

ABSTRACT

Labor absorption in the tourism sector in Bali Province varies across regencies/cities, although tourism is a leading sector of the regional economy. Furthermore, the COVID-19 affected tourism activities and labor absorption during certain periods. This study aims to analyzes the effects of tourist arrivals, the number of restautants, the number of hotel rooms, the number of travel agencies, and COVID-19 on labor absorption in the tourism sector across 9 regencies/cities in Bali Province from 2018-2024.

The study used panel data in the form of secondary data obtained from the official website of Badan Pusat Statistik (BPS) of Bali Province for the period 2018–2024, with a total of 63 observations. The data were analyzed using panel data regression with the Random Effect Model (REM) approach.

The results shows that, simultaneously, all independent variables have a significant effect on labor absorption in the tourism sector. Partially, tourist arrivals, the number of restautants, the number of hotel rooms, and the number of travel agencies have a significant positive effect, while COVID-19 has a significant negative effect on labor absorption.

Keywords: *Labor absorption, Tourists, Restaurants, Hotel Rooms, Travel Agencies, COVID-19.*