PUBLIC ADMINISTRATION

EFFECT OF BUDGET EFFICIENCY ON ECONOMIC GROWTH

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Abstract. This study is aimed to find and analyze a comparison of the region's ability to carry out budget efficiency, the relationship between regional expenditure and regional original revenue, and analyze the relationship of budget efficiency in creating Gross Regional Domestic Revenue (GRDP). Qualitative methodology is used to analyze the data by comparing and analyzing the ratio of efficiency relative from several regions. Through the Data Envelopment Analysis (DEA) approach and Linear Regression Testing, the results are seen as follows: first, there is a comparison of efficiency between districts/cities in budget management, where Pontianak City is a benchmark for districts/cities in West Kalimantan Province. Second, there is a significant positive relationship between the amounts of expenditure with the amount of Local Original Revenue. Third, there is a significant and positive relationship between budget efficiency and Gross Regional Domestic Revenue (GRDP) growth. The effort to maximize the budget in improving the Regional Original Income (ROI) can be done through giving motivation/awareness of society in paying tax and retribution, what can be achieved by optimizing the system of information and technology which are available and by the improvement of competency of apparatus resources.

Keywords: regional budget efficiency, city efficiency, gross regional domestic revenue, revenue growth, regency comparison.
JEL Classification: E620, H720, H760.

INTRODUCTION

The efficiency of government expenditure is one of the problems that attracted attention in several countries. It is related to the government expenditure in the cases of the developed country, which most of it focuses on the measurement of public expenditure. It reflected from the several researches, such as the research implemented by Gupta, Verhoeven and Tiongson (2001) which tested the efficiency of the government expenditure for education and health. The research that implemented on the period of 1984-1995 showed the average expenditure in these two sectors is inefficient. This also analyzed by Ouertani et al., (2018) in Saudi Arabia while in the period of 1988-2009. This finding implies the improvement of the public expenditure is not guaranteed by the improvement in education or health.

Meanwhile in Indonesia, the efficiency of local government (PEMDA) in particular, lately

becomes the attention of Minister of Finance. PEMDA is able to realize the efficient expenditure, because fiscal decentralization designed with the assumption that regional government knows the needs and conditions of every region. PEMDA also hoped to embody the expenditure which has spent the funding according to the society needed in every region. Decentralization, basically is the structuring policy management mechanisms with bigger authority to the region in order to have more effective and efficient governance and implementation of development (Aritenang, 2012). Related to the efficiency of expenditure problem, especially local government spending, the Ministry of Financial, Sri Mulyani Indrawati, referred many of the budget allocations in the Regional Revenue and Expenditure Budget (RREB) that are still inefficient.

LITERATURE REVIEW

According to Sri Mulyani, it is still the regional governments which spend the funding only to pay the fees or expenditure of employee (Riswan and Kesuma, 2014). The central government each year allocates the funding transfers to the regional and village funding (TKDD) in bigger number. In 2020, the central government allocates Rp 858,8 trillion or around 34% from total State expenditure as much as Rp 2.528,8 trillion for TKDD. According to the Ministry of Financial, the portion of personnel expenditure in the RREB reaches 36% for budget for goods and business trips as much as 13,4%, while for the office services shopping reaches 17,5% from total regional budget. Besides, from 389 PEMDA, most of it gives the additional income allowance to Regional State Civil Apparatus which varies and often found the additional unrelated allowances with the performance and bureaucracy reformation. Thus, more than 75% of the RREB has been allocated for various salary and operational expenditures (Syadullah, 2019).

In the Constitutions Number 32 and 33 of 2004 mandate an autonomous authority in order for the region implemented the development in all fields. The implementation of autonomous region is the process which requires the involvement of all elements and levels of society, with giving the authority to regional government in implementing the regional financial management. One important aspect of the implementation of regional autonomy which must be regulated carefully is the problem of regional financial management and RREB (Deviani, 2016).

RREB are the regional government annual financial policies which arranged and based on the prevailing statutory provisions or some various other balances with the aim to make preparation, observation, control and evaluation of regional expenditure budgets easy (Nugroho and Rohman, 2012). The other RREB can be the facilities for the certain party to see or know the ability of good region in terms of income and spending. The general phenomenon which faced by most of the local governments in Indonesia in regional finance is relatively small role (contribution) of ROI in the structure of Regional Revenue and Expenditure Budget (RREB). The cases are appointed through the district/city in West Kalimantan (Nurabiah, 2018).

Moreover, the RREB structure can be seen on how much ROI contributes to total regional revenues and from which posts it provides the big contribution on the development and regional income (Harliza and Anitasari, 2017). Hence, from the locally-generated revenue the reflections of the regional economic are potential. It is not excessive if the central government becomes ROI as the criteria in the giving of regional autonomous.

The Regional Revenue and Expenditure Budget (RREB) stipulated based on the regional regulation are in line with the purpose of country and also consistent with the State Revenue and Expenditure (SRE). RREB must made accordance with society, means the benefits of regional financial management must be felt by the community as much as possible. RREB are one instrument of policy which used as the tools to improve the public services and community welfare in the area (Kusmila, Mukhzarudfa and Yudi, 2018).

The understanding related to the system of planning and budget preparation is very important, not only to get the expenditure projections but to get the advice to the making of policy related to

the eligibility and desirability of a particular budget proposal, from the macro and micro economy. The other words, it is ease to control the government expenditure at the point of budget preparation "hulu" than after the implementation of budget (Israwan, Surarso and Frikhin, 2016).

According to Regulation of the Minister of Home Affairs (Permendagri) Number 21 of 2011, RREB is the planning of regional government annual financial plans which explains and approves by regional government and DPRD and stipulated with the regional regulation. RREB are the main policy instrument for the regional regulation. The budget is also used as the tools to determine the large income and expenses (Samekto, 2012).

The government expenditure is the tools to strength the good society capacity in health, education or budget. The government expenditure is the main indicator in growth and development of a nation. The biggest variant in this indicator highlights several country's approaches to deliver goods and the public service, and gives the social protection. Realizing the importance the effect of several indicators above, so the government spending efficiency indicators becomes very important (Soamole, 2013).

The Regional Expenditure General Policy referred to the government regulation Number 25 of 2000 related the authority of government and province as the autonomous region. Based on the budget principal, the regional expenditures are prepared using a performance budget approach oriented to the achievement of result (output) from input which planned (Solihin and Lesatri, 2010).

The regional expenditure used to the funding the implementation of government affairs which becomes the authority of province consist of the obligatory affairs, optional affairs, and affairs handled in certain sections or fields can be implemented along with Government, Government of Province and government of district and city. Since 2001, arranging the budget using the Performance-based Budgeting System, the performance budgeting which is a system of funding which prioritize the effort of reaching the output work result from the planning of funding allocation or the settled input (Yushkov, 2016). The basic difference from the performance budget with the long system is sourced from the expenditure which allocated only from the decentralization budget. So, the responsibility of District head concentrates especially on the budgets.

In the Permendagri Number 13 of 2006 referred that the regional expenditure are all the expenditure from the regional general cash account which reduced the current fund equity and the obligation of regional in a year which will not obtained reimbursed by the region. There are the expenditure of government consist of: 1) indirect expenditure and direct expenditure Articles 36 and; 2) Local government financing Article 18.

To improve the contribution of government expenditure especially through the procurement of goods/services on the economic growth, it is necessary to ensure that all government expenditures are properly absorbed. The implementation on the effort to guarantee the expenditure of the building infrastructure is needed to be done in the right time, realizing this is very important as one of determiner of the government's economic performance (Wibowo, 2014).

This is still becomes the main public highlight which related the expenditure allocation proportionality which still dominated the consumption than the allocation of development investment spending and basic infrastructure. The minimum the quality of government infrastructure spending is often considered as the biggest barrier of building which not optimal, one is causes by the bad performance of bureaucracy in procurement of goods/services, especially in the field of infrastructure construction procurement (Azwar, 2016).

PAPER OBJECTIVE

This research aimed to know and analyze the effect of the relationship of budgeting efficiency on the Gross Regional Domestic Income (GRDP).

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METHODOLOGY

These research implements two steps, the first step is to assess the level of expenditure efficiency of the District/city in the West Kalimantan as the output variable, while the input variable is the direct expenditure, indirect expenditure and the Regional Financing.

This research is qualitative analysis which compares and analyzes the ratio of efficiency relative from several regions. The second step implements the associative explanatory research which explains the effect of the independent variable on the dependent variable qualitatively through the hypothesis proof, in order to see the level of influence of Regional Expenditure Efficiency as an independent variable. The dependent variable is economic growth of District/city in the West of Kalimantan provinces.

This research was implemented in the entire District/city on the west Kalimantan province within 4 months. There is the type of data used in this research: the data time series for 5 years from 2014 to 2019. The data used in this research is secondary research as the data is obtained by the other party published by several other agencies in the form of documentation and the official archives. The secondary data in this research taken from the BPS or other publication including data are: 1) direct expenditure; 2) indirect expenditure; 3) regional expenditure; and 4) economic growth.

Analysis Method

Analysis of Panel Data Regression

This research is using panel data regression which is between data cross section and data time series, where the same unit crosses section which assesses the different time. While, the type of other data is data time-series and data cross-section to the data time series, one or more variable will analyze on one unit observation in the certain time. Thus, data cross-section is the analysis of observation unit in one point time.

Research Variables

Ratio of Regional Financial Relative Efficiency

To obtain relative efficiency ratio in this research Data Envelopment Analysis (DEA) is used. The method was discovered in 1978 by Charnes A, Cooper W.W. and Rhodes E. in the journal of Operational Research entitled "Measuring the Efficiency of Decision Making Units (DMU)". The journal defines the steps in taking the efficiency which can be used in evaluating the decision taking units. DEA is the technique based on the linear programs to evaluate the relative efficiency from the unit to taking decision, with how to compare between DMU one with other DMU which has the benefit of the same resources to produce the same output where the solution from the models indicates productivity or efficiency of a unit or other units. The end purpose of DEA means as the method to evaluate the performance and benchmarking (Israwan, Surarso and Frikhin, 2016).

The meaning of ratio efficiency is the ratio which describes the comparison between input and output or expenditure realization with regional revenue realization. The smaller this ratio, the more efficient, and vice versa, the result from the comparison above then compared between the number of city districts which becomes the comparing between another. Where the efficient value between district and city will becomes a benchmark for others. So, the relative efficiency value will found between $0 < x < 1$, which means if the ratio value is closer to 1 more efficient and vice versa.

There is the input which is explained as follows:

1.   RREB expenditure

RREB arranged as the government guidance in arranging the acceptance or expenditure. There are the purposes of RREB: 1) helps the regional government to reach the fiscal purpose; 2) improves the regulation or also coordination of every part involved in the regional government environment; 3) creates efficiency on the provision of goods and services; 4) creates priority of regional government expenditure.

The functions of RREB according to the Permendagri Number 13 of 2006 are as follows:

1) The authorization function: RREB can implement the profit and regional expenditure in the year concerned.

2) The planning function: RREB become guidance for management in planning activities in the concerned year.

3) The oversight function: RREB is able to assess whether the activities of local government administration are in accordance with the stipulated regulation.

4) Allocation function: RREB is directed to create the job vacancy or to reduce the unemployment, improving the efficiency by the effectiveness of economy.

5) Distribution function: RREB pays attention to justice or property.

6) The stability function: RREB becomes the tools to maintain the balance of economic fundamentals in a region.

a.   Indirect expenditure

The expenditure group as stipulated to Permendagri Number 13 of 2006 Article 36 Paragraph (1a) – are the budgeted spending which is not directly related with implementing the program and activity. The indirect expenditure group, as means in the Article 36 Paragraph (1a), is related to expenditure type which consists of:

a. employee expenditure;
b. flower;
c. subsidy;
d. hibah (grant);
e. social assistance;
f. profit sharing expenditure;
g. financial assistance;
h. unexpected shopping.

b.   The direct expenditure

Direct expenditure group means the expenditure which budgeted shopping related directly with implementing the program and activity in RREB District/city, the direct expenditure group from the activities according to the Permendagri Number 13 of 2006 Article 36 Paragraph (1b) is divided into 3 types of expenditure as follows:

1) personnel expenditure;
2) spending on goods and services;
3) capital expenditure.

c.   The Regional Equity Participation

The Equity capital is in the form of government investment to the business entity which obtains the ownership rights, including the establishment of a limited liability company. This implied in the Article 1 Paragraph 3 of the government regulation of Republic Indonesia Number 1 of 2008 related to the Government investment.

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2.   Regional Original Income (ROI).

The regional original income (ROI) is divided into 4 groups of income:

1) regional taxes;

2) regional retributions;

3) the result of management of assets owned by the region, which includes three parts namely:

a) share of return on equity participation in provincially – or municipally-owned corporations (BUMDs);

b) share of profit on equity participation in state-owned enterprises (BUMNs);

c) share of profit on equity participation in Private companies.

4) The regional original income (ROI) which officially comes from the Pemda ownership.

3.   The Gross Regional Domestic Product (GRDP)

The Gross Regional Domestic Product (GRDP) can be defined as all goods and services as a result of economic activities carried out in the country regardless of whether the production factors originating from or owned by residents of the area are domestic products from an area of the region concerned.

Income that causes domestic production in the area concerned is due to the value of domestic products which causes different incomes received by residents of the area.

Table 1

Total Regional Original Revenue (ROI) of City Districts in West Kalimantan Province from 2015-2018 (in rupiah – Rp.)

No	District/City	Average
1	SAMBAS	128,905.73
2	BENGKAYANG	44,564.79
3	LANDAK	76,824.61
4	PONTIANAK	66,712.27
5	SANGGAU	111,613.31
6	KETAPANG	153,824.20
7	SINTANG	141,537.88
8	KAPUAS HULU	86,022.62
9	SEKADAU	27,966.26
10	MELAWI	43,027.31
11	KAYONG UTARA	21,921.67
12	KUBU RAYA	131,083.62
13	PONTIANAK City	410,121.39
14	SINGKAWANG	116,121.25

Source: RREB Data Processed

Table 2

City District Economic Growth in West Kalimantan Province from 2015-2018 (percentage)

District/City	2015	2016	2017*	2018**
1. Sambas District	11.226	11.814	12.42	11.544
2. Bengkayang District	4.65	4.889	5.166	5.444
3. Landak District	5.763	6.068	6.383	6.71
4. Mempawah District	4.176	4.426	4.688	4.963
5. Sanggau District	11.047	11.637	12.161	12.705
6. Ketapang District	13.529	14.608	15.661	16.913
7. Sintang District	7.83	8.244	8.683	9.159
8. Kapuas Hulu District	5.301	5.581	5.882	6.189
9. Sekadau District	3.433	3.637	3.849	4.076
10. Melawi District	2.809	2.943	3.084	3.251
11. Kayong Utara District	2.062	2.185	2.304	2.42
12. Kubu Raya District	14.494	15.417	16.427	17.329
13. Pontianak City	20.747	21.801	22.903	24.054
14. Singkawang City	5.64	5.931	6.252	6.547

Source: According to Statistic Indonesia (*https://www.bps.go.id/*)

Table 3

Total Expenditures for the Average RREB of Municipalities in West Kalimantan Province from 2015-2018 (in rupiah – Rp.)

No	District/city	Indirect Expenditure	Direct Expenditure	Inclusion in the Regional Capital	TOTAL
1	KETAPANG	1,024,150.90	953,954.25	2,750.00	1,980,855.15
2	SINTANG	1,009,692.13	735,143.80	18,707.82	1,763,543.75
3	KAPUAS HULU	817,266.08	810,748.37	22,125.00	1,650,139.45
4	SAMBAS	894,105.66	693,700.15	1,125.00	1,588,930.81
5	PONTIANAK City	628,057.66	883,399.81	15,747.91	1,527,205.38
6	SANGGAU	809,486.92	584,809.25	8,625.00	1,402,921.17
7	KUBU RAYA	732,846.40	655,949.33	11,405.77	1,400,201.50
8	LANDAK	640,819.44	667,317.24	6,093.75	1,314,230.43
9	BENGKAYANG	565,449.17	473,607.67	5,812.50	1,044,869.34
10	MELAWI	541,406.64	471,948.96	4,750.00	1,018,105.60
11	PONTIANAK	573,083.36	419,114.16	5,500.00	997,697.52
12	SINGKAWANG	399,399.38	414,571.42	9,968.75	823,939.55
13	SEKADAU	395,220.45	414,518.42	3,570.00	813,308.87
14	KAYONG UTARA	317,801.49	392,406.11	2,000.00	712,207.60

Source: RREB Data Processed

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RESULT AND DISCUSSION

Efficiency of Regency / City Budget Management
Indirect expenditure
Indirect expenditure group means the group which is divided according to the type of expenditure which consists of: personnel expenses; flower; subsidy; grant; social assistant; profit sharing spending; financial assistant; unexpected shopping.

In 2015-2018 the highest average value was in Ketapang Regency of Rp. 1,024,150,900,000; and the lowest value was in North Kayong District of Rp. 317,801,490,000.

Direct expenditure
The direct expenditure group means the budgeted shopping that is directly related with the implementation of program and activity in district/city of RREB. The direct expenditure group is a form the activity that consists of: personnel spending; goods and services spending; capital spends.

In 2015-2018 the highest average value was in Ketapang Regency of Rp. 953,954,250,000; and the lowest value wass in North Kayong District of Rp. 392,406.110,000.

Equity Participation
The Equity Participation is the form of the Government Investment to the business entity with ownership rights, including the establishment of a limited liability company and/or the incorporate company. This implied in the Article 1 Paragraph 3 in Republic of Indonesia Government Regulation Number 1 of 2008 concerning the Government investment. The highest value in 2015-2018 was in the Sintang District of Rp. 18.707.820.000 and the lowest value was in the North Kayong District as much as Rp. 2.000.000.000.

The regional original income (ROI)
ROI is divided into four income groups:
1) Local tax which consists of the taxes of hotels, restaurants, entertainments, billboards, street lighting, extracting of group C minerals, and parking.
2) Regional retributions.
3) The results of the management of assets owned by the region, which are:
a) share of return on equity participation in BUMDs;
b) share of profit on equity participation in BUMNs companies;
3) share of return on the equity participation on the private companies;
4) other ROI which officially comes from the PEMDA. For instance, the proceeds from the sale of regional assets that are not separated current accounts, interest income, receipts for regional compensation claims and others.

The highest average value of the ROI in 2015-2018 was in the Pontianak of Rp. 410.121.390.000; and the lowest value was in the North Kayong District of Rp. 21.921.670.000.

District / City Budget Management Efficiency Ratio
Based on the two data above (Expenditures and ROI) through the Data Envelopment Analysis approach, it is possible to assess the value of financial efficiency in each district/city as follows:

Table 4

District / City Regional Financial Relative Efficiency Value in West Kalimantan Year 2015-2018 (in rupiah – Rp.)

No	District/City	2015	2016	2017	2018	Average
1	PONTIANAK City	1.00	1.00	1.00	1.00	1.00
2	SAMBAS	1.00	0.67	1.00	0.63	0.83
3	KETAPANG	1.00	0.95	0.55	0.68	0.80
4	KUBU RAYA	0.72	0.35	0.68	1.00	0.69
5	SINGKAWANG	0.76	0.52	0.58	0.65	0.63
6	PONTIANAK	0.44	1.00	0.57	0.45	0.62
7	SANGGAU	0.95	0.31	0.44	0.40	0.53
8	SINTANG	0.40	0.28	0.32	0.85	0.46
9	LANDAK	0.36	0.23	0.51	0.36	0.37
10	SEKADAU	0.24	0.04	0.12	1.00	0.35
11	BENGKAYANG	0.30	0.45	0.19	0.28	0.31
12	MELAWI	0.21	0.19	0.40	0.34	0.29
13	KAPUAS HULU	0.25	0.15	0.32	0.20	0.23
14	KAYONG UTARA	0.19	0.10	0.33	0.26	0.22

Source: RREB Data Processed

This can be seen from the average efficiency value of Pontianak City which has the most stable efficiency value, which is 1 (one). Pontianak City can be a benchmark for efficiency for other regions. This can be seen through the graph of the output approach in table 4 where the city of Pontianak is compared to other regions that are maximally efficient with their inputs. In other words, Pontianak City can maximize input which consists of indirect expenditure of Rp. 573.083.360.000, Direct Shopping Rp. 419.114.160.000, and capital investment of Rp. 5,500,000,000 to obtain Regional Original Income (ROI) of around Rp. 410.121.390.000.

The lowest efficiency value is found in North Kayong District of 0.22. In other words, North Kayong Regency has not maximized inputs consisting of indirect expenditures of Rp. 317.801.490.000, Direct Shopping of Rp. 392,406.110,000 and Equity Participation of Rp. 2.00.000.000 to obtain Local Original Income (ROI) of around Rp. 100 billion.

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Table 5

Efficiency Relationship in Creating Economic Growth

SUMMARY OUTPUT					
Regression Statistics					
Multiple R				0.6467	
R Square				0.4182	
Adjusted R Square				0.4074	
Standard Error				0.5104	
Observations				56.0000	
ANOVA					
	df	*SS*	*MS*	*F*	*Significance F*
Regression	1.0000	10.1112	10.1112	38.8146	0.0000
Residual	54.0000	14.0670	0.2605		
Total	55.0000	24.1783			

Y= Gross Regional Domestic Income (GRDI)
X= Efficiency

	Coefficients	Standard Error	t Stat	P-value
Intercept	2.4854	0.1085	22.8993	0.0000
LN Efficiency	0.6168	0.0990	6.2301	0.0000

Source: Own Study

Analysis of the Efficiency Relationship in Creating Economic Growth

It was found that there was a significant and positive relationship between Gross Regional Domestic Product (GRDP). This equation can be written in the statistical test results / *t count* as follows:

Table 6

The Gross Regional Domestic Income

	Coefficients	Standard Error	t Stat	P-value
Intercept	2.4854	0.1085	22.8993	0.0000
LNEfficiency	0.6168	0.0990	6.2301	0.0000

Equation; y = 2,4854 + 0,6168x

This can be defined if the increase in efficiency by 1 percent will increase in the amount of GRDP of 0.6168 percent. These results are not in accordance with the research conducted by (Sianturi, 2014) and (Djohan, Hasid and Setyadi, 2020). However, this study supports research conducted by (Rarung, 2016) in the city of Manado.

Analysis of Regional Capacity in Conducting Budget Efficiency

Comparison of Total Expenditure with ROI
If budget sorting is done, then the highest budget value is in Ketapang Regency, the highest average value is Rp. 1,980,855,150,000; and the lowest budget value is in North Kayong District of Rp. 712,207,600,000.
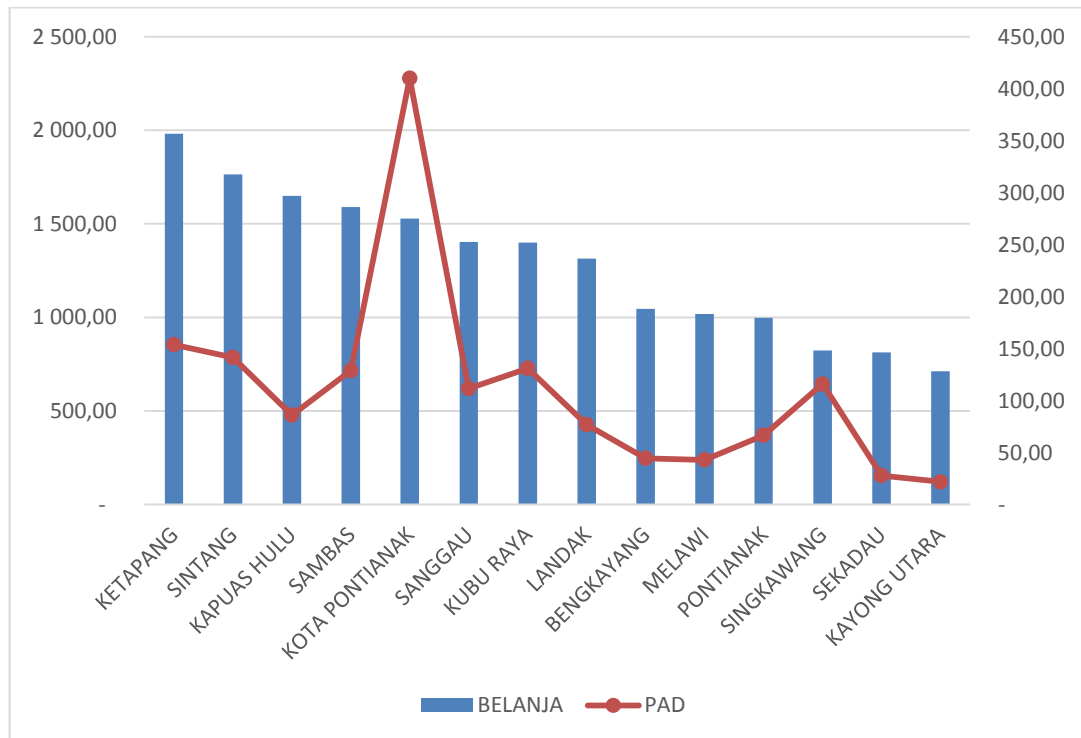

Figure 1. Graph of Comparison of Amount of Expenditure with ROI of Regency/City in West Kalimantan Province Kalimantan

Source: RREB Data Processed

If seen, the condition of segregation of Regional Original Income (ROI) does not follow the pattern of regional expenditures, where the highest ROI is in the city of Pontianak with an average of Rp. 410.121.390.000 and the lowest is in North Kayong District with an average of Rp. 21,921,670,000. So this can be reflected that various kinds of budgets have not been able to generate ROI.

This is in line with research conducted by Djohan, Hasid and Setyadi (2020), which further applies variations in government spending that have a significant positive effect on income inequality. This shows that variations in government spending determine the increase in income inequality between districts/cities.

Prediction of Efficiency of ROI in the Output Approach
It seems that the comparison between districts/cities in the most efficient budget management is Pontianak City with an efficiency value that is relatively equal to one, which can be a benchmark for other regions in West Kalimantan Province. Second, the Sambas Regency has an efficiency value of 0.83 with the realization of ROI an average of Rp. 100 billion. Through the output

approach, of course, Sambas Regency is able to optimize the budget for Regional Original Income (ROI) which is obtained around Rp. 150 Billion.

The third is Ketapang Regency with an efficiency value of 0.80 with the realization of ROI an average of Rp. 150 Billion. Through the output approach, Ketapang Regency must be able to optimize the budget for ROI which is obtained around Rp. 200 Billion. Fourth is Kubu Raya Regency with an efficiency value of 0.69 with the realization of ROI an average of Rp. 125 billion. Through the output approach, Kubu Raya Regency must be able to optimize the budget for ROI which is obtained on average of Rp. 200 billion.

The fifth is the Singkawang area with an efficiency value of 0.63 with the realization of ROI an average of Rp. 110 billion. Through the output approach, Singkawang City should be able to optimize the budget for ROI which is around Rp. 180 billion. The sixth is the Pontianak Regency area with an efficiency of 0.62 with the realization of ROI an average of Rp. 60 billion. Through the output approach, Pontianak Regency must be able to optimize the budget for ROI which can be obtained around Rp. 120 billion. The seventh is the Sanggau Regency area with an efficiency value of 0.53 with the realization of ROI an average of Rp. 110 billion. Through the output approach, Sanggau Regency must be able to optimize the budget for ROI which is obtained around Rp. 250 billion.
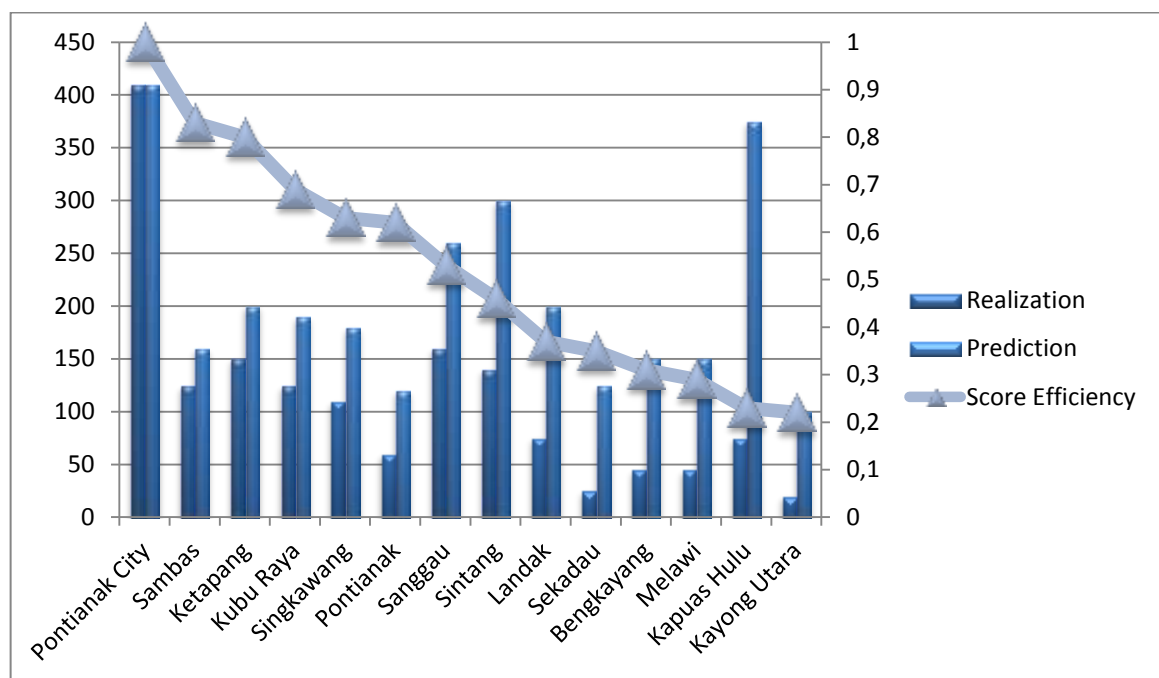

Figure 2. Graph of Comparison of Average Realization and Prediction of Regency/City Original Revenue in West Kalimantan Province

Source: RREB Data Processed

The eighth is the Sintang Regency area with an efficiency value of 0.46 with the realization of ROI an average of Rp. 140 billion. Through the output approach, Sintang Regency must be able to optimize the budget for ROI which is obtained around Rp. 300 billion. The ninth is the Landak District area with an efficiency value of 0.37 with the realization of ROI an average of Rp. 75 billion. Through the output approach, Landak Regency should be able to optimize the budget for ROI which can be obtained around Rp. 200 billion. The tenth is the Sekandau District area with an efficiency value of 0.35 with the realization of ROI an average of Rp. 25 billion. Through the output

approach, Sekandau Regency must be able to optimize the budget for ROI which is obtained around Rp. 125 billion.

The eleventh is the Bengkayang Regency area with an efficiency value of 0.31 with the realization of ROI an average of Rp. 45 billion. Through the output approach, Bengkayang Regency must be able to optimize the budget for ROI which is obtained around Rp. 150 billion.

The twelfth is an area of Melawi Regency with an efficiency value of 0.29 with an average ROI of Rp. 45 billion. Through the output approach, Melawi Regency must be able to optimize the budget for ROI which is obtained around Rp. 150 billion. The thirteenth is the Kapuas Hulu Regency area with an efficiency value of 0.29 with the realization of ROI an average of Rp. 75 billion. Through the output approach, Kapuas Hulu Regency should be able to optimize the budget for ROI which is around Rp. 375 billion.

The fourteenth is the area of North Kayong District with an efficiency value of 0.22 with the realization of ROI an average of Rp. 20 billion. Through the output approach, North Kayong Regency should be able to optimize the budget for ROI which is obtained around Rp. 100 billion.

CONCLUSION

It was found that there was a significant and positive relationship between efficiency and Gross Regional Domestic Product (GRDP). This can be seen from the comparison of budgets, so that the highest budget in Ketapang Regency is the highest average value of Rp. 1,980,855,150,000; and the lowest budget value is in North Kayong District of Rp. 712,207,600,000.

If we look at the condition of the ROI it does not follow the pattern of regional spending. Where the condition of the highest ROI is in the City of Pontianak an average of Rp. 410.121.390.000; and the lowest is in North Kayong District with an average of Rp. 21,921,670,000. So this is reflected that the highest budget variance that is able to generate ROI is also larger.

It can be seen that the comparison between districts/cities with the most efficient budget is the city of Pontianak with an efficiency value that is relatively equal to 1 (one), which can be a reference for other districts/cities of West Kalimantan province.

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ВПЛИВ БЮДЖЕТНОЇ ЕФЕКТИВНОСТІ НА ЕКОНОМІЧНЕ ЗРОСТАННЯ

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Дане дослідження мало на меті знайти та проаналізувати порівняння здатності регіону здійснювати бюджетну ефективність, співвідношення між регіональними витратами та регіональними початковими доходами, а також проаналізувати взаємозв'язок бюджетної ефективності у створенні валового регіонального внутрішнього доходу. Для аналізу даних використовується якісна методологія шляхом порівняння та аналізу коефіцієнта ефективності щодо кількох регіонів. Завдяки підходу аналізу обсягу даних та тестуванню лінійної регресії результати бачаться наступним чином: по-перше, проводиться порівняння ефективності між районами / містами в управлінні бюджетом, де місто Понтіанак є еталоном для районів / міст провінції Західного Калімантану. По-друге, існує суттєва позитивна залежність між сумою витрат та величиною місцевого початкового доходу. По-третє, існує значний і позитивний зв'язок між бюджетною ефективністю та валовим регіональним внутрішнім доходом. Заходи для максимізації бюджету для покращення регіонального початкового доходу, можуть бути здійснені шляхом стимулювання / обізнаності суспільства щодо сплати податку, що може бути забезпечено шляхом забезпечення оптимізації наявної інформаційної та технологічної системи та покращенням компетентності апарату ресурсів.

Ключові слова: регіональна бюджетна ефективність, ефективність міста, валовий регіональний внутрішній дохід, зростання доходу, порівняння регентств.

ВЛИЯНИЕ БЮДЖЕТНОЙ ЭФФЕКТИВНОСТИ НА ЭКОНОМИЧЕСКИЙ РОСТ

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Данное исследование имело целью найти и проанализировать сравнения способности региона осуществлять бюджетную эффективность, соотношение между региональными расходами и региональными начальными доходами, а также проанализировать взаимосвязь бюджетной эффективности в создании валового регионального внутреннего дохода. Для анализа данных используется качественная методология путем сравнения и анализа коэффициента эффективности по нескольким регионам. Благодаря подходу анализа объема данных и тестированию линейной регрессии результаты видятся следующим образом: во-первых, проводится сравнение эффективности между районами / городами в управлении

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бюджетом, где город Понтианак является эталоном для районов / городов провинции Западного Калимантана. Во-вторых, существует существенная положительная зависимость между суммой расходов и величиной местного начального дохода. В-третьих, существует значительная и положительная связь между бюджетной эффективностью и валовым региональным внутренним доходом. Мероприятия для максимизации бюджета для улучшения регионального начального дохода, могут быть осуществлены путем стимулирования / осведомленности общества по уплате налога, что может быть обеспечено путем обеспечения оптимизации имеющейся информационной и технологической системы и улучшением компетентности аппарата ресурсов.

Ключевые слова: региональная бюджетная эффективность, эффективность города, валовый региональный внутренний доход, рост дохода, сравнение регентств.