

Determining the Variation of Public Income and Its Impact on Consumption Patterns in Banten Province

1st Pramudi Harsono
*Economics Faculty Management
Departement
Universitas Bina Bangsa
pramudi1909@gmail.com*

2nd Watemin
*Faculty of Agriculture
Universitas Muhammadiyah Purwokerto
watemyn@ump.ac.id*

3rd Indra Permana
*Faculty Economy and Business
Universitas Pelita Bangsa Bekasi
indrapermana@pelitabangsa.ac.id*

4th Aji Priambodo
*Faculty Economy and Business
Universitas Perwira Purbalingga
Purbalingga, Indonesia
ajipriambodo@unperba.ac.id*

5th Dwi Prastio Hadi
*Faculty Economy and Business
Universitas PGRI Semarang
dwiikip58@gmail.com*

6th Maman Sulaeman
*Politeknik Triguna Tasikmalaya
mansulaeman1274@gmail.com*

Abstract—Considerable inequality condition occurs due to differences in ownership of resources and production factors, especially ownership of capital goods. Characteristics of a region have a strong influence on the creation of patterns of economic development. This inconsistency affects the ability to grow which in turn results in some areas capable of growing rapidly while other regions are slowly growing. The purpose of this research is to analyze the Antecedent of public income variations and their impact on consumption patterns in Banten Province. The research method used is a survey method by distributing questionnaires to selected samples. Samples were chosen as 600 people. Analysis of the data used the analysis path. The results of the study gained that education had a dominant influence on income variations compared to the number of liabilities. The variation in revenue on society affects consumption patterns.

Keywords— education, family, occupation, income, consumption

I. INTRODUCTION

Substantial income inequality conditions occur due to differences in ownership of resources and production factors, especially ownership of capital goods. Characteristics of a region have a strong influence on the creation of patterns of economic development. This inconsistency affects the ability to grow which in turn results in some areas capable of growing rapidly while other regions are slowly growing. The ability to grow and then cause the occurrence of both development and income between regions occurring in Indonesia as well as in Banten Province. The impact of uneven revenue distribution in Banten Province can result in the occurrence of disparity.

The results of Kalalo's research (2016) show that in the distribution of revenues with the level of higher income is more evenly located in the group of jobs Traders and civil servants (PNS) with the least accepted by the job group of farmers and workers in which the distribution of a lame income. The Gini coefficient is approaching a number of 1 indicating perfect imperfection (where one person has/mastered all of its total income, while the other does not

earn any income) in which the distribution of the farmer's work and also the laborer is included in the high inequality.

The results of a dance in amnesty (2017) shows the age, education level, working hours, nature of work, and the number of liabilities simultaneously and partially on the income of women in poor families. There were differences in the results of the previous research, encouraging researchers to reanalyze Antecedent variations in community income and its impact on consumption patterns in Banten Province as the youngest province in Indonesia.

II. LITERATURE REVIEW

According to Cahyadi (2017:11), the diversity of individual income is influenced by the potential or production factors, utilization rate, potential or factors, and the level of existing service. The production factors include natural resources, labor, and capital. With Keragaman or differences in this ownership and utilization and the level of remuneration received by natural resources, labor and capital will bring the influence of the diversity of income. In fact, income received by a person or a business entity is certainly influenced by many factors, such as the level of education and experience of one, the higher the level of education and experience, the higher the level of In fact, then also the income level is strongly influenced by working capital, working hours, access credit, number of workers, family dependents, types of merchandise (products) and other factors. Generally, people are always looking for a high level of income to fulfill their household needs, but are limited by several factors (Nazir, 2017).

Income generation can be done with human capital investment. Human capital investment value and or the quality of a person or workforce that determines how potential people or workforce can be produced in the economy, especially producing goods and services. Human Capital emphasizes that education provides information and skills to increase the individual's productive capacity. Increased education in human capital investments can increase one's income. With an additional one year of schooling, it will improve one's work skills and income

level, but an additional year of schooling will delay receiving income for a year in attending the school.

The education achievement of a higher individual is expected to obtain higher income as well. Adding potential work experience will hopefully increase the revenue to be received. The longer the potential labor experience that the workforce indicates is increasing workforce capacity. Increased revenue with the addition of potential work experience will not necessarily apply to all workers who work in the type of work both formal and informal. Formal and informal labor has different characteristics. Labor that works in the formal type of work has a relatively increasing income with the difficulty of entering this type of work. While the informal workforce has a low-income stigma with the ease of entering this type of work.

The difference in income acceptance between genders is very possible in the absence of income revenue gap between female venereology. Male labor is generally the main breadwinner is considered to be more entitled to a higher income. The differences in the area of rural and urban residences can bring about the difference in revenue acceptance. Cities are considered to be able to provide higher revenues than rural areas with more breadth of employment available. The overall workforce, the formal and informal workforce will each be analyzed whether the free variables used in this study have an effect on their respective revenues.

The results of the Damaryati Study (2010) show that all independent variables of economic growth, unemployment rate, rough participation figures, and agglomeration have a significant effect on the income gap in Central Java. Furthermore, Maryam (2011) mentions that the level of low income distribution with the Gini index of 0.28. Using a typological diagram of four quadrants is known that some areas tend to belong to the category of low income distribution gaps with low economic growth and low per capita income.

Consumption has a significant impact on economic stability. The higher the level of consumption, the higher the economic activity changes. The needs of human life always grow in line with the demands of the times, not merely to fulfill the needs of life, but also concerning other needs such as the needs of clothing, home, education, health, and others. Consumption is one of the economic activities to fulfill various needs of goods and services. Fundamental needs or basic needs is a very important need for human survival, both consisting of the need or the consumption of an individual and the need for certain social services.

Effendi (2017) mentions someone will continue to add to the proportion of consumption comparable to the rate of income he received to a certain extent, the addition of income will no longer cause an increase in the amount of food consumed because the human needs of food will have a saturated point. So there is a tendency that the higher one's income, the less percentage of income spent on food. A person's income is one of the factors that are very influential with the consumption activities, because the consumption is directly proportional to the income. The higher the income that a person receives then the greater the expenditure used for consumption. The pattern of public consumption illustrates the tendency to consume society that leads to food or non-food elements.

III. RESEARCH METHOD

In this research researchers take a descriptive method of research because it is done by making descriptions or depictions systematically, factual and accurate regarding the fact or nature of the object and interpret the relationship between the phenomenon The investigation. This research was conducted in Banten Province. The object in this study is the head of the household with the classification of different livelihood patterns, with the scope of this research, confined to the source of income and expenditure of household consumption, and the degree of health. In this study, using primary type data with an interview method is the data that is sourced in the results of the answers to the questionnaire or the interviews conducted with the material related to this research. The source of the data is obtained from the central Statistic Agency, and the literature related to this study. Sampling is done randomly in multilevel. First selected Kelurahan sample with a simple random (simple random sampling) using Slovin formula. Samples were chosen from the district of Banten Province in 600 people. The inferential statistic method used in the analysis of this research data is the analysis path.

IV. RESULTS AND DISCUSSION

The partial influence of the education to the revenue variation is 35.9% while the remainder is 64.1% influenced by other variables. According to Asra in Cahyadi (2017) stated that the diversity of individual income is influenced by the potential or production factors that have, the utilization rate, potential or factors and the level of existing services. The production factors include natural resources, labor and capital. With Keragaman or differences in this ownership and utilization and the level of remuneration received by natural resources, labor and capital will bring the influence of the diversity of income.

Education contributes directly to national revenue growth through improved skills and work productivity. Nowadays, investments in education are gaining a high priority. Through education, citizens have the opportunity to build their own skills and manage their lives fairly. Expansion of opportunities for higher education means opening up economic opportunities to seek improvement and progress in community life.

The education of a person reflects the level of knowledge ever gained, the higher the level of education is taken then the more knowledge is gained. Conversely, the lower the level of community education will be harder for people to get jobs with higher earnings. The low level of education leads to the income that a person gets relatively low while the level of higher education then the person will have the ability to face life where with the education gained by one can. To do business and work in order to obtain income that is sufficient for life and improve the living conditions in the sense of having employment opportunities to achieve the desired welfare. Thus, it can be noted that the higher one's education will lead to more easily adjusting the demands of advanced science and technology so that its participation is also high and means having an opportunity. To the income level earned.

The partial impact on the revenue variation is 24.8%. According to Tjptoherijanto (2016) where the number of working family members will affect the income of one family itself, because a large number of family members

will affect the income of a family. A household that has more working members of the family will be more likely to earn more than households who have fewer family members working so that the family income level is not the same. Thus, the number of family members who are in one household affects the large amount of income the family receives.

Participation in family activities although without support a formal sanction generally every family member supports other obligations. For example, we must participate in economic activities or productive activities. Because social pressures are so pushy in a continuous way that mingled with the rewards that are directly acquired, so that almost everyone is adjusting or claiming to conform to family interests.

The results of this research are in line with the expressed Amiruddin (2017) that the income is enormous influence on the level of consumption. Because if the level of income increases, the community's ability to buy consumption needs is greater and increasingly demanding good quality. The results of this study are also in line with some previous studies that say that income has a big impact on a person's level of consumption. Research results Mahyudi Danil said that consumption expenditure as a function of income is a very big factor in the behavior of people in the consumption. Need to increase the maximum revenue, because low-income people affect the level of consumption.

V. CONCLUSIONS

Based on the results of research can be concluded that the nature of work has a dominant influence on the variation of income compared with education and number of liabilities. The variation in revenue on society affects consumption patterns.

REFERENCES

- [1] Cahyadi, 2017 Analisis Dan Aspek Kesehatan Bahan Tambahan Pangan. Bumi Aksara: Jakarta
- [2] Damaryati 2017 Pola Pengeluaran Pangan Rumah Tangga Menurut Tingkat Ketahanan Pangan Di Provinsi Jawa Tengah. J. Ekonomi Pembangunan. 11(2):236-253
- [3] Dance Amnesti 2017, Analisis Faktor-Faktor Yang Berpengaruh Terhadap Pendapatan Perempuan Pada Keluarga Miskin Di Kelurahan Kapal Kecamatan Mengwi Kabupaten Badung Fakultas Ekonomi Universitas Udayana (Unud), Bali, Indonesia
- [4] Ependi, Pengaruh Pendapatan Dan Gaya Hidup Terhadap Perilaku Konsumsi Masyarakat, (Universitas Pendidikan Indonesia: 2017
- [5] Leunard. O. Kakisina 2016 The Analysis of Household Income and Poverty in The Transmigration Area (A Case In Waihatu Village, Kairatu Subdistrict, West Seram District, Maluku Province) Jurusan Budidaya Pertanian, Fakultas Pertanian, Universitas Pattimura
- [6] Ogundari K. 2017. Determinants of Food-Poverty States and The Demand for Dietary Diversity in Nigeria. Paper No. 161302. Aaa Fourth International Conference; 2013 Sep 22-25; Hammamet, Tunisia. Tunisia (Ma): African Association of Agricultural Economists.
- [7] Suryono Agus, 2012. Teori Dan Isu Pembangunan. Jakarta: Um-Press
- [8] Sutomo Dan Sulastini 2017 Analisis Perbedaan Pendapatan Petani Pemilik Penggarap Dan Petani Penggarap Pada Usaha Gula Kelapa Desa Purbosari Kecamatan Seluma Barat Kabupaten Seluma
- [9] Tiffany Kalalo 2016, Analysis Income Distribution of the People in The District Airmadidi North Minahasa Regency, Jurusan Ekonomi Pembangunan, Fakultas Ekonomi Dan Bisnis Universitas Sam Ratulangi Manado