

Contribution Of The Creative Economy Sector To Economic Growth And Labor Absorption In Pangkalpinang

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Abstract. *The study aims to investigate the relationship between the contribution of the creative economy sector to economic growth and employment in Pangkalpinang City. In the constantly changing context of the global economy, the creative economy sector has emerged as one of the major growth engines, with the main focus of research covering two key aspects, namely Poverty Dynamics and Population Activity of 15 Years and Up. Data analysed from 2016 to 2021 by exploring the types of training organized by the Tourism, Culture, Youth and Sports Department of Bangka Belitung Islands. The research uses methods of secondary data analysis involving economic data, employment, and creative economic sectors. The study identifies some creative subsectors that have greater growth potential than others. These sector-specific analyses provide a deeper insight into how different segments of the creative economy can more effectively contribute to the economic development of Pangkalpinang City. Implications of these findings are the need to develop stronger and more targeted policy strategies to support the growth of the creative economy sector. This research provides an in-depth understanding of the role of the creative economy sector in supporting economic growth and labour absorption in Pangkalpinang. The conclusions emphasized the need for inter-sectoral policy synergies and support for the growth of the creative sector of the economy in a holistic way. The implications of these findings could be the basis for more informed and sustainable policy planning in Pangkalpinang.*

Keywords: *Creative Economy, Economic Growth, Labour Absorption*

INTRODUCTION

Pangkalpinang, as one of the cities located in the province of Bangka Belitung, has played an important role in the economic process of Indonesia. With its stunning natural beauty and cultural diversity, Pangkalpinang has great potential to be a centre of sustainable economic growth. (Luqma et al., 2023). However, like many cities in Indonesia, Pangkalpinang is not escaping complex challenges, especially related to slow economic growth and still high unemployment rates.

Qualitative and inclusive economic growth has become a major focus for governments and stakeholders in Pangkalpinang. The city is faced with the need to create adequate jobs, reduce economic inequality, and accelerate growth in strategic sectors. Therefore, this study explores the contribution of the creative economy sector to the improvement of economic conditions and labour absorption in Pangkalpinang.

Data from the Central Statistical Authority (BPS, 2021) show that the creative economy sector in the region has experienced significant growth in recent years. This sector has been a major contributor to the region's gross domestic product (GDP) and has created important jobs. However, the important question that arises is how this creative economy sector contributes to the economic growth and absorption of labour in Pangkalpinang City, and to what extent its

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implications in the changing global economic context. In an era of global economic uncertainty, this study attempts to reconstruct the positive implications of the creative economy sector and highlights the importance of a deeper understanding of the sector's role in the local economy.

First of all, it is important to understand that Pangkalpinang, like other cities in Indonesia, is striving to a balance between economic growth and sustainability. With a growing population and people's expectations of better quality of life, the Pangkalpinang regional government is facing pressure to create policies that can have a positive impact in the long term. The still high unemployment rate is one of the indicators that the Pangkalpinang economy needs a thorough restructuring, and this is where the creative economy sector emerges as a key player in the narrative of sustainable economic development.

The creative economy in Pangkalpinang can cover a wide range of sectors, including art and culture, design, culinary, as well as information and communication technology. Applying the principles of creative economy to local economic development is not only about creating new products and services but also involves developing creative human resources, meeting growing market needs, and building a unique city identity.(Istiatin & Marwati, 2021). Therefore, the study is aimed not only to measure the impact of creative economies in numbers, but also to investigate the role of this sector in shaping the image and competitiveness of Pangkalpinang at the regional and national levels.

Sustainability is also an important focus in this research. Along with global trends, Pangkalpinang recognizes the need to shift to a more sustainable economy, both environmentally and socially. Economic growth that disregards sustainability risks damaging the environment and the well-being of people.(Untu et al., 2022). Therefore, this study will not only assess the contribution of the creative economy sector to conventional economic growth but also to what extent this sector can be an agent of change towards sustainable economic development.

With this background, this research will explore the various dimensions of the creative economy in Pangkalpinang. From the development of creative industries to the empowerment of local communities, every aspect will be outlined to provide a comprehensive understanding of the potential and constraints facing this sector.(Yudowati & Fitriyanti, 2020). The results of this study are expected to provide a basis for more effective policy formulation, open up new investment opportunities, and provide strategic guidance to the parties involved in the development of Pangkalpinang economy.

This research aims to deepen and analyze the role of the creative economy sector in driving economic growth and providing jobs in Pangkalpinang. The research focuses on identifying the contribution of the creative economic sector to the local economy, with an emphasis on economic growth and labour absorption. Through the analysis of secondary data from the period 2018-2023, the study will explain to what extent the creative sector of the economy plays a role in shaping the economic dynamics and creating employment opportunities in the city.

METHOD

This research method adopts a qualitative approach to the design of case studies, enabling in-depth exploration of the role of the creative economy sector in economic growth and labour absorption in Pangkalpinang. Participants were selected purposefully, taking into account key stakeholders, such as representatives of the creative economy sector, local governments, business actors, and the general public. Selection of participants is based on their experience, knowledge, and involvement in the creative economy ecosystem (Aziz, 2017). Data collection techniques involve in-depth interviews to dig into the views and experiences of participants related to the contribution of the creative economy sector. Observations were made to understand the dynamics of activity in the sector, while document analysis was used to gain additional context through government policies and industry reports. (Aziz Abdul Muh., 2017).

Data validity is reinforced through triangulation, with comparison and confirmation between data obtained from interviews, observations, and document analysis. Data analysis is conducted inductively, outlining findings and thematic patterns using thematic analysis techniques to understand the meaning behind the participant's narrative. The credibility of research is preserved through continuous interaction with participants, providing an opportunity for feedback on early findings, and involving experts who are competent in the field of creative economics. Although generalization is not the main focus in qualitative research, efforts are being made to make contextual generalizations that can provide insights relevant to similar situations. The ethical principles of the research were followed, including obtaining ethical consent and ensuring the confidentiality of participants' information.

RESULTS AND DISCUSSION

Results and Discussion In this section of results and discussion, we will explore key findings from this study involving the contribution of the creative economy sector to economic

growth and labour absorption in Pangkalpinang. In-depth analysis will provide significant insights for policy development and implementation of sustainable strategies

RESULTS

Table 1. Types of training organized by the Tourism, Culture and Youth and Sports Department of the Province of Bangka Belitung Islands in 2016 - 2020

No	Type of Training	Year 2016	Year 2017	Year 2018	Year 2019	Year 2020	Satuan	Sumber
1	Tourism	125	120	154	337	0	Training	Dinas Pariwisata, Kebudayaan dan Kepemudaan dan Olahraga Provinsi Kepulauan Bangka Belitung
2	Creative Economy	0	0	0	70	0	Traning	Dinas Pariwisata, Kebudayaan dan Kepemudaan dan Olahraga Provinsi Kepulauan Bangka Belitung

The above table reflects training data in the Tourism and Creative Economy sector in Pangkalpinang City from 2016 to 2020. In the type of Tourism training, there is a significant increase from 125 in 2016 to 337 in 2019, but in 2020 there are no training data. On the contrary, in the creative economics sector, no training was recorded between 2016 and 2017, but there was an increase in training participants to 70 in 2019. However, in 2020, again, there were no training information in this sector. The training data source comes from the Department of Tourism, Culture and Youth and Sports of Bangka Belitung Islands Province. The interpretation of this data shows significant variations in training participation in the Tourism and Creative Economy sectors during the period, which can affect understanding of human resource investment and competence development in those sectors in Pangkalpinang.

Tabel 2. Number of poor population in 2020 - 2022

Area	Number Population Poor (in Thousand People)		
	2020	2021	2022
Pangkalpinang	9.40	10.10	9.76

The data on the table reflect the number of poor people (in thousands of people) in Pangkalpinang for three consecutive years, namely in 2020, 2021, and 2022. In 2020, there were 9.40 thousand people living in poverty, increasing to 10.10 thousand in 2021, but decreasing in 2022 to 9.76 thousand. This data gives an overview of the dynamics of poverty levels in the region during the period. Although there was an increase in 2022, the decrease in

2022 indicates the potential for policy changes or efforts by the government or the community in addressing the poverty problem. Further analysis may be needed to understand the factors that influence these fluctuations and plan more effective measures in poverty reduction in Pangkalpinang City.

Tabel 3. Population aged 15 and over by type of activity in the last week in Pangkalpinang (people) in 2019 - 2021

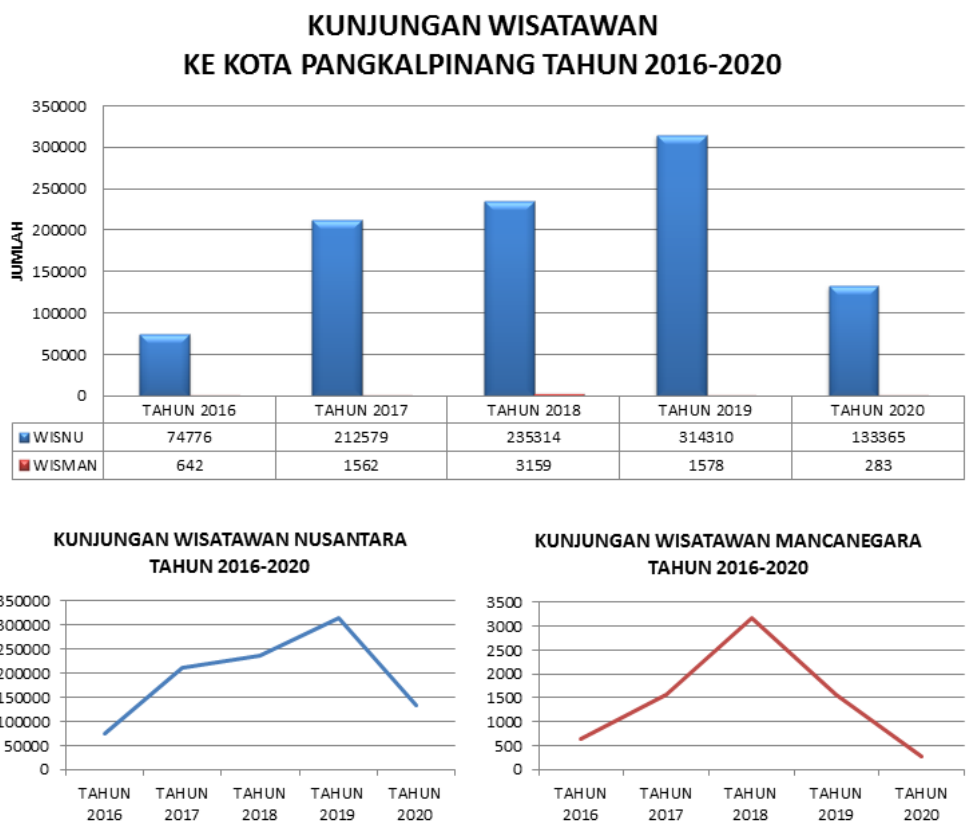
main activity	Population aged 15 and over by type of activity during the week (People)		
	2019	2020	2021
Labour Forces	110117	100912	107115
Work	104601	93915	99819
Open Unemployed	5516	6997	7296
Non-Labor Forces	50997	60881	57272
Schools	11667	10894	10400
Taking care of the households	31418	39286	39865
Other	7912	10701	83268
Quantity (Labor Force+Not Labour Force)	161114	161793	164387

The data in the table includes the number of people aged 15 and over in Pangkalpinang City based on the type of activity during the past week in 2019, 2020, and 2021. This figure is divided into two main categories: Labour Force and Non-Labour Force. In 2019, the number of labour force reached 110,117 people, which subsequently decreased to 100,912 people in 2020, but increased again to 107,115 people in 2021. In the working category, there were 104,601 people in 2019, which then declined to 93,915 people by 2020, and rose again to 99,819 people by 2021. The open unemployment rate also fluctuated, from 5,516 in 2019 to 6,997 in 2020, and 7,296 in 2021. On the other hand, the Non-Labor Force covered 50,997 people in 2019, increased to 60,881 people in 2020 and then decreased to 57,272 people by 2021. The main activities in this category include those in school, housekeeping, and other activities. Schools have declined from 11,667 people in 2019 to 10,894 people in 2020, and 10,400 people in 2021. Housekeeping activities have increased from 31,418 people in 2019, to 39,286 people in 2020. And 39,865 people by 2021. Other categories have also experienced significant fluctuations, from 7,912 in 2019, rising to 10,701 people by 2020 and rising drastically to 83,268 people by 2021. The total number, which is a combination of the Labour Force and the Non-Labor Force, shows a trend of increase from 161,114 people by 2019, to 161,793 people by 2020. This data analysis provides an overview of the dynamics of population activity in Pangkalpinang during the period in question, with significant fluctuations especially in the Non-Labor category, showing changes in the pattern of community activity over the last few years.

Table 1 presents training data in the Tourism and Creative Economy sector in Pangkalpinang (2016-2020). In Tourism training, there was a significant increase to 337 in 2019, while in Creative Economics, training participants reached 70 in 2019. No training data for 2020. These variations can affect the understanding of human resource investment in Pangkalpinang.

Table 2 shows the fluctuation of the poverty population in Pangkalpinang, reaching 9.40 thousand people in 2020, rising in 2021 to 10.10 thousand, and decreasing in 2022 to 9.76 thousand. These data reflect the dynamics of poverty levels in the region, raising questions about policies and efforts that may have been implemented to address poverty.

Table 3 gives an overview of the population activity in Pangkalpinang by type of activity during the last week in 2019-2021. Labour is fluctuating, falling in 2020 and rising in 2021. The Open Employment and Unemployment category follows a similar trend. Major activities in the Non-Labor Force, such as school, housekeeping, and others, show significant variation. The total labour force and non-labor force showed a steady increase from 161,114 in 2019 to 164,387 in 2021, reflecting a change in community activity patterns. Data fluctuations show an expansion of analysis to understand the factors behind these changes.



On the image, it shows a timeline chart for the number of tourist visits to Pangkalpinang, Indonesia, over a five-year period. (2016-2020).

Tabel 4. number of creative economy subsectors in Pangkalpinang

Jumlah per sub-sektor untuk 17 Subsektor Ekonomi Kreatif Di Kota Pangkalpinang			
No	nama sektor	jumlah	Proporsi
1	Permainan (game)	15	1,223
2	Kriya	199	16,232
3	Desainer interior	5	0,408
4	Musik	26	2,121
5	Seni Rupa	10	0,816
6	Desain Produk	24	1,958
7	Fashion	127	10,359
8	Kuliner	549	44,780
9	Film, animasi, dan video	11	0,897
10	Fotografi	28	2,284
11	Desain Grafis (Desain Komunikasi Visual)	4	0,326
12	Televisi dan radio	4	0,326
13	Arsitektur	2	0,163
14	Periklanan	5	0,408
15	Seni pertunjukan	210	17,129
16	Penerbitan	4	0,326
17	Aplikasi	3	0,245
	Jumlah	1226	92

Source : BPS, 2022

Based on the above classification, Pangkal Pinang is linked to the contribution of the creative economy sector to economic growth from the point of view of contribution to PDRB and employment (Harvey 2020). (Hatcher 2019). This is also supported by the findings of BEKRAF in 2017, where the three most dominant sub-sectors of the creative economy, in the period 2011-2016 experienced positive growth. During this period, the Culinary and Fashion Subsector saw an average growth of 7.36% and 3.05% respectively. In this study based on survey data in the city of Pangkalpinang the most dominant rank is Culinary, Fashion and Crafts.

DISCUSSION

Participation in Training in the Tourism Sector and the Creative Economy

The increased participation in training in the Tourism and Creative Economy sector in Pangkalpinang City reflects the complex dynamics in human resource development and training investments over a given period of time. These data are an important foundation for understanding the role of these sectors in economic growth and labour absorption in the region. In this context, more in-depth analysis is needed to detail the factors that may influence these fluctuations.

In 2019, there has been a significant increase in the number of training participants in the Tourism sector. The number of trainings peaked in the same year, indicating a strong focus on capacity-building and skills in the tourism industry. This increase may reflect awareness of the potential for economic growth through the tourism sector, which is often a major source of income for cities or regions that have tourist attractions.

However, dramatic changes occurred in 2020, where no training data was for the Tourism sector. This could be caused by the direct impact of the global pandemic of COVID-19 leading to travel restrictions, the closure of tourist attractions, and a significant decline in the tourism industry as a whole. This condition may result in the suspension or temporary suspension of training programmes normally related to the tourism industry.

The Creative Economy sector also shows a similar trend. In 2019, there was an increase in training participants in this sector, marking a recognition of the potential of the creative economy in supporting local economic growth. However, by 2020, the number of training participants is back to zero. As with the tourism sector, it may also be linked to the impact of the COVID-19 pandemic, which significantly affects creative economic sectors such as art, design, and other creative industries.

By 2020, many in the creative economy sector have been forced to close or reduce their activities due to the social and economic constraints caused by the pandemic. This may result in delays or cancellations of training programmes that are usually associated with skills development and innovation in this sector. In some cases, there may also be a shift in priority where companies or individuals are more focused on survival than investing time and resources in training.

The drastic decrease in the number of training participants by 2020 in both sectors underscores the impact of the pandemic on training and human resource development programmes. This condition highlights the urgency of adaptation and innovation in the maintenance of training, taking into account profound changes in the needs of the labour

market.

Faced with this challenge, governments, training institutions, and industry players in Pangkalpinang need to synergize to develop strategies that respond to changing external conditions. This could involve adapting the training curriculum to incorporate skills that are more relevant to current market conditions, supporting digitization initiatives to facilitate distance training, and drawing up an economic recovery plan that prioritizes human resource development.

Poverty Dynamics

The discussion of the contribution of the creative economy sector to economic growth and labour absorption in Pangkalpinang, linked to poverty dynamics, requires a thorough analysis involving economic, social, and policy aspects.

a. The Contribution of the Creative Economy Sector to Economic Growth:

The creative economic sector has been recognized as one of the significant drivers of economic growth. In the context of Pangkalpinang, the role of this sector can be seen from its contribution to job creation, increased economic added value, and urban economic diversification. Through innovation, creativity, and unique business development, the creative economy sector can have a positive impact on the growth of Pangkalpinang economy.

The success of the creative sector in boosting economic growth can be measured by the growth of the city's regional gross domestic product (GDP). The increase in added value generated by creative subsectors such as art, design, information technology, and other creative industries can create a more dynamic and sustainable economic circulation.

However, it should be noted that economic growth generated by the creative economic sector is not always even. Therefore, policies that support economic inclusiveness are needed, ensuring that the benefits of economic growth also cover the wider segments of society, including those in poverty.

b. Labour absorption:

One important aspect of the contribution of the creative economy sector is its ability to absorb labour. In the face of poverty, improved employment opportunities are key to improving the well-being of the people. The creative economy sector, with its innovative and dynamic nature, can be a major source of new job creation.

Increased investment and growth in the creative economy sector will create demand for various types of jobs. For example, the graphic design subsector may employ designers, the art and craft subsector can provide opportunities for local craftsmen, and the information and communication technology (ICT) subsector could open up opportunities for technicians.

Significant absorption of labor from the creative economy sector could also reduce the

unemployment rate in Pangkalpinang. More citizens' involvement in creative economic activities can increase economic independence and reduce economic inequalities among societies.

c. Poverty Dynamics:

As the creative economy sector grows, analysis of poverty dynamics becomes essential. It requires a deep understanding of the relationship between economic growth and the reduction in poverty rates in Pangkalpinang. Although economic growth can have a positive impact, it should be borne in mind that the impact may not be immediately felt by all segments of society.

It is important to identify segments of society that are still in poverty despite economic growth. By understanding the characteristics and challenges faced by these groups, a more targeted policy can be designed to improve their well-being.

Moreover, the role of the creative economy sector in reducing poverty lies not only in the absorption of labour, but also in empowering local communities to be creative economic actors. Training and support programmes for small and medium-sized entrepreneurs in the creative sector can be effective strategies to combat poverty by providing skills and business opportunities.

d. Intersectoral policy integration and synergy:

In order to maximize the contribution of the creative economy sector to economic growth and poverty alleviation, comprehensive policy integrations and intersectional synergies are needed. The involvement of governments, the business world, and the public in designing and implementing policies that support this sector is the key to success.

In this case, inter-sectoral synergies involve collaboration between the creative sectors of the economy with other sectors such as education, tourism, and manufacturing industries. This policy integration can create an ecosystem that supports the growth of the creative economy sector and ensures that the benefits are felt by the entire community.

e. Sustainability and Innovation:

In order for the contribution of the creative economy sector to be sustainable, efforts are needed to continue to drive innovation. Human resource capacity development, investment in research and development, as well as the promotion of innovation in the production and marketing of creative products can be strategic measures.

The sustainability of the creative economy sector also needs to be considered from an environmental point of view. The principles of sustainability in the production and use of resources must be applied to ensure that economic growth does not harm the environment and can be by future generations.

Active population aged 15 and over

The discussion on the contribution of the creative economy sector to economic growth and labour absorption in Pangkalpinang needs to be broadened by taking into account the activity of the population aged 15 and over. This analysis will highlight how the creative economic sector interacts with the activities of people in a particular age range, as well as its impact on economic participation and the dynamics of the labour market in the city.

a. Relationship between the Creative Economy Sector and Population Activity:

In investigating the contribution of the creative economy sector to economic growth and labour absorption, it is essential to understand how creative economic activity creates opportunities and shapes the activity of the population aged 15 and over in Pangkalpinang. For example, the growth of the sub-sector of graphic design or art and craft can affect career choices and public involvement in creative activities.

Societies engaged in the creative economy sector, whether as entrepreneurs or workers, may have higher levels of participation in economic activities. Therefore, an understanding of the population activity profile in Pangkalpinang can provide insight into the extent to which the creative economy sector has inspired and encouraged people to engage in creative economic activities.

b. Jobs and Career Opportunities in the Creative Economy Sector:

The involvement of people aged 15 and over in the creative economy sector can also be analyzed through the lens of employment and career opportunities. Sub-sectors such as graphic design, information and communication technology (ICT), and other creative industries can provide unique and rapidly growing employment opportunities.

The growth of the creative economy sector is often accompanied by a demand for specific creative and technical skills. Therefore, residents in Pangkalpinang can see increased opportunities to develop these skills and pursue more diverse careers in the creative sectors. Understanding the preferences and career choices of the population can provide valuable information for the planning of education and training in the city.

c. Impact on participation in local economies:

Population activity in the creative economy sector can make a significant contribution to participation in the local economy. Communities engaged in creative economic activities not only create economic added value but can also support the development of local business ecosystems. Populations engaged in the creative economy sector often have relatively high purchasing power, which can have a positive impact on the growth of the retail and service sectors. The creativity and innovation emerging from this sector can also stimulate micro and small in Pangkalpinang, creating a more dynamic and inclusive economic environment.

d. Identification of Trends and Changes in Population Activity:

Through an analysis of the activity of the population aged 15 and over, we can identify trends and changes in their economic preferences and choices. Has there been an increase in participation in the creative economy sector over time? Is there a shift in employment trends or career opportunities that can be linked to the growth of this sector?

Understanding the dynamics of population activity can help predict future labour needs and help design appropriate education and training policies. By involving people in the process of economic planning, more effective and sustainable solutions can be produced.

e. Policy support to encourage population activity in the creative sector:

The importance of population activity in the creative economy sector indicates the need for strong policy support from local governments and related institutions. Policies that support education and training in creative fields, as well as incentives to open up creative enterprises, can stimulate public participation in this sector. Furthermore, proactive policies in creating a conducive and sustainable business environment will help to maintain and enhance population activity in the creative economy sector. Financial support infrastructure, and accessibility can also be key factors in encouraging wider participation.

CONCLUSION

The final conclusion emphasized the importance of ensuring that the growth of the creative economy sectors not only focused on statistics, but also had a comprehensive positive impact on the well-being of the people. Sustainability should be the primary focus, including in human resource management and the environment. By summarizing these findings, the journal's findings provide a basis for more informed and sustainable policy planning in Pangkalpinang. By continuously monitoring such dynamics, the city can more effectively direct economic growth and labour absorption to improve the overall well-being of the population. Based on the contribution of the creative economy to the absorption of labour in the city of Pangkal Pinang, it can be concluded that the most dominant creative economy in the culinary, craft and fashion industries sectors played the highest role in the absorption of labor in the town of Pangcal Pinang.

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