

CHAPTER VI

CONCLUSION AND RECOMENDATION

6.1. The Conclusion

This research analyzes the influence of the independent variable is government spending in education, public expenditure on health and poverty on the dependent variable, namely human development index in West Sumatra during 2010-2014. Conclusions that can be drawn is:

From regression model testing can be calculated that the human development index in West Sumatera over period 2010-2014 is influenced by poverty, government spending on education and government spending n health about 78 percent. Other, 22 percent human development index variation is explained by other variables which aren't in the model.

The effect of government spending on education to human development index are significant, this study consist of Rifki (2014) study explain about a good distribution of the education budget so that each institution can feel the real effect of the budget for education in human development

The effect government spending on health to human development index are not significant, this study consist of Septiana (2015) finding that government spending on health not significant on human development index because the amount of government spending in the health sector in the province of North Sulawesi has not yet been able to assist the growth of the human development index in North Sulawesi, this is because the provincial government of North Sulawesi has built some means of physical health such as hospitals and clinics in a few years lately so consuming budgets.

The effect poverty on human development index are significant, this study consist of Ranis (2004), if the poor earn higher incomes or in other words a reduction in poverty levels it will affect the improvement of human development through an increased share of household expenditure spent on food is more nutritious and higher education.

6.2. The Recommendation

For the government:

The government needs to consider several factors that influence the improvement of the quality of education. Among them is the equity in educational development, especially in areas with inadequate access to education. This can be done by channeling funds for education, development of educational facilities, as well as protect the public in order to be aware of the importance of education.

The government needs to pay attention to things that affect the quality of healthcare. That is, with the development of physical fitness and non-physical. Physically is to improve and expand health care centers and non-physical is more to services such as counseling, or other health initiatives, as well as protect the society in order to realize the importance of health.

Central and local governments should pay more attention and further enhance poverty reduction programs, both based social assistance such as education, health care, and food. Such as community-based institutional aspects and outreach. And based on the empowerment of small businesses that can be done by providing capital assistance or financing a micro scale, and improving skills and business management.