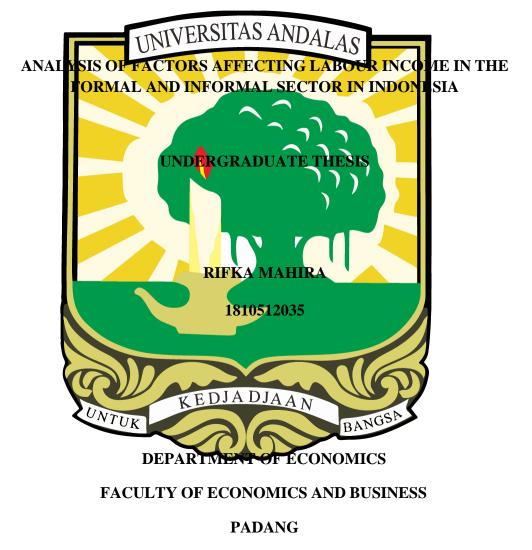


UNIVERSITAS ANDALAS



2023

## ANALYSIS OF FACTORS AFFECTING LABOUR INCOME IN THEFORMAL AND INFORMAL SECTOR IN INDONESIA

by

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study aims to analyze the probability of work participation and the factors affecting the income of formal and informal labour in Indonesia in 2020. The data is secondary data from the August 2020 National Labour Force Survey (SAKERN, S). The analysis technique use I in this research is Heckman's two-stepmethod. The total observation units used in this study are divided into two parts: the probability of work participation unit of 52 individuals. The results 328.501 individuals and the wage estimation unit of show that the brobabi*li* ninated by formal labour, and formal labourreceiv han informal tabour. Based on the test Bafilal status significantly affect results, the variables residential area and the probability of work participation and informal labour. Regarding education formal type, work experience, gender, residential area, and job training significantly affect the income received by formal and informal labour.

Keywords: Income, Labour, Formal, Informal, Heckman's two-stepThesis

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