Priority Program of Unemployment Problem Solving in Pati Regency

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Article Information	Abstract
	Pati is one regency that has the population with labor problems that is unemployment, and in 2013 Pati is a regency / city in Central Java with the fourth rank of unemployment rate. This research aims to make some program alternatives and to determine which alternative program that can be prioritized by the Government of Pati Regency in reducing the unemployment rate. The research uses the primary and secondary data. The analytical method used is Analysis Hierarchy Process (AHP) and it is processed using the expert choice version 9.0. The result of research indicates that the efforts to reduce the unemployment rate in Pati Regency can be prioritized on the criterion: (1) empowering the people, and followed by (2) the capital from the investors, and (3) the empowerment of economic business. And the priority scale from the entire program alternatives of unemployment problem solving is a program to improve the rural community empowerment. The advice that can be given from this research is that the Government of Pati Regency should continuously conduct the job training and coaching to improve the quality and skills of the labors and also should increase the job opportunities, and also should improve and perform the continuous improvement program of increasing the community empowerment so that the rural communities may have good quality to be able to compete with other labors.

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INTRODUCTION

The economic development is essentially a series of business policies that aims to improve the quality of people's life, to expand the job opportunities, and to direct the revenue sharing evenly. In the economic development of Indonesia the job opportunities remain the major problem. The problem comes from the gap between the growth in the labor force on the one side and the progress of various sectors of the economy to absorb the labor on the other side.

The unemployment problem has always been a problem to be solved in the economy of Indonesia. This problem also occurs in Lithuania, European Union. Based on the data of Lithuanian department of Statistics, it was noticed that since the year 2008, level of unemployment increased both in countryside and cities (Raisiene et al., 2014). This problem will continue occurring; even it will be more difficult to overcome if the economic growth decreases. The decreasing economic growth will affect the decreasing employment absorption and will have an impact also on the increase in the number of unemployment.

The prolonged unemployment may lead to the decrease in the level of prosperity and welfare, lead the bad psychological effect on the unemployed ones and their families, and also cause the political, secure, social turmoil, so it will disturb the economic growth and development. However, if there are two percentages of unemployment of the labor quantity, the economy will be considered to have reached the full job opportunities, as stated by Sukirno (2004) in Prasetyo (2010: 64).

One important goal of the economic development is the provision of sufficient employment to pursue the growth in the labor force, which growth is faster than the growth of job opportunities. There is a unit mass of workers, who can be either employed or unemployed. (Janiak, 2013). The main element in a development is the number of people as one of the actors of development. Large population does not always guarantee the success of development; it can even become a burden for the sustainability of development. Too large population and the big labor growth compared with the provision of employment may cause the high unemployment. The determinants of China's macro unemployment, concentrating on their effects on labor demand and supply (Liu, 2013).

Figure 1.1 shows the regencies / cities in Central Java that have high unemployment rate, those are: Brebes Regency, Tegal City, Kudus Regency, and Pati Regency. Pati Regency is in the fourth rank with the highest unemployment rate amounted to 7.29%.
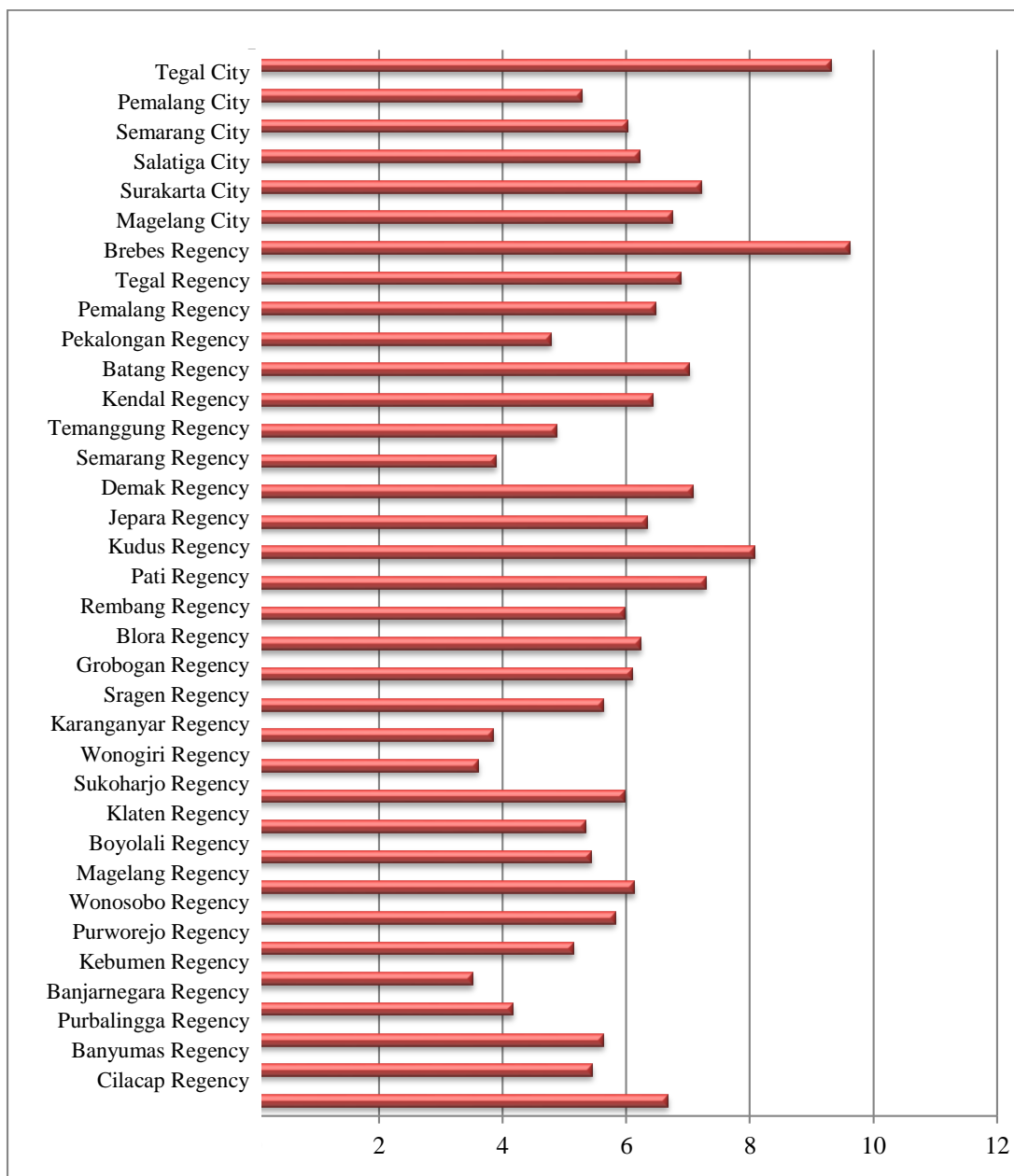
Figure 1. Unemployment Rate in Regencies / Cities in Central Java in 2013 (percentage)
Source: SAKERNAS, BPS Central Java Province

The population growing bigger every year brings as a result of the increasing number of labor force and it means that the number of people looking for jobs will increase along with the labors that also will increase.
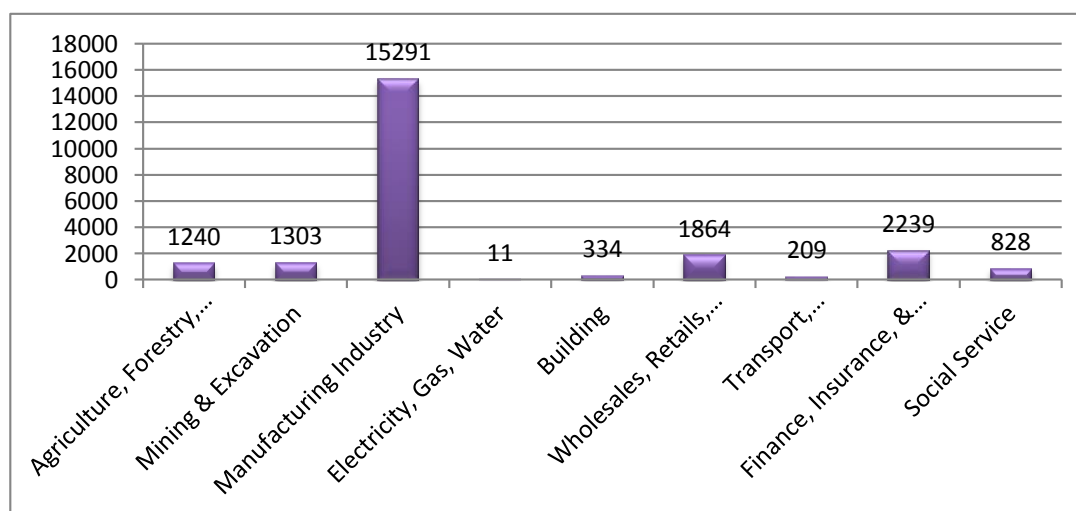
Table 1explains that the highest population growth in 2013 is 0.88%. The increase and decrease in the number of population are due to in the decreasing unemployment growth, the greatest unemployment rate in the period of 2009-2013 occurred in 2013 in the amount of 40.01%, and the highest unemployment growth rate occurred in 2012 in the amount of 62.77%, which is the highest one in Central Java Province. The employment problems are influenced by the economic levels of each region, in which each region has different capabilities in developing the potential of the economy supporting sectors into the economy sector that is able to accommodate the labor force.

Table 1. Number of Population and Labor Force in Pati Regency (person)

Year	Number of Population (Person)	Population Growth (%)	Labor Force				Number of Labor Force (Person)
			Employed		Unemployed		
			Person	Growth (%)	Person	Growth (%)	
2009	1,265,225	0.08	590,171	3.26	49,094	(-16.81)	639,265
2010	1,194,501	(-5.59)	581,998	(-1.38)	38,604	(-21.37)	620,602
2011	1,198,529	0.34	603,103	3.63	47,992	24.32	651,095
2012	1,207,399	0.73	562,487	(-6.73)	78,117	62.77	640,604
2013	1,218,016	0.88	594,736	5.73	46,863	(-40.01)	641,599

Source: BPS Pati Regency

Figure 2. Number of Workers Based on Sectors in Pati Regency in 2013
Source: BPS Pati Regency

From Figure 1.2 it can be seen that the greatest labor absorption sector is the manufacturing industry sector with a number of labor amounted 15,291 people, and followed by the finance, insurance, company building rental sector amounted 2,239 people, and the wholesales and retails, restaurants, and hotels sector amounted 1,864 people.

The manufacturing industry is a strategic one. The industry is considered to be able to stimulate the developing economy. Supported by the abundant human resources, the manufacturing industry sector is expected to be able to absorb the large labors.

The objects of research to be achieved by the writer in this research are: (1) To provide a description of the unemployment in Pati Regency; (2) To arrange program alternatives in efforts to reduce the unemployment in Pati Regency and to determine the scale of priority program of unemployment solving.

RESEARCH METHOD

This research uses the quantitative method. According to Sugiyono (2008: 13), a quantitative method can also be interpreted as a method of research that is based on the philosophy of positivism, which is used to examine the population or a particular sample. The data collection uses the instrument of research and the quantitative/statistic data

analysis with the aim to test the hypothesis that has been determined.

The data used in this research is the primary and secondary data. Primary data is the data collected and processed by the organization that publish or use it. The primary data for policy formulation in the Analysis Hierarchy Process (AHP) is obtained from the key-persons, including the criteria determination in order to achieve the goal of reducing the unemployment, the determination in the selection of program alternatives that can be taken to reduce the unemployment. Secondary data is the data obtained from the records of BPS of Central Java and Pati Regency, the Bureau of Social Services, Labor, and Transmigration of Pati Regency and the National Labor Force Survey.

The data collection method used in the research is the interviews, questionnaires and documentation. Interview is a method of data collection conducted by directly asking the respondents (key person). The result of the interviews with the respondents (key person) is the criteria and program alternatives for reducing the unemployment. Questionnaire is a method of data collection conducted by asking questions or written statements to the respondents (key person) to be answered. Documentation is a method of data collection conducted through the literature study by studying the literature related to this topic, including books, journals and other materials related to this research.

This research uses the descriptive method and the method of Analysis Hierarchy Process. Descriptive method is a method used to analyze the data by describing or portraying the collected data as it is without intending to make conclusion that is applicable to the public or generalization (Sugiyono, 2008: 206). In this research, descriptive analysis is to provide a description of the state of unemployment in Pati Regency.

This research uses the Analysis Hierarchy Process (AHP) method in order to determine which program that needs to be prioritized in efforts to handle the unemployment problem in Pati Regency. The Analysis Hierarchy Process (AHP) is a method often used to assess the actions related to a weight ratio of interest between the factors and a comparison of several alternatives. AHP is a model that was introduced by Thomas L. Saaty in 1971. In the process, AHP includes considerations and personal logical values that are dependent on the imagination, experience and knowledge. On the other hand, the process of AHP provides a framework for the group's participation in the decision making or problem solving.

RESULTS AND DISCUSSIONS

The alternatives of policies for the reduction of the unemployment problem are obtained from the results of discussions and interviews with the key-persons. Based on those results, there are three groups of unemployment reduction programs: a group based on the capital from investors, a group based on the community empowerment, and a group based on the economic business empowerment.

The analysis in this research is that of AHP based on the key-persons. After being processed through the Expert Choice Version 9.0, the criteria rating that makes a priority in efforts to reduce the highest unemployment rate is the effort to reduce of the unemployment rate viewed from the program group based on the community empowerment with 0.424 weight and 0.07 inconsistency ratio, which means that the analysis results are consistently tested and acceptable.

Next, the key-persons choose a program group based on the capital from investors with a weight of 0.326 as a second priority. Then the program group based on the economic business empowerment with a weight of 0.250 is selected as the last priority.

Investors	.326	
Community	.424	
Economy	.250	

Figure 3. Groups in Solving Unemployment Problems in Pati Regency Based on Key Persons
Source: Output AHP   Inconsistency Ratio = 0.07

The results of the whole analysis on three criteria of groups of reducing the unemployment rate in Pati Regency and the program alternatives show that the scale of priority of criteria and alternatives in efforts to solve the unemployment problem through AHP method are based on the entire key-persons. Based on the analysis results using the Expert Choice Version 9.0 that has inconsistency ratio of 0.07, the result of analysis is consistent and acceptable. It can be seen that according to the key-persons, from the whole program alternative options in the efforts to solve the unemployment problem, the highest level of priority is the program of rural community empowerment improvement with a weight of 0.117 of the group of unemployment rate reduction program based on the community empowerment. The order of priority of the whole program alternatives from the highest to the lowest is as follows:

1. Program of improving the rural community empowerment with a weight of 0.117.
2. Program of increasing the job opportunities with a weight of 0.101.
3. Program of developing the investment based on environmental knowledge with a weight of 0.090.
4. Program of protecting and developing the labor institutions with a weight of 0.079.
5. Program of improving the quality and productivity of labors with a weight of 0.078.
6. Program of developing the potential industrial centers with a weight of 0.069.
7. Program of developing the small and medium industries with a weight of 0,062.
8. Program of improving the discipline of apparatus with a weight of 0.056.
9. Program of developing the transmigration area with a weight of 0,050.
10. Program of improving the provision of facilities, amenities, and / or incentives with a weight of 0,047.
11. Program of improving the facilities and infrastructure of apparatus with a weight of 0.043.
12. Program of improving the ability of the industrial technology with a weight of 0,032.
13. Program of developing the industrial promotion program with a weight of 0,030.
14. Program of preparing the industrial structure with a weight of 0.028.
15. Program of improving the investment climate and realization of investment with a weight of 0.028.
16. Program of improving the promotion and investment cooperation with a weight of 0.028.
17. Program of improving the development of the reporting system of achievements and financial performance with a weight of 0.026.
18. Program of preparing and developing the industrial information with a weight of 0,017.
19. Program of serving the office administrative with a weight of 0,017.

CONCLUSION

From the analysis conducted in this research, it can be concluded among other things as follows:

The gap between the number of job seekers with the available vacancies and many industries has not been able to reduce the unemployment due to the limited ability of labors and the selective job seekers. The priority of criteria program of solving the unemployment problem in efforts to reduce the unemployment in Pati Regency is a program group of the community empowerment. And the scale of

priority of the entire program alternative in solving the unemployment problem is a program of improving the rural community empowerment.

From some of the above conclusions, there are a number of suggestions as follows: (1) The Local Government should continuously conduct the job training and coaching so that the labors have the good qualities and job skills. Along with the increasing quality of labors, the Local Government should also increase the job opportunities by improving the cooperation between the entrepreneurs and investors. (2) Based on the conclusion that the priority of program is the community empowerment, the Local Government should also empower the rural communities by improving and performing continuously the program of improvingthe community empowerment and fostering it so that the rural communities may have the good quality to be able to compete with other labors.

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