

The Effect of Education, Work Experience and Working Hours on Non-Permanent Migrant Workers and Revenue in Denpasar City

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Abstract: *For some people, population migration is a strategy to improve the welfare of individuals and society. The presence of a driving factor in the area of origin and attraction factor in the destination area underlies a person to migrate, both permanently and non-permanently. The ties between migrants and the origin area are manifested in the form of visits and remittances to the area of origin. The size of remittances sent by migrant workers to the area of origin depends on the level of income generated. The higher the income obtained, the greater the remittance that will be sent to the area of origin. This study was conducted in the city of Denpasar with the method of determining the sample, namely quota sampling. The sample migrants are non-permanent migrants in Denpasar City. The number of samples is 99 respondents. The data analysis technique uses descriptive analysis in the form of path analysis and Sobel test. The results of this study indicate that education, work experience and working hours have a positive and significant effect on income. Education, work experience and working hours have a positive and significant effect on remittances of non-permanent migrant workers. In addition, income is a mediating variable in the influence of education, work experience and working hours on remittances of non-permanent migrant workers.*

Keywords: non-permanent migrants, remittances, income

1. Introduction

The rapid growth of the population with uneven distribution, coupled with the rapid economic growth in big cities, making the majority of the population encouraged to make the move. The behavior of population movements is also getting higher because in their place of origin there is a narrowing of employment. One of them is due to the narrowing of agricultural land because it is used for residential areas. For some people, population migration is a strategy to improve the welfare of individuals and society. There are driving factors in the area of origin and pull factors in the destination area that underlie someone to migrate, both permanently and non-permanently. The tendency of residents to choose non-permanent mobility is the availability of adequate transportation facilities and infrastructure. To get a better job in the destination of migrants should have a fairly good education. Education is oriented to the preparation of an educated, skilled and trained workforce according to the needs of the job market. According to Abustam (1989), education is one indicator to measure the quality of the population, both formally and informally, and there is a positive correlation between the level of education and interest in doing mobility. The higher the education, the greater the interest in mobility (Maliki, 2009). According to Simanjuntak (2001) the relationship between the level of income to the level of education is due to assuming that the higher the level of education will be the higher the level of productivity of workers and will ultimately affect the level of their income.

Human capital that naturally develops along with one's investment is work experience. Work experience also greatly determines one's income, because work experience is the real events experienced by someone who works. The longer the work experience or the more work experience a person has, the more skilled and faster the task will be. So that the

output produced is more and the income they receive will also increase (Soedarmini (2006) in Marhaeni and Nugraha (2012). A person's work experience strongly supports skills and speed in completing work, so the error rate will decrease. The longer the work experience or the more work experience a person has, the more skilled and faster in completing the tasks that are his responsibility.

Arifin (2002), argues that working hours are also a determining factor in increasing the income of non-permanent migrant workers where "the more hours of work used, means more productive". This means that the number of long hours of work will indirectly make the work more productive, and working productively is expected to generate good income. Each individual must decide how many hours to work and how many hours to consume various items and how much time is spent on other household activities, such as doing household work. (According to Ehrenberg 1988; in Marhaeni and Manuati, 2004), the longer working hours of nonpermanent migrant workers will affect the income and delivery of remittances every month.

The definition of remittance according to Forbes in Herwanti (1996) is the amount of money and goods sent by migrants to their hometowns which are usually sent to their wives and parents or their families in the village. Shipments are usually used for consumption, education and other investments. The relationship between remittances and development in the area of origin is indeed difficult to measure statistically, but in passing is real. Abustam (1989) states that the impact of population movements on social, economic and cultural needs is not only for migrant individuals but more specifically for communities and regions of origin.

Migrants show that there is a form of direct interaction between rural areas from migrants and migrant destination

areas, which will affect changes that occur both materially and non-materially. The remittance flow can have various influences on the village of origin itself, depending on how they use the remittances. Capistrano (2007), argues that the use of remittances will be able to show routine expenditure which is the main priority that occurs. In addition, the use of remittances can also be used to build migrant families in the area of origin and provide economic development opportunities for the village. Furthermore, from the use of remittances, it will form a pattern of use of remittances which can be classified consumptively or productively seen from the pan angle.

2. Literature Review

The Relationship of Educational Income and Remittances

According to Tarigan (2009) in Tumiwa Johan R (2015), Education is believed to be very influential on a person's skills, behavior and attitudes, and things are related to one's level of income. This means that on average, the higher the level of education of a person, the more likely the person is to obtain higher income. The level of migrant education is more likely to have a positive influence on remittances.

Rempel and Lobdell (1978) in Junaidi (2015) suggest that the higher the level of migrant education, the greater the remittance sent to the area of origin. This is basically related to the remittance function as repayment of family-invested education investments to migrant individuals.

The Relationship of Work Experience and Income and Remittances

According to Soedarmini (2006) in Marhaeni and Nugraha (2012), work experience determines one's income, because work experience is real events experienced by someone who works. The longer the work experience or the more work experience a person has, the more skilled and faster the task will be. So that the output produced is more and the income they receive will also increase.

A person's work experience is very supportive of the skills and speed in completing the work, so that the error rate will decrease. With the increasing amount of income obtained from work experience, it can increase the delivery of remittances to the area of origin.

3. Research Methods

This research was conducted in Denpasar City. The selection of Denpasar City is based on the reason that this region has a diverse population characteristics compared to other regions, so the problems faced, especially related to population problems are more complex. Likewise, the number of migrants is mostly related to Denpasar City compared to other districts in Bali Province. When the study was conducted in 2017.

The population of this study was all non-permanent migrants in Denpasar City, hereinafter referred to as non-permanent migrant workers. Overall the number of non-permanent migrant workers in Denpasar is spread in all villages / kelurahan. The number of non-permanent migrant workers

according to the Department of Population and Civil Registration of the City of Denpasar in 2015 was 16,090 people. Because details about the list of names of non-permanent migrant workers are not available, To determine who will be used as respondents in this study using the convenience sampling method. Determination of the number of research samples used Slovin method, as follows:

$$n = \frac{N}{1 + (N \cdot e^2)} \dots\dots\dots (4.1)$$

$$n = \frac{16.090}{1 + (16.090 \cdot 0,10^2)}$$

$$n = \frac{16.090}{(161,9)}$$

$$n = 99,38 = 99 \text{ (ruled)}$$

Data analysis techniques used in path analysis where the equation is the regression as follows:

$$Y_1 = \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + e_1 \dots\dots\dots (1)$$

$$Y_2 = \beta_4 X_1 + \beta_5 X_2 + \beta_6 X_3 + \beta_7 X_4 + e_2 \dots\dots\dots (2)$$

Table 1: Path Analysis

Relationship	Koefisienregresi		Standar Error	t Statistik	P. Value/ Sig
	Tak Standar	Standar			
Edu → Income	86.454	0.503	12.123	7.131	0.000
Exp → Income	23.791	0.244	6.116	3.890	0.000
W. Hours → Income	23.809	0.335	5.146	4.627	0.000
Edu → Remittance	18.608	0.287	3.428	5.428	0.000
Exp → Remittance	6.525	0.177	1.503	4.342	0.000
W. Hours → Remittance	3.313	0.124	1.300	2.549	0.012
Income → Remittance	0.210	0.558	0.023	8.985	0.000

Primary Data, 2018

Based on Table 1, it can be explained that the Influence of Education (X1) on Revenue (Y1) with a coefficient of 0.503, with an error standard of 12,123 and P Value of 0,00 <0,05, the accepted hypothesis, namely Education (X1) has a positive and significant effect on Revenue (Y1). This study supports the thesis written by Hendra Ridho G. Siregar in Robinson Tarigan (2006) with the title "Analysis of the Effect of Commuting on Regional Development in Medan Tembung Subdistrict in 2005", which obtained the results that the education level had an effect on the level of income with quite high significance.

Effect of Work Experience (X2) on Income (Y1) with a coefficient of 0.244, with a standard error of 6.116 and P Value of 0.00 <0.05, the accepted hypothesis, namely Work Experience (X2) has a positive and significant effect on Income (Y1). The results of this study support Wardhana's research (2014) where stating work experience partially has a positive and significant effect on income. The results of this study support the research of Sicherman (1991) and Galor (1990) which states that individuals gain work experience and skills in an effort to increase higher income from a job. This study supports journals written by Nyoman Tri Arya Nugraha and AAI N. Marhaeni (2012) with the title "Effects of work experience, working hours and education on the income of employees in the embroidery industry in the city of Denpasar" which states that the level of work experience has a simultaneous and significant effect on

income of employees of the embroidery industry in the city of Denpasar. This research also supports research conducted by Lamia (2013) which states that work experience is positive and significantly influences the income of fishermen's business.

Effect of Working Hours (X3) on Revenue (Y1) with a coefficient of 0.335, with an error standard of 5.146 and P Value of $0.00 < 0.05$, the hypothesis is accepted, ie Working Hours (X3) has a positive and significant effect on Revenue (Y1). The results of this study support the research conducted by Sudarsani et al. (2015) which states that working hours have a direct effect on female migrant income. The results of this study support the research conducted by Nyoman Tri Arya Nugraha and AAI N. Marhaeni (2012) with the title "Effects of work experience, working hours and education on the income of employees in the embroidery industry in the city of Denpasar" which states that working hours have a simultaneous and significant effect on the income of embroidery industry employees in Denpasar City.

Effect of Income (Y1) on Remittance (Y2) with a coefficient of 0.558, with an error standard of 0.023 and P Value $0.00 < 0.05$, the hypothesis is accepted, namely Income (Y1) has a positive and significant effect on remittances (Y2). This study supports the research conducted by Ardana (2011) which states that income has a positive and partially significant effect on remittance delivery to the area of origin. This study also supports the research conducted by Octania (2014) with the title "Remittance and Determination Factors of Case Study: Risen Migrants, Jimbaran Sub-District, South Kuta Subdistrict", which states that migrant income has a positive and significant effect on remittances.

Table 2: Mediation Testing Result

Variables	Ab	Sab	Z	Description
Edu --> Remittance	18.189	3.256	5.586	Sig.
Exp --> Remittance	5.006	1.402	3.570	Sig.
W. Hours --> Remittance	5.009	1.218	4.114	Sig.

Sumber : Data diolah, 2018

Based on table 2, it can be seen that, income mediates significantly the effect of education level, work experience and working hours on remittances. This can be seen from the results of z count which is greater than 1.645 which means that H_0 is rejected and opinion is the mediating variable of the influence of Education Levels, Work Experience and Working Hours on Remittances. This study supports the research conducted by Larasaty (2003), which states that education has a significant effect on women's income. Education besides having a direct influence also has an indirect influence on remittances sent through income. This means that education has an indirect effect on remittances sent through pendpaatan. This is due to the increase in remittances sent through revenue.

4. Conclusions and Suggestions

Education has a direct and indirect influence on income. Education also has an indirect influence on remittances through income, so it can be said that income mediates the effect of education on remittances. Based on this shows that

education has an effect on Revenue and Remittance, in the sense that if the education of migrant workers is good it will increase income, with the increase in income received by non-permanent migrant workers, the remittances that will be sent to the origin area will also be greater.

Work experience has a direct and indirect influence on income. Work experience also has an indirect influence on remittances through income, so it can be said that income mediates the effect of work experience on remittances. Based on this shows that work experience has an effect on income and remittances, in the sense that if more work experience is owned by someone then the output produced will be more so that the income received will also be more, with increasing income then remittances will be sent to the regions as long as it will be bigger too.

Working hours have a direct and indirect influence on income. Working hours also have an indirect effect on remittances through income, so it can be said that income mediates the effect of working hours on remittances. Based on this, it shows that working hours affect income and remittances, in the sense that the more hours of work taken by migrant workers, the more income earned with increasing income, the remittances to be sent to the region of origin will also be greater.

Should all parties, both the government and the community participate play a role in providing opportunities and facilities in an effort to improve the quality of Human Resources through Formal Education, especially for underprivileged children, for example giving scholarships.

Migrant workers should have a lot of work experience, so that they will be quick to complete work, so they can increase income.

To get more income, migrant workers should use more time to work outside the formal sector, with the increase in working hours the income will increase so that remittances sent to the origin region can also be more. The government should have a policy in regulating the number of migrants entering the city of Denpasar, this is aimed at reducing the number of people who are still unemployed. People who are still unemployed should be given counseling and job training to be able to create their own jobs in accordance with their respective abilities and interests to develop work competencies in order to improve their ability, productivity and welfare.

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