ANALYSIS OF THE LEVEL OF DEMAND FOR WORK IN BIREUEN DISTRICT

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Abstract

In Indonesia, the Open Unemployment Rate (TPT) often occurs which describes the condition of the level of demand for work. The level of demand for work is influenced by several factors such as the wage factor, the level of education completed and the factor of technological development. To overcome the open unemployment rate, the government needs to facilitate access education and skills training needed by job seekers. Research in this journal uses qualitative research methods. Using secondary data sourced from BPS Bireuen Regency in 2017-2019. This research aims to see how the influence of wage factors, recent education levels and technological developments on the level of demand for work and also on the level of open unemployment. Based on this research, it can be seen that the factor of wages, the level of recent education and technological developments have a positive influence on the level of demand for work

Keywords: Level Demand, Labour, Bireun

1. INTRODUCTION

It was found that the distribution of income is affected over time by persistent fluctuations in unemployment. The unemployment rate is often used to describe the condition of the level of demand for labor and its effect on wage dynamics in the contemporary literature. However, there are reasons to believe that unemployment is an indicator of the condition of the level of demand. a useful but incomplete workforce. For example, a persistent lack of job opportunities can result in adjustments on the supply side, which can limit the variability of the unemployment rate. On the other hand, sustainable labor demand can encourage participation and reduce underemployment (Antonella Stirati, 2021).

Empirical relationship between the proportion of wages and the unemployment rate (or other labor market index) over the medium to long term, or cross-cycle averages. There are two reasons why this qualification is necessary. The first is that rather than focusing on their short-term fluctuations, we want to investigate the underlying persistent factors that affect the "normal" income distribution. Due to the hoarding of labor and short-term changes in the intensity of its use, productivity is very varies pro-cyclically. As a result, wage shares change in opposite directions during the initial phases of expansion and contraction, clearly unrelated to long-run changes in income distribution (Okun, 1962). Later, the mental health of workers is also important in terms of job demand, health The mentality of workers is influenced by their work. This model says that job demands such as lots of work, fast work speeds, role ambiguity, and the psychological burden of customers or clients are the main obstacles to worker welfare (Ari Min, 2023).

The sectoral structure of the economy affects the level of labor productivity and its dynamics, as well as its relationship to wages (Z. Tamasauskiene, 2013). The wage factor also influences the level of demand for work. There are many factors that can affect wages. The productivity of wage earners is generally considered to be the main determinant of wages. Efficiency this obviously depends to some extent on experience and subsequent preparation of the workforce used (Carlos Oya, 2023). Meanwhile according to (Buroway, 1985) this determinant of wages is best seen through the scientific class of the labor system. The labor system combines work processes in the work environment with employment relations with governmental issues of
The relationship between work efficiency wages is two-way. On the one hand, the theory of efficiency wages states that wages have a positive effect on labor productivity. This is because an increase in the wage rate encourages workers to increase productivity in response to the high incentives provided by their companies (Herman, 2019). To ensure macroeconomic stability, wage increases must take into account labor market conditions and developments in competing countries, as well as labor productivity growth at the enterprise level. The national economy faces significant challenges in separating productivity gains from real wages, because wage growth lags from productivity growth. Wages growth at a slow rate can lead to inequality and reduced living standards (AM Stansbury, 2017). If there is a reduction in wages, it will produce a negative income effect. This happens because when wages are more flexible than work, businesses reduce wages, and vice versa (Tafuro, 2023).

Then in today's era, many job searches are carried out through internet websites. Theoretically, job seekers have more access to information about open positions, and businesses can benefit more from an efficient recruitment process (Niken Kusumawardhani, 2023). Since the accumulation of ICT skills is highly valued at the level of job demand, the positive labor demand effect of the internet may be experienced by high-skilled workers. In the same vein, the introduction of broadband internet has the advantage of hiring employees with a higher level of education than employees with a lower level of education (Hjort, 2019). The use of job advertisements as a data asset to capture the position of job opportunities has many advantages. This information structure is referred to as a “framework” that all job advertisements have in common. The identity of the job, its requirements for meeting those requirements, and contact information are all included in each job advertisement. Due to their similarity in structure, job advertisements can be categorized and compared. Doing advertising also reflects local business requirements (Rafeli A., 1998).

The term demand for labor refers to the population of their working age who is between 15 and 64 years of age, or the entire population of a country who is able to produce goods and services if there is a demand for their labor and if they so desire to participate in such activities (Agustina Arida, 2015). Meanwhile, according to (Arbi, 2010) the demand for labor is a function that shows the relationship between the number of workers requested for work and the level of wages. In addition to the wage factor, the level of demand for work is also influenced by the level of education. It turns out that a high level of education also affects job opportunities. Apart from hiring more workers, businesses also employ more highly educated and trained employees (Tobias Schultheiss, 2023). The term demand for labor refers to the population of their working age who is between 15 and 64 years of age.
demand for labor has shifted towards women as a result of job makers needing more office workers than manual workers (Olivetti, 2006).

Job vacancies can be easily accessed through the internet website. More job postings are published because it is expected that the level of employment will increase, resulting in more jobs (Irandoust, 2023). According to the non-classical theory of companies, a common indicator of an oversupply of labor is the local unemployment rate. The unemployment rate is also negatively correlated with the tightness of labor demand which is defined as the ratio of the number of open jobs to the number of unemployed (Luz Azlor, 2020). In open unemployment, public authorities may be more interested in producing the effect of lowering the money rate. Here, we can use a one-period framework for goods that not traded, which shows that evaluation increases job demand (Yoonho Choi, 2017).

A person is considered unemployed if he is a member of the workforce and is actively looking for work at a certain wage level but does not get the desired position (Muslim, 2014). Naturally, the reduction in welfare benefits that people receive as a result of unemployment increases the likelihood that they will remain in poverty due to lack of income (Putra, 2018). In particular, people who are unemployed may not be effectively looking for work or are not ready to accept a job whenever advertised. This is an expansionary effect on unemployment if young people tend not to go to work (Chunbing Xing, 2017). All countries have high labor productivity.

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Changes in wages play an important role in cushioning shocks to labor demand. The domestic labor market will experience a negative labor demand shock as a result of an increase in the number of job vacancies, which will have a direct impact on the wages offered by domestic businesses (Elsnner, 2013). The efficiency wage theory states that wages have a positive effect on labor productivity. Wages important because they measure the value of a representative's labor (Maria Esther OSwald-Egg, 2021).

There is a negative relationship between the wages provided and unemployment, further investigation reveals that the wage cycle is a specific parameter of regional-based jobs and heterogeneous skills (Oleksandr Faryna, 2020). Laborers and companies bid on wages let alone working hours. Workers remain unemployed and incur fixed costs, which can be interpreted as costs associated with continuing their job search, if agreement is not reached. These costs can make leisure time even more valuable because the search is time-consuming (Elena Del Rey, 2022).

Given the intersection point set by labor production and the profit rate, the original wage will be made between the largest level compared to the basic level of benefits and the lowest level according to the premise of the beneficiary is the definition of wages according to (Stirati, 1992). Individuals who have higher levels of completed education may have more opportunities than those who are currently looking for work. This result could result in the positive relationship that exists between education and wage levels (I. Theodossiou, 2009). Further education increases employability but can encourage unemployed youth are more inactive than dynamic job seekers. Sometimes there are structural mismatches between the demand for labor and job vacancies (Hamed Rahmani, 2023).

Wages will generally be higher for people with higher education. In addition, workers with the highest levels of education are likely to be more receptive to job offers with better training.
Mobility costs are influenced by educational attainment (Royalty, 1998). The level of community poverty will be lower if the higher the education level of the community (Purnami, 2016). Even in Indonesia after the crisis and in countries affected by the mismatch of higher education, increasing access to higher education can still reduce youth unemployment (Selezneva, 2019).

Technology positively enhances a company's ability to mechanically bring products to market as well as its workforce productivity. Unemployment increases in response to technology shocks as the rate of dismissal increases (Pawel Borys, 2021). Online job search practices that allow businesses to advertise jobs effectively will connect with job seekers. As a result, the internet can accelerate job search and reduce unemployment (Yann Balgobin, 2022). The internet can increase wages and the possibility of calling in demand for work (Melanie Arntz, 2022). As a result, technological advances result in increased profits and decreased employment (Gali, 2004).

The level of job demand is always related to the open unemployment rate. The open unemployment rate is three to four people out of every 100 people who work are unemployed, looking for work, or willing to work. Meanwhile, the employment rate, namely the opportunity for Bireuen residents to work in Bireuen Regency, is 96.48 percent. The following is a graphic image of the 2019 Bireuen employment.

Source: BPS Bireuen Regency 2019

The following is the number of open unemployment rates in Bireuen district according to education completed from 2017-2019. Based on the data presented in the following table, the TPT rate in Bireuen Regency was recorded at 4.50% in August 2017, which shows that out of every 100 employees, approximately 4 people are unemployed or unemployed. compared to conditions in August 2015, when the TPT was 11.02 percent, this figure decreased by 6.52 percent. This is due to limits on labor force assimilation, especially in the fields of development, agriculture and social administration.

This figure exemplifies the pattern of the ratio of male unemployment to female unemployment between August 2015 and August 2017 by showing that the ratio of male unemployment to female unemployment varies from year to year. In August 2017, male unemployment was 2.56 percent, while female unemployment was 1.94 percent. This is because most trade and industrial jobs are filled by women. Meanwhile, the majority of the male workforce is concentrated only in the construction industry.

The Open Unemployment Rate (TPT) for high school graduates was 61.16 percent in August 2017. This number decreased when compared to conditions in August 2015 which increased to 66.80 percent. In other words, businesses are absorbing large numbers of high school
graduates into their workforce. On the other hand, the percentage of TPT graduates who were at the junior high school level actually increased, rising from 7.17 percent in August 2015 to 15.59 percent in August 2017.

The following is for the 2018 open unemployment rate in Bireuen Regency.

<table>
<thead>
<tr>
<th>Pendidikan tertinggi yang ditamatkan</th>
<th>Laki-laki</th>
<th>Perempuan</th>
<th>Jumlah</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1)</td>
<td>(2)</td>
<td>(3)</td>
<td>(4)</td>
</tr>
<tr>
<td>Tidak/Belum Pernah Sekolah</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Tidak/Belum Tamat SD</td>
<td>0</td>
<td>255</td>
<td>255</td>
</tr>
<tr>
<td>SD/MI/Sederajat</td>
<td>609</td>
<td>763</td>
<td>1.372</td>
</tr>
<tr>
<td>SMP/MTs/Sederajat</td>
<td>427</td>
<td>431</td>
<td>858</td>
</tr>
<tr>
<td>SMA/MA/Sederajat</td>
<td>1.474</td>
<td>1.476</td>
<td>2.950</td>
</tr>
<tr>
<td>SMK</td>
<td>483</td>
<td>0</td>
<td>483</td>
</tr>
<tr>
<td>DI/DII/DIII</td>
<td>300</td>
<td>0</td>
<td>300</td>
</tr>
<tr>
<td>DIV/S1/S2/S3</td>
<td>0</td>
<td>1.307</td>
<td>1.307</td>
</tr>
<tr>
<td><strong>Jumlah</strong></td>
<td><strong>3.293</strong></td>
<td><strong>4.232</strong></td>
<td><strong>7.525</strong></td>
</tr>
</tbody>
</table>

Source: Bireuen district BPS, 2018.

This table shows unemployment by graduate education and gender. It is proven that the largest number of unemployed are high school graduates or equivalent, namely 2,950 people, and the number of unemployed men and women is almost the same, namely 1,474 men and 1,476 women. For the unemployed with tertiary education (DIV/S1/S2/S3), there are around 1,307 people, all of them women.

Then the following is the 2019 open unemployment rate in Bireuen Regency.

<table>
<thead>
<tr>
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<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Tidak/Belum Tamat SD</td>
<td>0</td>
<td>126</td>
<td>126</td>
</tr>
<tr>
<td>SD/MI/Sederajat</td>
<td>254</td>
<td>643</td>
<td>897</td>
</tr>
<tr>
<td>SMP/MTs/Sederajat</td>
<td>1.102</td>
<td>603</td>
<td>1.705</td>
</tr>
<tr>
<td>SMA/MA/Sederajat</td>
<td>1.725</td>
<td>1.291</td>
<td>3.016</td>
</tr>
<tr>
<td>SMK</td>
<td>779</td>
<td>0</td>
<td>779</td>
</tr>
<tr>
<td>DI/DII/DIII</td>
<td>213</td>
<td>421</td>
<td>634</td>
</tr>
<tr>
<td>DIV/S1/S2/S3</td>
<td>272</td>
<td>1.336</td>
<td>1.608</td>
</tr>
<tr>
<td><strong>Jumlah</strong></td>
<td><strong>4.345</strong></td>
<td><strong>4.420</strong></td>
<td><strong>8.765</strong></td>
</tr>
</tbody>
</table>


The table above displays unemployment by gender and degree level. It is proven that 3,016 people with high school, master's, or equivalent education are the most unemployed, with 1,725
men and 1,291 women among the unemployed. Regarding unemployment, there are around 1,608 people with bachelor's degrees (DIV/S1/S2/S3). When compared to 2017, 2018 and 2019, in 2019 there was a higher open unemployment rate, namely around 8,765. In addition to the open unemployment rate, the level of job demand is also related to the level of employment. The following is data on the Employment Rate (TKK) in Bireuen Regency for 2017-2018.

When viewed from gender, male TKK are more or less the same as female TKK, namely 95.65 percent of male TKK and 95.27 percent of female TKK. This shows that men and women have the same job opportunities. Employment opportunities no longer differentiate between men and women. TKK talks about opportunities to be absorbed in the job market. In August 2018 TKK, the population in Bireuen was 96.48 percent. This implies that for every 100 people in the labor force there are 96 to 97 people employed. The higher the TKK in a space, the higher the opportunity for the individual to be in the working age population considering the labor force to work in that locality.

In August 2019, there were 96.12 percent of TKK residents living in Bireuen Regency. This means that for every 100 people of working age there are 96 to 97 working people. The higher the TKK in a place, the higher the chances of people of working age given the workforce to work in that locale. When compared to the level of employment opportunities in 2017, 2018 and 2019, in 2018 there were many employment opportunities, namely 96.48 percent compared to 2017 (95.5 percent) and 2019 (96.12 percent).

4. CONCLUSION

The unemployment rate is often used to describe the condition of the level of demand for work and its effect on wage dynamics in the contemporary literature. The level of demand for work is influenced by several factors, such as wages, level of education completed and technological developments. Work efficiency wage relationship is two-way. The efficiency wage theory states that wages have a positive effect on labor productivity. In addition to the wage factor, the level of job demand is also influenced by the last level of education completed. It turns out that a high level of education also affects job opportunities. As well as hiring more workers, businesses are also hiring more highly educated and trained employees. The wages obtained will be higher if the level of education completed by a person is also higher. Then the third factor is the factor of technological development, technological development also affects the demand for work because in this era many job seekers are made through internet websites. Job seekers have ample access to information about open positions and businesses can benefit greatly from an efficient recruitment process. However, job search via the internet website benefits more prospective employees with a higher level of education compared to candidates with a lower level of education.

The level of job demand is always related to the open unemployment rate. The open unemployment rate is three to four people out of every 100 employed people who are unemployed, looking for work or willing to work. While the level of employment opportunities, namely the opportunity for residents of Bireuen to work in Bireuen Regency, is 96.48 percent. Based on an analysis of Bireuen Regency BPS data, the Open Unemployment Rate (TPT) for high school graduates was 61.16 percent in 2017, in other words businesses absorbed many high school graduates into their workforce. In 2018 the open unemployment rate in Bireuen district reached a total of 7,525 people, of which there were many high school graduates/equivalent unemployed, namely as many as 2,950 people. Whereas in 2019 the open unemployment rate in Bireuen Regency reached a total of 8,765 people, of which there were many unemployed high school graduates, reaching 3,016. When compared to 2018, in 2019 there was an increase in the open unemployment rate. The employment opportunity rate in Bireuen Regency is 95.5 percent in 2017. Then in 2018 it reached 96.48 percent. Whereas in 2019 the TKK in Bireuen Regency was 96.12. When compared from 2017 to 2019, the Employment Opportunity Rate (TKK) increased the most in 2018, namely 96.48 percent.
REFERENCES


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