

ABSTRACT

OSIANA NYDA ANIFA. *Comparative Study of Manufacturing Labor Productivity between China and Indonesia* (under the supervision of Sugiyanto).

Productivity growth refers to an increase in the value of outputs produced for a given level of inputs. Labor productivity is the important sources income and economic growth. The objective of this paper is to analyze comparative of labor productivity China and Indonesia. This research has used data from the Statistics released by each country and World Development Indicators of World Bank. t-Test analysis for measure the labor productivity differences in manufacturing and regression model for measure labor productivity implicated to wages of the employee using panel data is estimated to analyze the labor productivity. Findings of the study show that there are differences in the value of manufacturing of labor productivity in China and Indonesia, manufacturing labor productivity in China most higher than Indonesia using t-test result. And another result there is implied between in the value of manufacturing labor productivity to the wages of the employee using regression test. Then, labor productivity in manufacturing implied production capacity, quality of produced commodities, raise and reduction of costs and wages.

Keywords: Labor, labor productivity, manufacturing, China, Indonesia.