The Influence of Tourism Sector to the Income of Simalungun Regency Area

Robert Tua Siregar
tuasir@gmail.com
Universitas Simalungun

Abstract: *Tourism activities can be defined as a process that left his home to go to a place and get back to the place it comes from. People or groups that conduct tourism activities are called tourists. Tourism is in principle a number of relationship of symptoms produced and leave foreigners, provided that their residence was not caused the incidence of residences and businesses that are temporary or permanent work-seeking efforts as full. For it can be seen that in reality the sector tourism one of the sectors that can be used as a source of Simalungun Regency (Locally Generated Revenue). The tourism sector played an important role in the Tourism sector has an important role in the economy of Indonesia as one of the sources of foreign exchange receipts and employment as well as the opportunity of trying. In the draft national development, to improve the people's welfare, the outlines of the bow of the State have determined that the development of tourism should be continued and improved broadening and benefiting sources from the tourism sector as well as the national tourism potential to be economic activities can be expected to increase the acceptance of foreign exchange, expand and flatten the employment opportunities and the chance of trying in particular to the surrounding society stimulates regional development, culture and national identity.*
Keywords: *Tourism, development, culture, foreign exchange*

I. Introduction

1.1 Introduction

The development of tourism in fact is an effort to develop and utilize objects and tourist attraction, which is manifested, among others in the form of natural resources, diversity of flora and fauna, cultural and artistic traditions of variety, as well as historical relics from ancient times. According to the presidential instruction No. 9 of 1969 on tourism to formulate that Indonesia's tourism development goal is in the following:

1. Increasing foreign exchange income in particular, the expansion of employment opportunities and encouraging activities supporting industry and industries of the other side.
2. Introducing and exploring the natural beauty and culture of Indonesia
3. Enhance the fraternity/national and international friendship.

From the above goal the Government set the expectations will be the development of tourism in the country, this certainly can be realized if all parties join in order to succeed for example: by managing the existing tourism potential to the maximum so that results can be enjoyed by the whole community. The increase in foreign exchange gain not only because of the increasing number of tourists but also because of the increase of the level of spending is accompanied by shopping tourists. It is obvious that the Government put the tourism sector in the wisdom of economic development. This can be seen on TAP MPR No. II/1993 GBHN explanation i.e. mandated that the construction of the tourism in the second long-term development (PJP II) should be further enhanced and directed to improve the foreign exchange, increase the income of the regions and the communities, create jobs, and encourage economic activities related to the cultural development of the nation, by utilizing the beauty and natural wealth of Indonesia are diverse.

Simalungun Regency is a Regency in North Sumatra Province which has a great potential of its tourism sector. Development of *Simalungun* Regency Tourism, especially when viewed from the development of the travelers have been experiencing increased from year to year. As for the development of the number of tourists visiting the County of *Simalungun* can be seen from the table.

Table 1. The number of tourists visiting the Simalungun Regency Year increase in Tourist

Year	Tourists			Increasing	
	Foreigner	**Domestic Tourists**	**Total**	**People**	**%**
2002	548.158	128.007	712.165	-	-
2003	621.287	138.673	759.817	47.652	6,69
2004	670.287	152.530	822.817	63.000	8,29
2005	700.287	262.352	962.637	139.820	16,99
2006	800.576	352.120	1.152.696	190.059	19,74
20077	800.676	234.602	1.035.278	-117.488	-10,19

Source: Data 2002-2007 retrieved from *Simalungun* District Tourism Office

From the table we can see that the number of tourists visiting the *Simalungun* Regency has been increasing rapidly, although the rate of increase varies greatly depending on the economic situation that occurred both domestically and abroad. The rapid increase in the number of tourists coming into the *Simalungun* Regency, it will encourage other sectors and increase the Revenue of the original area (*(Locally Generated Revenue)*) *Simalungun* Regency. To enhance the growth of the tourism sector, the Government has made a work program, where the program will be implemented when backed by the public, the Government and the private sector also.

1.2 Hypothesis and We
Based on the author's explanation above taking the temporary conclusions as hypotheses for solving the problems presented, namely:
1. As one of the tourist destinations in Northern Sumatra where the tourism sector plays a role in increasing the *Simalungun* Regency *(Locally Generated Revenue)*
2. The sources of income of the original Area of the tourism sector are:-Tax Levy-I; construction of recreation areas

1.3 Purpose of the Study
The purpose of the study is to find the influence of the tourism sector to increased *(Locally Generated Revenue)*, while the benefits of this research are:
1. Consideration of the Government on the tourism sector in order to increase the income of the original Area
2. Study materials and references for all those in need.
3. Improve the ability researching for authors

1.3 Reserach Methodology
Engineering Data retrieval is with the Research Library and field research

The methods used are: $\log Y = a + \alpha \beta_1 \log x_1 + 2 x_2 + \log \beta \mu$

Where: Y = Income Native

α = Intercept

X_1 = Tax Development

the regression Coefficient 1 = β to influence Tax Development I

X_2 = Levy recreation

the regression Coefficient 2 = β to influence recreation Levy

μ = random Coefficients

Further tested using the tables by finding values of F f in advance using the formula:

$$F\ ratio = \frac{R^2/(k-1)}{(1 - R^2)/n-k}$$

Where: R^2 = coefficient of determination

k = number of variable overall

n = number of years

Hypothesis testing is carried out using a statistically significant approach (test of significant) is a procedure for a calculation result to check whether or not the hypothesis is correct. Hypothesis testing is done with α 1% in other words a confidence level of 99%, and 5% or in other words a confidence level of 95%. While the free variables to see if collectively impact variables were not free, then use the F-test (F-test) and decision criteria:

Ho = accepted, if the F ratio < f table (k-1) (n-1)

H1 = rejected, if the F ratio > f table (k-1) (n-1)

While the development tax to see whether I and recreation levy significant t-test was used with the acceptance criteria are as follows:

Ho = rejected, if t is a/-t < 2 < or t > a/2

Ho = acceptable, if-t a/2 a/t < < 2

II. Review of Related Literature
2.1 Principles And Measures In Improving the Revenue Native
The development of tourism in the PJP I grown rapidly, look among others in receipt of considerable State of foreign exchange from the tourism sector. Indonesia has a great potential to develop tourism, considering the richness and beauty of nature and a rich culture. In the development of tourism for PJP II various challenges and constraints will be faced, besides the existence of opportunities that can be exploited. As one of the service industry, tourism is very instrumental as a result of foreign exchange for many countries, including Indonesia. This sector has the potential both for creating job opportunities and a chance to improve or attempting to shatter its revenue as well as the community and the region. Therefore in the PJP II challenge is improving the tourism sector became a mainstay. The potential of objects and huge tourist attraction to be developed to attract tourists visit *SEBAYAK* (a place for tourism) possible. Thus, the challenge is to improve the

competitiveness and the attraction of objects in order to be able to attract tourists visit as much as possible. The development of tourism requires HUMAN RESOURCES in sufficient number and quality that are scattered on the whole object and tourist attraction, the level of awareness of society to support and play an active role in the development of tourism has also not yet adequate. In addition, the condition of the economy and the political and security conditions that are not yet stable.

All this is an obstacle in the development of tourism, but in the steps can be done by:
1. Fix, developing and digging the potential attractions are not yet ready to sell
2. Organizing cooperation with third parties i.e. the institutions of Government, the private
3. Organize a tourism promotion both directly as well as with relevant agencies
4. Throw a party culture example: a party of Lake Toba, Rondang Star Party

A mid the various obstacles that Center squeeze areas to enhance the ability of its own in the face of the demands of the increasingly high regional development (i.e. the Organization of local government more efficient and effective, the provision of public services to the community in the area, as well as the development of the physical infrastructure and non-physical to strengthen business sectors), there are still some gaps that could be developed to increase the Revenue of the original area. These constraints led to the consequence that to increase *(Locally Generated Revenue)*, local governments to undertake structural improvements, which include: the identification of the potential of the *(Locally Generated Revenue)*, and the mechanism of voting system, increased the capacity and the capacity of the apparatus, and infrastructure law. As for the real steps that must be taken by the local authorities is as follows:
1. Identify potential areas with both its own and raise ability to load these potentialities.
2. Stress to some sources a large acceptance only.
3. Set a pricing policy that is able to support the achievement of the optimization of production capacity.
4. Take into account everything from a more macroscopic review ...
5. Streamline the imposition of local user charges.

Based on the needs and interests of sagi people who travel, then we can divide or classify some types of tourism are: 1. Pleasure Tourism; 2. Recreation Tourism; 3. Cultural Tourism; 4. Sport Tourism; 5. Business Tourism; 6. Tourism Convertion. Whereas tourism can be seen form of tourism in both domestic and foreign, namely:
1. Individual Tourism or Tourism Use;
2. Organized Collective Tourism or Tourism Organised By the collective good.;
3. Long Term, Short Term and Exarcusion Tourism; and
4. Active and Passive Tourism

2.2 Area Study and Potential

Simalungun Regency area district, one of the areas the Regency in North Sumatra since the colonization of the Netherlands until now very famous fertility of the soil, which is characterized by the abundance of large plantation-plantation belonging to the State and private foreign produce commodity: Palm oil, tea, cocoa, rubber, and other perennials that most bear became a commodity exports out of the country. The green of the forest *dilerang barisan* mountains *Simalungun* Regency crossing as well as the blue water of the Lake Toba is the back ground/background beautiful natural panorama with its people with its unique culture, became a favorite and is a heaven for tourists, so anyone will enjoy staying at this place and always will come back for a visit.

Simalungun Regency is located between the ' 020 31-020 18 ' North latitude and 980 32 '-980 34 ' East longitude at an altitude of 20-1500 meters above sea level that the State of the soil in the form of the lowlands and the rugged mountains with an area of 4,375.32 Km2, *Simalungun* Regency.

2.3 Potential

Simalungun Regency area district has the potential of tourism to popularize to travelers who are not owned by other regions in Indonesia. these various Potential, namely: the original culture, dances, customs, history, history, legends/folklore, traditional houses, various tourist attractions, such as the beautiful natural panoramas, especially surrounding Lake Toba and recreational attractions are scattered in the area of District *Banya Simalungun*. For the potential area for Interesting Sights to visit there several types, namely:

1. Nature Tourism

Its natural beauty especially around Lake Toba, was a gift of the one true God, which is the main attraction for tourists. Namely at 1. *Parapat-Lake Toba; 2. Haranggaol; 3. Tigaras; 4. Cape Camel; 5. Sipolha; 6. The cave of Liang; 7. Tourism Road Toba Kohan; 8. Simarjarunjung*; 9. *High King*

2. Recreational Tourism

In addition to the natural and cultural tourist attractions, there is still some recreational attractions are no less important and the Yanks to visit, such as:

-Coral Sari;-Manigom;-Bah Hapal;-Sump hapasuk; Waterfall Gardens recreation *Simpang Elephant Stone*

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3. The Agro Tourism

Simalungun Regency is a fertile agricultural region. The fertility of the soil is characterized by a large number of famous plantation-plantation large State-owned and private, with the results of foreign commodity: Palm oil, tea, chocolate, gum, and other perennials. Plantations-plantations are located in the bank of the road traffic of tourists, so the tourists are easy to achieve and witnessed firsthand the employees Plantationin the company, namely:*PTPN XIV-Bah Jambi, Java, Marihat Fencing;-PTPN XIV III Mount Pamela, Wake Up;-PT Good Year;-PTP VIII Sidamanik, Bah Butong, Marjandi;-Botanical Garden*

4. Cultural Tour

To preserve the cultural heritage of the ancestral language is an asset of national tourism, *Simalungun* Regency area annually organized cultural party: a party of Lake Toba, Rondang Star Party. Sights: the houses of Ancient Dykes Bolon;-*Simalungun* Museum;-Stone Elephant;-the sacred Dome Hanging stones;

III. Methodology

3.1 Preview *(Locally Generated Revenue)* from the tourism sector

From the table we can see average earnings growth of native areas from the tourism sector of 13.07%. Then it cannot be denied that the tourism sector at this point is an interesting sector as a source of income of the area then still have a great opportunity to continue to be dug and developed. As for the Independent Variables that affect the tourism sector or *(Locally Generated Revenue)* is:

Table 2 of the Original Areas Of Revenue Growth.Simalungun Regency

Fiscal Year	Total *(Locally Generated Revenue)*	Growth
1999 / 2000	1.791.707.731,46	-
2000 / 1991	1.124.676.030,80	-59,31 %
1991 / 2002	1.305.218.432,60	13,87 %
2002 / 2003	2.135.113.197,74	38,84 %
2003 / 2004	1.954.297.367,83	-9,25 %
2004 / 2005	2.241.271.840,25	12,80 %
2005 / 2006	3.322.231.662,67	32,54 %
2006 / 2007	4.298.102.901,11	22,70 %
2007 / 2008	4.490.755.465,91	4,29 %

Source: Department of Revenue (Data processed)

From the table above we can see the growth of *Simalungun* Regency *(Locally Generated Revenue)* 14.52%. To see the growth of the tourism sector of *(Locally Generated Revenue)* can be seen from the following table.

Table 3. Growth of the *(Locally Generated Revenue)* from the tourism sector

Fiscal year	*(Locally Generated Revenue)* **for Tourism**	Growth
1999 / 2000	200.919.717,602	-
2000 / 2001	234.515.843,130	14,33 %
2001 / 2002	249.632.783,270	6,06 %
2002 / 2003	321.131.018,840	22,26 %
2003 / 2004	459.059.277,000	30,05 %
2004 / 2005	581.602.813,000	21,07 %
2005 / 2006	696.344.992,000	16,48 %
2006 / 2007	640.820.937,000	-8,67 %
2007 / 2008	541.076.764,000	-18,43 %

Source: Department of Revenue and the Department of tourism (Data processed)

From the table we can see average earnings growth of native areas from the tourism sector of 13.07%. As for the Independent Variables that affect the tourism sector or the tourism sector that affects the *(Locally Generated Revenue)* is tax development I is one sector that is very influential in *Simalungun* Regency *(Locally Generated Revenue)*. It can be seen from the given contribution this sector is enormous. From the table below we can see the influence of the tax development I in *Simalungun* Regency tourism sector.

Table 4. Tax revenues from construction I The fiscal year of the Tax Development I *(Locally Generated Revenue)* Percentage

Fiscal Year	*(Locally Generated Revenue)* of Tax Development	*(Locally Generated Revenue)*	Percentages
1999 / 2000	178.382.783,84	1.791.707.731,46	9,96 %
2000 / 2001	190.448.693,13	1.124.676.030,80	16,93 %

2001 / 2002	198.571.981,27	1.305.218.432,60	15,21 %
2002 / 2003	237.979.698,84	2.135.113.197,74	11,15 %
2003 / 2004	357.248.677	1.954.297.367,83	16,28 %
2004 / 2005	446.086.363	2.241.271.840,25	19,91 %
2005 / 2006	558.589.792	3.322.231.662,67	16,815 %
2006 / 2007	501.129.767	4.298.102.901,11	11,66 %
2007 / 2008	394.223.114	4.490.755.465,91	8,78 %

Source: Tourism (Data processed)

From the table we can see the influence of the average tax revenue Development I against the *(Locally Generated Revenue)* of 14.29%. Then it is obvious that Tax Development I is the mainstay tourism sector which contributes to the *(Locally Generated Revenue)*. Whereas the levy from the recreational park contributed Income and its effects on Native *Simalungun* Regency:

Table 5. Income from levy on Recreation

Fiscal Year	*(Locally Generated Revenue)* **Recreation Levy**	*(Locally Generated Revenue)*	Percentage
1999 / 2000	22.536.920	1.791.707.731,46	1,26 %
2000 / 2001	28.535.500	1.124.676.030,80	2,54 %
2001 / 2002	31.608.550	1.305.218.432,60	2,42 %
2002 / 2003	61.279.320	2.135.113.197,74	2,87 %
2003 / 2004	70.703.450	1.954.297.367,83	3,62 %
2004 / 2005	77.181.250	2.241.271.840,25	3,44 %
2005 / 2006	74.332.900	3.322.231.662,67	2,24 %
2006 / 2007	78.957.770	4.298.102.901,11	1,84 %
2007 / 2008	76.150.470	4.490.755.465,91	1,69 %

Source: Tourism (Data processed)

From the table we can see average influence acceptance of retribution against recreational places a *(Locally Generated Revenue)* of 2.44%. In fiscal year 2003/2004 the influence of recreation levy against the *(Locally Generated Revenue)* of 3.62% this is caused because of the many tourists who come to the tourist attractions. In 2007/2008 the influence of recreational parks levy against *(Locally Generated Revenue)* declined by 1.69% due to the decline in tourists coming to a tourist attraction.

IV. Findings

To determine the extent of the influence of the tourism sector toward the *(Locally Generated Revenue)* then held multiple Regression calculation test users who use the system Mikrostat. In the study, development and tax levy recreation as a free variable of each X 1 and X 2 while the Original Revenue results Area as variables are bound.

4.1 Multiple Regression Analysis.

Table 6. The results of multiple Regression Analysis of income from The Tourism Sector Simalungun Regency

No	Variabel Bebas	Coeffision Regression	Standard Error	t-Statistic
1	X_1 = Text Development I	0,6908	0,5989	1,153
2	X_2 = Contribution for recreation	0,1852	0,5313	0,349

Constanta = 2.0577
the f-Ratio   = 5.7373
Adjusted R2   = 0.5422
R2   = 0.6566
If the results of the calculation of these parameters into multiple regression equation, then the equation is obtained:
µY = 2.0577 + 0.6908 0.1852 + x 2 + X 1
Where: Y = Income Native = Constantα to influence Tax Development Iβthe regression Coefficient 1 = X 1 = Tax Development I
the regression Coefficient 2 = β to influence Recreation levy
X 2 = Levy Recreation = errorµ
From the results of the equation on the influence of the tourism sector towards the original Income areas in the District the *Simalungun* retrieved:

4.2 Research Findings:
1. The coefficient of a determinant (R2)
Determinant of the coefficients (R2) of the variable means 65.66% there are able to collectively exert influence of 65.66 34.34% and% again influenced other variables that are not in the equation.
2. The determinant of the coefficient corrected

The value of the coefficient is adjusted (corrected) of 54.22% to the size of the sample, the coefficient being estimated amount and the value of the determinant of the coefficient (R2) itself. It also means the ability of a model to independent variables in particular explains its effect on Y of 54,22%.

Based on multiple regression analysis of the retrieved information:

a. Test statistic T

Construction of I and tax levy recreation effect is not real against the original revenue areas.

b. F-test statistics

The F-test statistics show significant tax development variables means I, levy recreation together explain its influence on variations in the total revenue of the original area.

c. Standard Error of EST

Standard Error of the EST of 0.1432. This shows the variables that affect IE gives error rate of 0.1432.

In reality the Governments in the region in General still gets a subsidy from the local Government Center. One reason for the cause of such subsidies is due to Central Government activities in areas that still have not been able to overcome by funds obtained government region itself so the regional government budget have yet to describe the ability of local government as a whole. In systematics, the ability of the local government budget funds local government itself which is sourced from the area in question is referred to as the original areas, namely Revenue income outside of Central Government assistance and lending area. Part of this area's original income sourced from: local tax, Levy, the company's regional areas, Service-service in the area and other income sources are official.

V.   Conclusions and Suggestions

5.1 Conclusions

At the end of this paper can be concluded and recommended that it deems useful for the development of tourism in the area of *Simalungun* Regency.

1. The tourism sector is a sector that need to be developed in the area of *Simalungun* Regency, because some things namely as a tourist destination because of its rich natural beauty and infrastructures and means that there is enough to boost the development of the tourism sector.
2. The contribution of the tourism sector toward the *(Locally Generated Revenue) is* little when compared to other sectors, but this sector can reduce unemployment, encourage improvements to the quality of life for the residents, increase incomes and encouraging the activities of other sectors.
3. The independent tourism sector Factors i.e. tax development I and recreation levy is a very important factor was dug and developed. This is very necessary because it will give the effect or influence for the revenues of the original area.
4. From the results of the calculation using the formula of Linear Regression can prove the existence of influence between the tourism sectors with revenues of *Simalungun* Regency of Native 65.66%

5.2. Suggestions

1. In order to further increase the number of tourists coming to the region to do so, *Simalungun* District tourism promotion effectively and continuously with all parties.
2. the need to increase service to be carried out both by companies engaged in tourism began when it comes to upon leaving this area so as to give a good impression, which is in effect a double for the district is because it can also be effective as a promotion.
3. Need to implemented care sustainability sights that there has been a particular sights that have operated and continuously held a research on excavation-excavations of tourist attractions.
4. To achieve the purpose of the tourism sector makes the sector a mainstay *Simalungun* in the Region then it is recommended that coaching and assistance by the Government in the development of tourism infrastructure and facilities.
5. The need to continue this tourism sector is encouraged in order to better contribute to the income of the original area.

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