**EFFECT OF GOVERNMENTAL EXPENDITURE ON**

**GROSS REGIONAL DOMESTIC PRODUCT, LABOR**

**AND POVERTY IN CENTRAL KALIMANTAN**

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**ABSTRACT**

The aims of this study are to analyze the effect of government expenditure on gross regional domestic product, labor absorption, and poverty in the new district of Central Kalimantan. The study was conducted by a quantitative research using secondary data released by official institutions in Central Kalimantan. The data is the realisation of regional expenditure (Government Expenditure). GRDP Constant Prices, Labor Absorption and Poverty in The New District of Central Kalimantan. Data analysis method used is path analysis.

The result of Path Analysis method shows: 1) government expenditure has significant effects on gross domestic regional product, 2) goverment expenditure has significant effects in manpower absportion, 3) goverment expenditure has not significant effects on poverty, 4) gross domestic regional product has significant effects on poverty, 5) manpower absportion has significant effects on manpower absportion, 6) government expenditure has significant effects on poverty through gross domestic regional product, 7) government expenditure has significant effects on poverty through manpower absorption in the new district of Central Kalimantan.

**Key words:** Government Expenditure, GRDP, Labor Absorption, Poverty

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