

ABSTRACT

The youth represent a vital human resource potential that a country must possess. However, this group is highly vulnerable to changes in economic and social conditions. Limited opportunities for young people to participate in the labor market have led to an increase in youth unemployment. This study aims to analyze the determinants influencing the youth unemployment rate in Indonesia during the 2018-2023 period.

This research uses a quantitative approach with secondary data from the Central Bureau of Statistics. The data used covers 34 provinces in Indonesia during the period 2018-2023. The analyzed independent variables include the Human Development Index (HDI), economic growth, investment, Provincial Minimum Wage, population, and inflation. This study uses panel data regression with the Fixed Effect Model. The data processing process uses Eviews 12 software.

The results showed that the HDI, economic growth, and investment variables had a negative and significant impact on the youth unemployment rate in Indonesia. Conversely, the Provincial Minimum wage and population variables had a positive and significant impact. Meanwhile, the inflation variable did not show a significant influence on the youth unemployment rate in Indonesia.

Keywords : *Youth unemployment, Determinant, Panel data*

