-2021 National Labor Force Survey (SAKERNAS).

TPT BY HIGHEST EDUCATION COMPLETED

The open unemployment rate (TPT) by education category in August 2020-August 2021 experienced fluctuations. Compared to August 2020, the TPT that experienced a decline was for those who had not finished elementary school (2.78% points), junior high schools (0.51% points) and vocational high schools (1.73% points). While the increase in TPT occurred for those who graduated from high school (0.85% points), diploma I/II/III (3.19% points), and university (1.2% points)

Table 1. Open Unemployment Rate (TPT) According to the Highest Education Completed, August 2020-August 2021

Completed Highest Education	August 2020	August 2021	Change Aug 2020-Aug 2021 (percent point)
No/Never attended school/Not finished elementary school	7,21	4,43	-2.78
Junior High School (SMP)	7,72	7,20	-0.51
Senior High School (SMA)	10,24	11.09	0.85
Vocational High School (SMK)	20.56	18.83	-1.73
Diploma I/II/III	3.55	6,74	3,19
University (DIV/S1/S2/S3)	9,81	11.02	1,2

Source: August 2020-2021 National Labor Force Survey (SAKERNAS).

DEVELOPMENT OF POVERTY

Poverty is one of the strategic indicators used to measure the success of development. Poverty is calculated annually by the Central Bureau of Statistics (BPS) based on the results of the National

Socioeconomic Survey (SUSENAS). The number and percentage of poor people in Palembang City from 2020-2021 can be seen in the table below.

Table 2. Number and Percentage of Poor People in Palembang City, 2020-2021

Year	Total (000 souls)	%
(1)	(2)	(3)
2020	182.61	10.89
2021	194,12	11.34

Source: National Socioeconomic Survey (SUSENAS)

Based on table 2, it can be seen that the number and percentage of poor people in Palembang City have fluctuated since 2020-2021. The number of poor people has tended to increase since 2020, but if you look at it from the number of poor people, it has increased quite a lot. Poverty alleviation requires the commitment of all related officials, especially the government of Palembang City. The assistance provided is not only in the form of money, but can be in the form of mental cultivation and the provision of skills. So, it is hoped that in the future the community will become more independent and creative in taking advantage of the opportunities that exist. In addition, the effectiveness of the program being implemented also needs to be reviewed.

POVERTY LINE, P0, P1, AND P2

The Poverty Line (GK) is the sum of the Food Poverty Line (GKM) and the Non-Food Poverty Line (GKNM). Residents who have an average expenditure per capita per month below the poverty line are categorized as poor. The Food Poverty Line (GKM) is the value of spending on minimum food needs which is equivalent to 2100 kilocalories per capita per day. Commodity packages for basic food needs are represented by 52 types of commodities (grains, tubers, fish, meat, eggs and milk, vegetables, nuts, fruits, oils and fats, etc.). The Non-Food Poverty Line (GKNM) is the minimum requirement for housing, clothing, education and health. Commodity packages for basic non-food needs are represented by 51 types of commodities in urban areas and 47 types of commodities in rural areas.

(*Poverty Gap index-P1*), is a measure of the average expenditure gap of each poor population towards the poverty line. The higher the index value, the farther the average population spending is from the poverty line.

The *Poverty Severity Index (P2*) provides an overview of the distribution of spending among the poor. The higher the index value, the higher the expenditure inequality among the poor.

Table 3. Poverty Line, P0, P1, and P2 in Palembang City, March 2020-2021

Year	P0	P1	P2	GK (Rp/Capital/Month)
(1)	(2)	(3)	(4)	(5)
March 2020	10.89	1.67	0.40	548,563
March 2021	11.34	1.86	0.49	567,518

Notes :
P0   : Percentage of poor people
P1   : The poverty depth rate
P2   : Poverty severity rate
GK   : Poverty line

Source: National Socioeconomic Survey (SUSENAS)

The number of poor people in Palembang City in March 2021 was 11.34 percent, an increase of 0.45 percent from 2020 of 10.89 percent. This increase has occurred since the COVID-19 pandemic in March 2021, the number of poor people (population with per capita spending per month below the poverty line) in Palembang City reached 194.12 thousand people (11.34 percent). An increase of 11.51 thousand people compared to conditions in March 2020 which amounted to 182.61 thousand people (10.89 percent).

The poverty depth index (P1) for Palembang City in 2021 was 1.86, an increase of 1.86, an increase of 0.19 from 2020 which was 1.67. The higher the index value, the farther the average population spending is from the poverty line.

The poverty severity index (P2) for Palembang City in 2021 was 0.49, an increase of 0.09 from 2020 which was 0.04. The higher the index value, the greater the expenditure disparity among the poor.

The Poverty Line (GK) in March 2021 was recorded at 567,518 rupiah per capita per month. This figure increased by 3.46 percent compared to the March 2020 GK which amounted to 548,563 rupiah per capita per month.

In 2021, the city of Palembang is ranked 5th, the lowest percentage of poor people among regencies/cities in South Sumatra Province has decreased from 4th place. The districts/cities ranked 1-4 with the lowest poverty percentage in South Sumatra Province are Pagar Alam City (9.40 percent), East OKU (10.60 percent), Banyu Asin (10.75 percent), and South OKU (11 .12 percent).

DEMOGRAPHIC CHARACTERISTICS OF THE POOR POPULATION

The patriarchal culture that is still adhered to by the majority of the Indonesian population influences the public viewpoint that a man will be appointed as the head of the family and must work to meet the needs of his family.
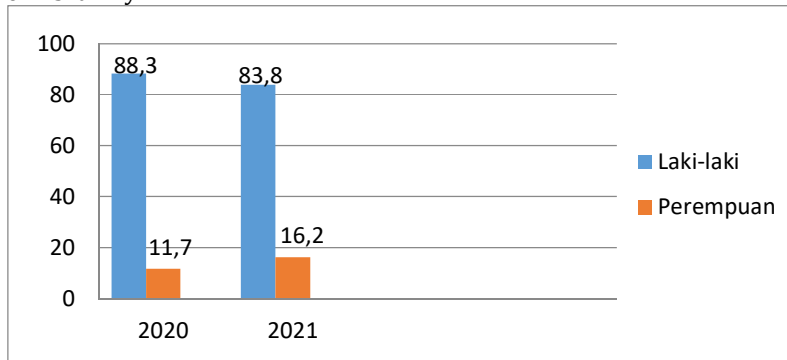

Figure 2. Percentage of Poor Household Heads (KRT) by Gender in Palembang City in 2020-2021
Source: National Socioeconomic Survey (SUSENAS)

Age structure affects the dependency ratio in a society. The more economic dependents in a household, the smaller the share of per capita income in that household. The structure of the working-age population (15-64) in poor families is larger than that of children (0-14) and elderly people (65 and over). Age structure affects the dependency ratio of the poor.

5. CONCLUSION

Unemployment or being jobless is a term given to people who do not work at all or who are looking for work. Unemployment can also be interpreted as a situation when someone does not have a job. Unemployment is also generally found in the number of workers or someone looking for work that is not proportional to the number of available jobs they can get. Therefore, problems in the economy due to unemployment can reduce productivity and income in society, which can lead to poverty and other social problems. Unemployment, according to BPS, is a resident who is not working but is looking for work or preparing for a business, or feels that it is impossible to get a job (is desperate), or has been accepted to work but has not yet started working. BPS determines the poverty criteria using the basic needs approach, while the poverty indicators used are the headcount index and the poverty severity index. Headcount index to find out the percentage of the population that is categorized as poor.

This unemployment has a great impact on the workforce and poverty in Palembang City. It is clear that the number of workers in Palembang City in August 2021 was 832,803 people, a decrease of 6,514 people compared to August 2020. In line with the decrease in the number of workers, the Labor Force Participation Rate (TPAK) also fell by 1.48 percentage points to 63.93 percent. The open unemployment rate (TPT) for August 2021 was 10.11 percent, up 0.25 percentage points compared to August 2020. The working population was 748,610 people, a decrease of 7,936 people from August 2020. Jobs that experienced the largest percentage increase were in the industrial sector (1.47 percent). Meanwhile, the sector that experienced the biggest decline was the services sector (1.00 percentage points). There are 75,022 people (5.76 percent of the working-age population) affected by COVID-19. consisting of the unemployed due to COVID-19 (15,253 people), the non-labor force (BAK) due to COVID-19 (25,542 people), the temporarily unemployed due to COVID-19 (5,758 people), and working residents who have experienced reduced working hours due to COVID-19 (28,469 people).

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In 2021, the city of Palembang is ranked 5th, and the lowest percentage of poor people among registries or cities in South Sumatra Province has decreased from 4th place. The districts and cities ranked 1–4 with the lowest poverty percentage in South Sumatra Province are Pagar Alam City (9.40 percent), East OKU (10.60 percent), Banyu Asin (10.75 percent), and South OKU (11.12 percent).

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