

ABSTRACT

ANALYSIS OF THE FACTORS AFFECTING DISTRICT / CITY INFRASTRUCTURE SHOPPING IN RIAU ISLANDS

By

ENCIK SHAKINA NARULITA FEKRI

The purpose of this study is to determine the extent of the influence of Regency/City Infrastructure Expenditures in Riau Islands, namely Regional Revenue, General Allocation Funds and Special Allocation Funds for Infrastructure Expenditures.

The sample of this study was 7 Regencies/Cities in the Riau Islands Province in the period 2013-2016. The data used is secondary obtained from Local Government Financial Reports. Data were analyzed using Eviews version 9.0 software.

The results of this study indicate that Regional Original Income has a positive and significant effect on Infrastructure Expenditures in Riau Islands, for the General Allocation Fund it also has a positive and significant effect on Infrastructure Expenditures in Riau Islands, while the Special Allocation Fund has no effect or not significant with Infrastructure Expenditures in Riau Islands. Therefore the Government further increases the Special Allocation Fund and that is proportional to Infrastructure Expenditure. One of the Special Allocation Funds is used to finance facilities and infrastructure by the local government, this becomes important to improve the economy of the community, so the amount should be greater than what is currently available.

Keywords: Infrastructure Expenditures, Local Revenue, General Allocation Funds and Special Allocation Funds

