

CHAPTER V CONCLUSION AND RECOMMENDATION

5.1 Conclusion

Based on the results of the research and discussion that has been prepared in this study, the following conclusions are obtained:

5.1.1 Conclusion Regarding Micro Industries

1. Based on the results of the F test (simultaneous test) the F-count value is greater than the F-table ($174.04 > 2.6488634$) with a probability of 0.0000, the test results show that the number of companies, micro-industry credit and Provincial minimum wages together affect the demand for micro-industry labor in Indonesia in 2017-2022.
2. The number of micro-industrial companies with a coefficient value of x_1 company of $4.93e-06$ and a probability of 0.000 has been proven to have a positive and significant effect on the demand for micro-industrial labor in Indonesia in 2017-2022.
3. Micro-industry credit with an x_2 credit coefficient value of $5.24e-11$ with a probability value of x_2 credit is 0.977 is proven to have insignificant effect on the demand for micro-industrial labor in Indonesia in 2017-2022.
4. Provincial Minimum wages with a value of x_3 wage coefficient of $-2.43e-07$ with a probability value of x_3 wage of 0.000 are proven to have negative and significant effect on the demand for micro industry labor in Indonesia in 2017-2022.

5.1.2 Conclusion Regarding Small Industries

1. Based on the results of the F test (simultaneous test) with an F-count value greater than the F-table ($1103.74 > 2.6488634$), the test results show that the number of companies, small industry credit and provincial minimum wages together affect the demand for small industry labor in Indonesia in 2017-2022
2. The number of small industrial companies with an X_1 Company coefficient value of 10.64157 and a probability of 0.000 on X_1 company has been proven to have a positive and significant effect on the demand for small industrial labor in Indonesia in 2017-2022.
3. Small industry credit with an x_2 credit coefficient value of 0.0012287 with a probability value of x_2 credit is 0.047 proven to have a positive and

significant effect on the demand for small industrial labor in Indonesia in 2017-2022.

4. Provincial minimum wages of small industries with a value of α_3 wage coefficient of 0.0018988 with a probability value of α_3 wage is 0.355 is proven to have insignificant effect on the demand for labor in small industry in Indonesia in 2017-2022.

5.2 Recommendation

Based on the results of the research and the conclusions that have been submitted, the author gives the following suggestions:

1. The government is expected to provide support in the development of micro and small industries because this sector is the most accessible sector to the public so that later it can reduce the unemployment rate which is still high.
2. The government is expected to pay more attention to micro and small industries because their unstable existence (easy to form but also easy to close) makes this sector a sector that is reluctant to be in demand by the public. By providing support to every business actor, especially micro and small industries, it is hoped that this sector can become an example for prospective business actors in this sector so that it has an impact on job creation which is currently one of the efforts to improve people's welfare.
3. There needs to be an equal distribution of SMIs wages by the government through financial institutions (banks) in each region so that each region has the same development potential as other regions. Capital is one of the important components in pioneering or developing a business, including micro and small industries. The government can continue to make capital procurement effective through an equal distribution of the amount of SMIs wages in each region adjusted to the number of business units.
4. There needs to be equality between the applicable minimum wage and the remuneration of micro and small industries to create community welfare and no income imbalance. The remuneration or wages received by micro and small industrial workers must at least be equalized in such a way that they are commensurate with the workers who receive the applicable minimum wage so that there is no labor extortion because the wages received are still far from the minimum wage set in each region.