Priority For Strengthening Manpower Institutional Capacity In North Maluku Province

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Abstract
The main problem of employment includes the amount of open unemployment, the low quality of the workforce (low competency), low work productivity, and low welfare of workers, so workforce planning is needed that can be used as a reference by all stakeholders in picking up investments in North Maluku Province. The purpose of this study is to look into the strategy for establishing and expanding workforce competency in various investment priorities in North Maluku Province. The goal is to enhance worker competency in the short and medium term; consequently, the quality of Job Training Centers must be prioritized (JTC). Furthermore, downstreaming agriculture and fisheries is a critical investment priority for preparing its workforce for competence, because it is commensurate with the characteristics and potential of local resources, as well as geographical considerations and sustainability guarantees.

Keywords: Employment, competitiveness, investment, inclusive growth, AHP

Prioritas Kompetensi Tenaga Kerja Untuk Daya Saing Investasi Di Provinsi Maluku Utara

Abstrak
Masalah utama ketenagakerjaan diantaranya adalah besarnya pengangguran terbuka, rendahnya kualitas angkatan kerja (kompetensi rendah), rendahnya produktivitas kerja, dan rendahnya kesejahteraan pekerja, sehingga diperlukan perencanaan tenaga kerja yang dapat dijadikan acuan oleh seluruh pemangku kepentingan dalam menjemput investasi di Provinsi Maluku Utara. Tujuan penelitian ini adalah menganalisis strategi mengembangkan dan meningkatkan kompetensi tenaga kerja pada berbagai prioritas pilihan investasi di Provinsi Maluku Utara. Menggunakan metode analisis deskriptif dan *Analysis Hierarchy Process* (AHP), hasil penelitian ini menunjukkan bahwa prioritas untuk meningkatkan kompetensi tenaga kerja di Maluku Utara dalam jangka pendek dan menengah, perlu memberi perhatian dan prioritas terhadap mutu balai latihan kerja (BLK). Selain itu, prioritas investasi yang sangat urgen untuk dipersiapkan bekal kompetensi tenaga kerjanya adalah hilirisasi pertanian dan perikanan, karena sesuai dengan karakteristik dan potensi sumber daya lokal, aspek geografis serta jaminan keberlanjutan (*sustainability*).

Kata kunci: Ketenagakerjaan, daya saing, investasi, pertumbuhan inklusif, AHP

INTRODUCTION

Investment is critical to economic progress in the context of regional development. Domestic and foreign investments, in general, are in desperate need of a favorable business climate and simple and straightforward investment procedures. In general, the inflow of investment is strongly dependent on a region's investment attractiveness and a favorable

investment climate. The region's potential to attract investment is greatly dependent on its existence and ability to establish investment and business policies that, when combined, will increase the quality of service to the community. Aside from stable macroeconomic conditions, one of the most essential criteria in attracting investors is the need to improve human resources and infrastructure (in a broad sense). This will shift the orientation of the government's role from regulator to supervisor which will ultimately optimize the role of the private sector in the economy (Tambunans, 2010).

One of the primary goals of development is to achieve the ideal pattern of income growth, with a particular focus on speeding growth and income of the poor. As a result, the concept of achieving high economic growth without accompanied by a reduction in poverty and income disparity is not the correct concept. Although economic analysis does not often discuss the relationship between economic growth and income distribution, most theories suggest that inequality in income distribution must be sacrificed in order to enhance the speed of economic expansion (Sitepu, 2010).

In actuality, however, inequality frequently leads to social envy and violence, which occurs in a variety of Indonesian locales. Furthermore, in the management of natural resources, enterprises that exploit nature on a huge scale in the area can only be spectators, generating social jealousy, conflict, and perpetuating inequity. As a result, people get socially frustrated, which leads to criminal behavior or other forms of violence (Siswosoemarto, Hasibuan, & Iskandar, 2012). An economy built to reduce structural inequalities will almost certainly have better resilience to crisis shocks (Boediono, 2016).

There is an interesting phenomenon that social scientists call the "resource curse" (Auty, 1993). Countries with plentiful natural resources, such as oil and gas, frequently perform worse in terms of economic development and good governance than countries with fewer natural resources. (Humphreys, Sachs, & Stiglitz, 2007).

On the other hand, a scarcity of natural resources has not proven to be a barrier to economic development. For example, while lacking huge quantities of natural resources, the Asian Tigers (Hong Kong, Korea, Singapore, and Taiwan) have all succeeded in building export industries based on manufactured goods and rapid economic growth. On the other hand, many natural resource-rich countries are still trying to take off and seek independent economic growth. Some of them even experienced a severe economic downturn (Humphreys et al., 2007)

In dealing with global extractive industries, national governments in many countries often fail to get the full value of their resources. The crux of the problem is that private sector groups have an interest in maximizing their profits and minimizing what the state should earn (Humphreys et al., 2007).

In various dynamics of investment in the field of natural resources, employment issues are problems that often distort relations between local government, central government and investors (entrepreneurs). No wonder the employment aspect is often one of the indicators considered by investors in deciding investment choices in a country or region. Local governments everywhere, always try to make every investment decision choice, can

encourage the acceleration of quality economic growth. One indicator of the quality of economic growth is growth that can ensure the absorption of labor from every labor force that is always growing. The opening of job opportunities in the regions with investment, is expected to reduce unemployment, poverty rates, and gradually reduce inequality.

One of the important issues in employment, in addition to the state of the labor force (economically active population) and the structure of employment, is the issue of unemployment. From an economic point of view, unemployment is an indication of the inability of the labor market to absorb any available labor force. The availability of relatively limited employment opportunities is unable to absorb job seekers who continue to increase every year in line with the increase in population. The high unemployment rate does not only cause problems in the economic field, but also causes various problems in the social field, such as poverty and social insecurity (Muhson, Wahyuni, & Mulyani, 2012).

North Maluku's GRDP (Gross Regional Domestic Product) in the third quarter of 2018 released by North Maluku Central Bureau of Statistics (CBS), is still dominated by household consumption expenditure components of around 53.15 percent and foreign exports of around 39.62 percent. Meanwhile, the contribution of Gross Fixed Capital Formation (GFCF) or investment in North Maluku still ranks third at around 30.29 percent with a growth of around 10.37 percent. Meanwhile, investment realization data from the Investment Coordinating Board (ICB), North Maluku's investment realization during the January-September 2018 period was Rp. 385.22 billion (DI= Domestic Investment) and US$ 145.28 million for investment originating from abroad (FI/Foreign Investment). The DI and FI figures for January-September 2018 were higher than the realization during 2017 which was only around Rp. 328.8 Billion for DI (Domestic Investment) and US$ 54.2 million for FI (Foreign Investment).

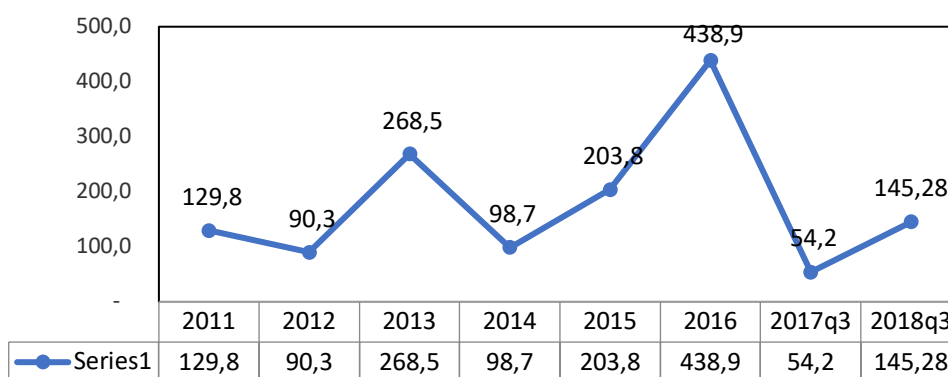|	2011	2012	2013	2014	2015	2016	2017q3	2018q3
Series1	129,8	90,3	268,5	98,7	203,8	438,9	54,2	145,28

Figure 1. Investment Realization (FI) in North Maluku 2011-2018q3 (Million US$)

Source: BKPM 2019, processed

Data from the CBS publication of North Maluku Province in 2018 shows that there are still quite a lot of workers who work with low levels of education, namely Elementary School (ES) of 37.87%, then Junior High School (JHS) of 17.47%, Senior High School (SHS) 23.65%, Vocational High School (VHS) 5.23%, Diploma 2.65%, and University 23.24% in August 2018. Then it dropped to 35.5% for SD in August 2019, JHS 17.18 %, SHS 26.79%, VHS 5.4%, vocational education D1, D2/D3, 2.73%, and University 12.42%.
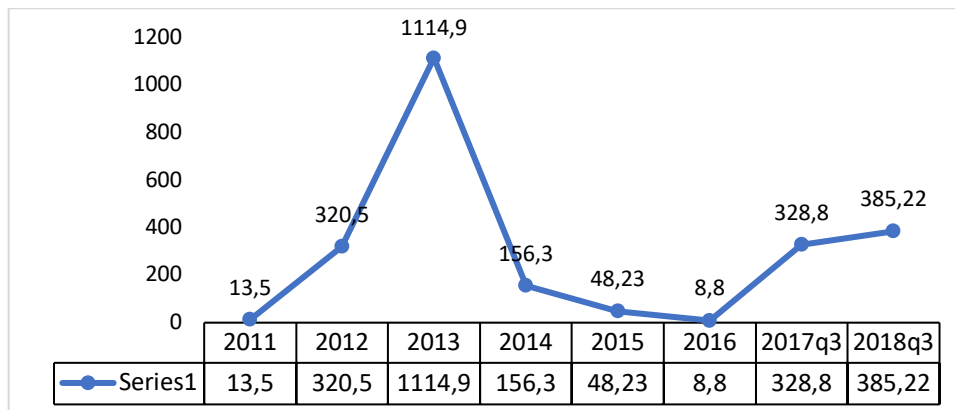
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Figure 2. Realization of Investment (DI) in North Maluku 2011-2018q3 (Billion Rp.).

Source: BKPM 2019, processed

Labor absorption until August 2020 was still dominated by working people with low education, namely elementary school and below as many as 188.8 thousand people (34.17 percent). While the working population with university education is 67.1 thousand people (12.15 percent). While the working population with a Diploma level of education has the smallest contribution, which is 3.33 percent or as many as 18.4 thousand people. In terms of business fields, most of the population of North Maluku work in the agricultural, plantation, forestry, hunting and fishing sectors (CBS, 2020).

The development of the agricultural sector cannot be separated from agricultural education and training. Agricultural education and training plays an important role in human life, developing the resource capacity that drives the agricultural sector. Agricultural education and training is also one of the agricultural innovation systems. A country's agricultural sector will grow and be competitive through agricultural innovation (Setiawan, Purnomo, & Ernah, 2019).

The data above indicate that the composition of the workforce in North Maluku Province is generally in the private sector. Those who work in the private sector, the majority work in the informal sector. The dominance of workers in the informal sector is so large, if not handled seriously, will have the potential to create a gap between competence and the needs of the labor market. If this happens, any increased labor force will not be absorbed into the economic sector, the potential for unemployment will increase and the consequence will be slowing economic growth.

Local governments are expected to take a leading role in mobilizing the potential of local resources for development progress in the regions by prioritizing sectors that have the greatest impact on employment. The hope is that the jobs created are inline with efforts to solve the complexities of social problems in order to realize social welfare. Institutionally, the supply side (government institutions) should take a bigger role in solving various social and economic problems, especially opening up job opportunities in the regions. This needs to be done with various policy packages to facilitate the entry of investment. The policy on

evaluation and relaxation of regulation (Regional Regulation) which has been curtailing the accessibility of investment in the regions needs attention, in addition to preparing investment in human resources (labor skills).

The reality of the data above at least shows that the agricultural sector is still the sector that absorbs the largest workforce in North Maluku, although the number is decreasing. The general characteristic of an economy that still relies on the primary sector is that it is volatile, highly vulnerable to fluctuations in commodity prices on international markets. In addition to the primary sector, the sectors that have a sizable portion in supporting the economy of North Maluku in the GRDP structure are trade and industry. North Maluku's economic growth rate is always above the national economic growth which reached 7.92 percent in 2018. However, this growth has not contributed much to the creation of jobs in the region. Absorption of natural resource-based labor in North Maluku is relatively limited. Almost all natural resource-based industries, especially in the mining sector in any country, are capital intensive industries. The mining sector is recognized as a sector that is not so large in providing job opportunities compared to the service and manufacturing sectors.

Economic growth in North Maluku is not only higher than the national average, but more than that, the expected growth must have quality and inclusive figures in the reality on the ground - the growth in question is sourced from the supply side, the stimulation of the production process from the community that grew from a series of investment activities in the region. To support the direction towards this process, high quality human resources are needed.

The substance of the problem (research questions) is which institution should be prioritized to develop the capacity of human resources (HR) in opening access to training opportunities and competent skills, at least to meet the qualification needs of skilled workers in picking up investment opportunities in resource-based industries. nature in North Maluku?

Research Purposes

Analyzing the priority of institutional strengthening to improve the competence of the workforce in various labor institutions and the priority of investment options in North Maluku Province.

Theoretical Basis

In 2020–2030, Indonesia will face a demographic bonus, namely the growth of the labor force age (15–64 years) which reaches around 70% of the total population. This number of workers will increase the economic value which is very beneficial as long as a skilled and standardized workforce can be managed and prepared (Triyono & Mateeke Moses, 2019).

Undoubtedly, training activities are a continuous function of human resource management to facilitate the adaptation of employees to new conditions or environments, and also to improve decision-making and problem-solving abilities in those environments.

Training is an important indicator given to employees and is an important wing of the investment made by everyone (Ozkeser, 2019).

The Vocational Training Center (BLK) has great potential to improve the quality of the Indonesian workforce. The existence of this BLK is increasingly strategic with government support. BLK functions include (a) preparation of plans, programs, budgets, evaluation and reporting; (b) implementation of manpower training; (c) conduct trials of training programs, and test the competence of workers; (d) institutional cooperation and report preparation (R. M. Wispandono, Sri Rahayu Ningsih, Yuherawan, & Dyah, 2020).

Many theoretical studies and research results on the role of education in economic development have been carried out since the 1960s with the point that investment in education contributes more to economic development than investment in other fields (Becker 1964; Psacharopoulous, 1987, 1987). 1994, 1997). Claims like this are easy to see. Countries with limited natural resources, but with high-quality human resources, their economies are also developing rapidly, for example Japan, South Korea, Hong Kong, Singapore, and China. (Slamet, 2011).

In terms of human resource development, it is often necessary to define and describe the related activities and desired outcomes within an organization. Employee training, in particular, is linked to on-the-job skills acquired for a particular role, while education is seen to be associated with a more formal academic background. The benefits of the training have been documented (Wilson, 1999; Jensen, 2001; Sommerville, 2007), with organizations and workers who are reaping rewards in terms of improving employee skills, knowledge, attitudes and behaviors (Treven, 2003) and outcomes such as improved staff performance (Brown, 1994), job satisfaction, productivity and profitability (Hughey, Mussnug, Aaron, & Mussnug, 1997).

It is impossible to provide vocational and vocational education without technical training. When repeated, vocational and vocational education will be able to build students' skills. Repetition allows one to enhance and refine one's talents. Retraining can also be defined as delivering new training to people who are already on the job. To strengthen the technical competence of active workers, retraining is required. All countries invest in vocational and technical education and training (VTET); in fact, the correlation reveals that the higher the country's income level, the greater the proportion of students enrolled in technical and vocational education and training institutions (Sudira, 2012).

Market globalization is hastening the distribution of technology and the pace of innovation. New jobs began to arise and take the place of old ones. The essential skills and abilities in each type of employment have evolved in tandem with increased knowledge of manufacturing processes and services. Finally, the well-being of any country is determined by how many people work in that country and how productive they are, which is determined by the skills they have and how efficiently they employ those skills. More and better education and training will encourage innovation, investment, economic diversification and competitiveness, as well as social and employment mobility—and thereby not only create more jobs but also be more productive and more dignified. Quality

primary and secondary education, complemented by skills training and skills development opportunities can prepare future generations for more productive lives, leaving them with essential skills that enable them to continue learning (International Labour Organization, 2011).

Adam Smith's Classical Theory

Smith (Subri, 2003), According to classical theory, humans are the primary factors of production that determine a nation's success. The reason for this is that nature (dirt) is meaningless if there are no human resources capable of processing it to make it usable for life. In this situation, Adam Smith's (1729-1790) standard theory sees good human resource allocation as the catalyst for economic growth. To keep the economy developing once it has grown, more (physical) capital must be accumulated. In other words, effective human resource allocation is a prerequisite for economic progress.

Keynes Theory

The Classics held that an economy based on the strength of the market mechanism would always result in equilibrium. All resources, including labor, will be fully utilised in a balanced position. As a result, there is no unemployment in a market-based system. If no one works, they are willing to work at a lower salary rate rather than generating no revenue at all. Companies will hire more of them as a result of their willingness to labor for cheaper rates.

Keynes' (1883-1946) critique of the Classical system was that there was no automatic adjustment mechanism that ensured the economy would reach equilibrium at full employment. In reality, the labor market does not function in the manner described above. Wherever employees have a type of labor organization (labor union), they will endeavor to fight for workers' interests as pay levels fall. Keynes' (1883-1946) critique of the Classical system was that there was no automatic adjustment mechanism that ensured the economy would reach equilibrium at full employment. In reality, the labor market does not function in the manner described above. Wherever employees have a type of labor organization (labor union), they will endeavor to fight for workers' interests as pay levels fall.

METHOD

This is a descriptive qualitative study. Interviews, observation, and documentation were utilized to obtain data. The gathered data were descriptively and qualitatively examined. Purposive sampling was used to select the research subject. Using a single weighting, the study topic is the Manpower Office stakeholder, and the keyperson is the personnel of the Manpower Office of North Maluku Province. A variety of measures, including surveys, in-depth interviews, and conversations concerning employment in North Maluku, were developed. Using the Analytical Hierarchy Process (AHP) technique to determine which policy options and labor institutions in North Maluku should be prioritized in order to develop workforce capabilities and diverse investment sectors.

Analytical Hierarchical Process (AHP) is a hierarchy with human opinions as the primary input. Prof. Thomas Lorie Saaty of Wharton Business School invented it in the early 1970s. In problem solving, this strategy is used to determine the order or priority ranking of multiple possibilities. AHP is commonly used to express a very effective decision-making process from a difficult problem (Umar, Fadlil, & Dahlan, 2018).

The AHP technique determines priority in multiple steps, which are as follows:

1. Establish hierarchies
2. Evaluate the criteria and options
3. Establishing priorities
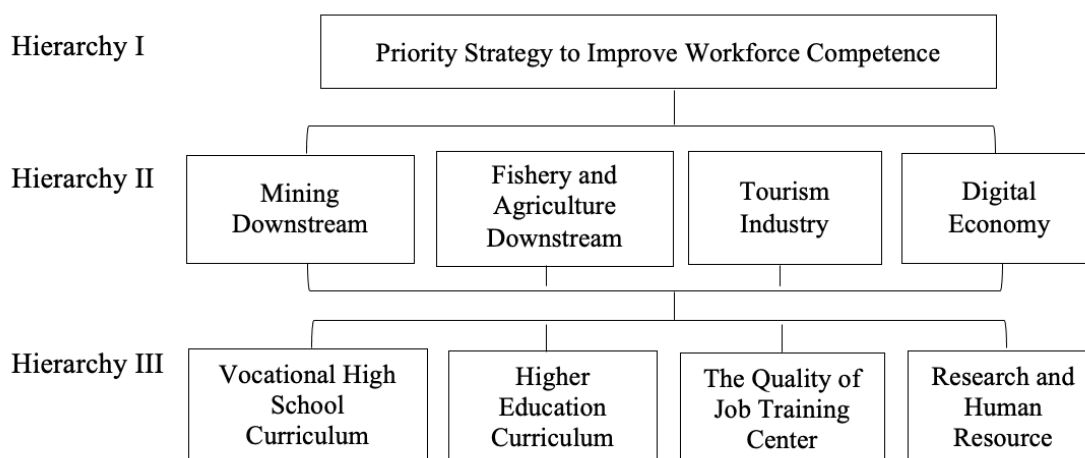4. Determine the significance of logical consistency.

Hierarchy I	Priority Strategy to Improve Workforce Competence			
Hierarchy II	Mining Downstream	Fishery and Agriculture Downstream	Tourism Industry	Digital Economy
Hierarchy III	Vocational High School Curriculum	Higher Education Curriculum	The Quality of Job Training Center	Research and Human Resource

Figure 3. AHP Hierarchy Structure
Source: Primary data, *in-depth interview* with *keypersons*

FINDING AND DISCUSSION
Descriptive Analysis

The Economy of North Maluku

North Maluku's economic growth in the third quarter of 2018 was 8.17 percent year on year, an increase over the previous quarter's 7.31 percent (yoy). North Maluku's economy in the third quarter of 2018 reached Rp9 417.7 billion in terms of Gross Regional Domestic Product (GRDP) at current prices, and Rp 6386.6 billion in terms of constant values in 2010. In terms of production, growth was driven by all business fields, with the Manufacturing Industry Business Field achieving the largest growth of 20.90 percent. The Overseas Export Component experienced the greatest growth in terms of expenditure, increasing by 155.43 percent (CBS Malut, 2019).

When viewed from the creation of sources of economic growth in North Maluku in the third quarter of 2018, manufacturing leads the way with 1.67 percent increase, followed by Mining-Excavation at 1.32 percent and Wholesale-Retail Trade, Car-Motorcycle Repair at 1.28 percent. (CBS Malut, 2019).

According to GRDP contribution, the Manufacturing Industry business sector is the most important contributor to growth in North Maluku. The contribution of the Manufacturing Industry to growth in North Maluku was 1.67 percent in the third quarter of 2018, up from 0.98 percent in the second quarter. Mining is another important economic sector in North Maluku, accounting for 1,32 percent of the total. Meanwhile, despite a downturn, the Trade and Government Administration business sector still had the third greatest growth share in the third quarter of 2018, namely 1.28 percent and 1.20 percent, respectively (Bank Indonesia, 2018).

In terms of economic performance, statistical figures show that North Maluku has a fairly high economic growth. However, this growth was driven by the export performance of mining commodities, which tended to be temporary, depending on global economic conditions (volatile). At any time if there is a global economic slowdown (global slowdown), this will again slow down the performance of commodity exports from North Maluku.

Employment

According to the CBS (Central Bureau of Statistics) the working-age population in North Maluku in 2017 was 811,067 individuals. There are 516,231 people, or 63.65% of the total working age population, who are not in the labor force. There are 27,516 people in the labor force who are classed as unemployed, including those who are looking for employment or planning to start a business, those who are not looking for work because they believe it is impossible to find work, and those who already have a job but have not begun working. As many as 43.33 percent of the unemployed are high school graduates (BPS, 2018).

Table 1. Employment Development in North Maluku

Indicator	2015		2016		2017		2018	
	Feb.	**August**	**Feb.**	**August**	**Feb.**	**August**	**Feb.**	**August**
Population aged 15 years and over	763,3	773,18	782,4	792,5	801,9	811,0	822,4	830,3
Work force	519	513,6	530,7	524,5	557,1	516,2	588,0	541,4
Employed	490,2	482,54	512,5	503,5	530,3	488,7	560,6	515,6
Unemployed	28,8	31,06	18,2	21	26,8	27,5	27,4	25,8
Non work force	244,3	259,58	251,7	268	244,7	294,8	234,5	288,8
Labour force participation rate	67,99%	66,43%	67,83%	66,19%	69,48%	63,65%	71,49%	65,21%
Unumployment rate	5,56%	6,05%	3,43%	4,01%	4,82%	5,33%	4,65%	4,77%

Source: Bank Indonesia, (2018)

The level of Open Unemployment (OU) in North Maluku was 4.77 percent in August 2018, higher than in February 2018 but lower than in August 2017, when it was 4.65 percent and 5.33 percent, respectively. During the same time period, the OU increased, while the Labor Force Participation Rate (LFPR) decreased. North Maluku's LFPR in August 2018 was recorded at 65.21%, lower than February 2018 but higher than August 2017 which were 71.49% and 63.65%, respectively. The increase is not only in terms of percentage, but also in terms of quantity. The workforce in North Maluku who worked in August 2018 was recorded at 515.6 thousand people, fewer than February 2018 but more than August 2017 which were 560.6 thousand people and 488.7 thousand people, respectively. (Bank Indonesia, 2018).

In August 2018, the agriculture, plantation, forestry, hunting, and fishing sectors employed the most people, accounting for 235.8 thousand individuals or 45.73 percent of the total. Following that is the social, social, and individual service industry, which employs up to 102.4 thousand individuals, or 19.86 percent of the total. Historically, the employment structure based on these key occupations has been quite stable when compared to prior periods. Agriculture, plantation, forestry, hunting, and fishing continue to be the main labor-intensive industries in North Maluku. (Bank Indonesia, 2018).

Observing the contribution of each sector to economic growth in North Maluku, it appears that the manufacturing, mining, and construction sectors are still the primary drivers of the North Maluku economy. However, in terms of employment, it is the agricultural sector that is the most dominant in North Maluku. Agriculture's true role in this setting, as a driver of the town's economy, is as a provider of jobs for the community and the primary source of revenue for farmers. The domination of employment in the agricultural sector implies, at the very least, that the community's economic pattern is still based on the primary sector (traditional agriculture), and some of them are subsistence. The agricultural industry is the mainstay in North Maluku, consuming a large amount of labor, although its contribution to economic performance is minimal. The poor performance of the agriculture sector has had little impact on improving the community's overall standard of living. As a result, North Maluku's current high economic growth rate in the third quarter of 2018 was 8.17 percent (yoy), the highest in Indonesia, though not yet completely qualified and inclusive.

Regional Competitiveness

In a knowledge and technology-driven economy, the workforce's skills and competences will be critical in defining future economic development. Mining (nickel, gold), plantations (coconut), fisheries (cage cultivation, capture fisheries), agriculture (sago, rice, corn, and bananas), livestock (cattle, goats), and spices are all important economic activity in North Maluku (nutmeg and cloves). Mining activities are concentrated in several districts, resulting in a GRDP disparity between mining areas and others.

However, there are other concerns in the regions that impede investment, including labor issues. The influx of investment, combined with the presence of foreign workers (FW),

has resulted in a series of intermittent resistances across North Maluku. If this problem is not rectified, the heightened investment risk in North Maluku may discourage investors from investing.

The Asean Competitiveness Institute (ACI) at NUS Singapore's Lee Kuan Yew School of Public Policy has issued the ACI Competitiveness Ranking and Simulation Studies: 33 Provinces and Six Regions of Indonesia. The goal is to give an overview and information on the ease of doing business in Indonesia's 33 provinces, as well as to identify regional challenges and solutions for Indonesia's competitiveness. The Lee Kuan Yew School of Public Policy (LKY) use four primary environments, 12 sub-environments, and 103 indicators to assess Indonesia's regional competitiveness. The four main environments are: (1) Macroeconomy Stability, (2) Government and Institutional Setting, (3) Labor, Finance and Business Conditions (Financial, Business and Manpower Conditions), and (4) Infrastructure Development and Quality of Life (Amri, Ahmad, Lavi, & Giap, 2017).

ACI's competitiveness approach employs a comprehensive, integrated, and systemic framework that encompasses the various aspects that together influence a region's or province's ability to produce considerable and inclusive economic growth over the long term. ACI defines competitiveness in four key areas in accordance with this complete methodology: (a) Macroeconomic Stability, (b) Government and Institutional arrangements, (c) Financial, Business and Labor Conditions and (d) Quality of Life and Infrastructure Development.

Macroeconomic Stability, covering the overall economic conditions in the province which consists of three sub-environments: a) Regional Economic Dynamic; b) Openness in Trade and Services; and c) Attractiveness to Foreign Investment. North Maluku ranks last for the competitiveness of macroeconomic stability 2017. North Maluku's poor ranking on this side indicates that investors have a serious investment risk susceptibility. Local macroeconomic volatility in the regions has an impact on investors' desire in investing, particularly risk averse investors' traits.

Aspects of Financial Conditions, Business and Manpower, representing the performance and potential of the company as well as the conditions faced by managers in running the company which consists of the following sub-environments: a) Financial Capability and Business Efficiency; b) Flexibility of the Labor Market; and c) Productivity Performance.

North Maluku was ranked 28th in 2017, down 5 places from the previous year (2016), when it was ranked 23rd. This position, however, is higher than that of Maluku, North Sulawesi, and South Sulawesi Provinces.

Empirical Finding
Analysis Hierarchi Process **(AHP)**
Following a review of the discussion results, analysis of instruments from related agencies, and the development of empirical literature, a problem decomposition or hierarchy can be developed, with the goal of developing a priority strategy for institutional strengthening to improve workforce competence in various investment interests that will be

carried out in North Maluku. Downstreaming mining products, downstreaming fisheries and agricultural products, developing the tourism business, and building the digital economy are among the different investment choices. Meanwhile, updating the vocational/vocational curriculum, university curriculum, quality vocational training centers (BLK), and research and human resource development capacity are other approaches for building institutional capacity (Litbank SDM).
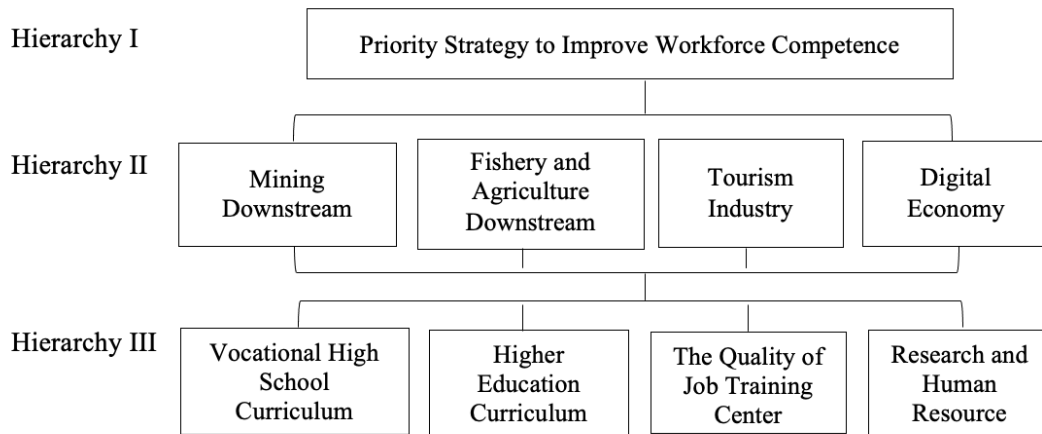

Figure 4. AHP Hierarchy Structure

Tabel 2. Weighting Result

	Factor	Weight	Priority
Hierarchy II	Mining Downstream	0.181	3
	Fishery and Agriculture Downstream	0.476	1
	Tourism industry	0.306	2
	Digital Economy	0.038	4

Based on the results of the weighting synthesis above (table 2), it is known that the downstreaming of fisheries and agriculture is the main priority criterion in relying on investment opportunities for the economy in North Maluku. Then successively the tourism industry, mining downstream and finally the digital economy.

Figure 5. Weighting Results
Source: Results of data processing

In other words, a pairwise comparison of downstream mining and downstream fisheries and agriculture reveals that downstream fisheries and agriculture are regarded as more important than downstream mining. Similarly, in terms of mining downstreaming of the tourism sector, it appears that the tourism business is regarded as more vital than mining downstreaming. However, downstream mining is regarded as more significant than the digital economy. When compared to the tourism business, the downstreaming of fisheries and agriculture has the same level of importance (1), and is significantly more important (9) than the digital economy. Similarly, the tourism industry is regarded as far more significant than the digital economy.

Priorities with respect to:
Goal: Priority Strategy to Improve Workforce Competence
   >Mining Downstream

Vocational High School Curriculum	,124
Higher Education Curriculum	,082
The Quality of Job Training Center	,735
Research and Human Resource	,060

 Inconsistency = 0,09
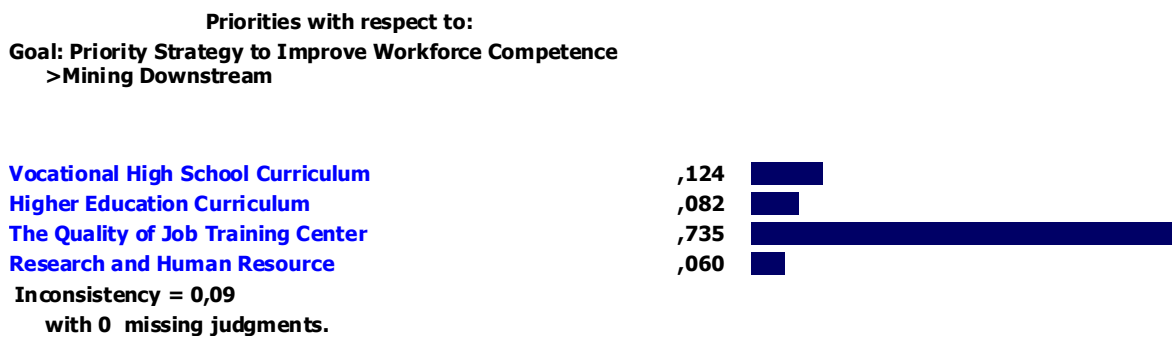   **with 0 missing judgments.**

Figure 6. Weighting Result
Source: Data Processed

When determining the best alternative for preparing human resource competencies (labor competence), it is known that the quality of vocational training centers is a top priority as institutions that are considered relevant to preparing workforce competencies in North Maluku in the short and medium term. Furthermore, in the long run, the vocational/vocational curriculum will be followed by the university curriculum, and lastly research and human resource development. The long-term priority component is more focused on integrating higher education or vocational education with industrial practice.

☐ **Goal: Priority Strategy to Improve Workforce Competence**
   ◼ **Mining Downstream (L: ,181)**
   ◼ **Fishery and Agriculture Downstream (L: ,476)**
   ◼ **Tourism Industry (L: ,306)**
   ◼ **Digital Economy (L: ,038)**

Alternatives

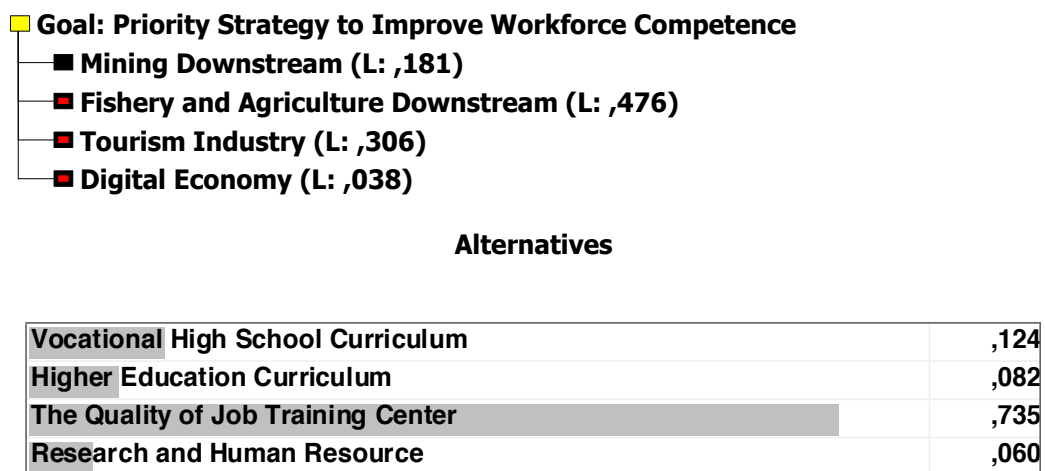|	
Vocational High School Curriculum	,124
Higher Education Curriculum	,082
The Quality of Job Training Center	,735
Research and Human Resource	,060

Figure 7. A typical Analytic Hierarchy Process (AHP) output

Because of the increased investment in North Maluku based on natural resources, particularly the proliferation of mining business permits, which is not always accompanied by the availability of adequate local workforce competencies, investors will tend to bring their own workforce from their home country. However, due to some subjective considerations, investors may also add manual labor. The debate over foreign employees' domination in some important positions, as well as the practice of marginalizing indigenous workers for investment operations in North Maluku, have the potential to cause social frictions. Small ripples that go unnoticed will grow and have the potential to trigger larger social polarization. It is not impossible; yet, it may lead to national fragmentation, as well as the threat of uncontrolled foreign workers. Anticipating such events, local governments must conduct early planning for workforce competency requirements in accordance with North Maluku's investment potential in the natural resources sector.

Empirical findings utilizing AHP suggest that the priority approach for attracting investment in North Maluku is to prepare the provision of labor competences, with the Quality of the Job Training Center being a concern (JTC). Local and federal governments are anticipated to devote its entire focus to equipping supporting facilities and infrastructure in order for JTC to become the leading institution in creating a ready-to-use workforce to take advantage of natural resource-based investment opportunities. The downstreaming of fisheries and agriculture are essential aspects of the selection of investment priorities. This is consistent with statistical data, which shows that the majority of the people in North Maluku labor and rely on farming as their primary source of income, in addition to fishing, because the ocean region accounts for over 80% of the total land area. The appropriate size of priority development or downstreaming of strategic commodities in North Maluku, supported by the availability of a skilled workforce, is predicted to raise people's living standards and expedite quality and equitable economic growth (sustainable development and inclusive growth).

CONCLUSION

Natural resource investment, which is prevalent in North Maluku, is acknowledged as a sector that does not provide as many job prospects as the manufacturing sector. Without downstreaming, direct labor absorption in the natural resource-based sector (mine) is relatively low. If commodity prices in the worldwide market rise (commodity boom), demand for labor will rise swiftly, and vice versa.

The main problems of employment include the amount of open unemployment, as well as other issues such as low workforce quality (competence), low work productivity, and low worker welfare, resulting in a multi-dimensional relationship between various economic factors, social factors, and other factors. As a result, a comprehensive and multifaceted policy is required. A personnel strategy that can be used as a reference by all stakeholders in North Maluku Province is required.

Quality of Job Training Centers (JTC) is an institutional goal for short and medium-term worker competency improvement. However, formal education, such as vocational schools and higher education, is a long-term priority. It is expected that, with suitable infrastructure and equipment in each BLK, it will be a forerunner in preparing and equipping educated or trained individuals in North Maluku. Furthermore, the downstreaming of agriculture and fisheries is regarded as an essential investment need in order to prepare for workforce competency. This is understandable given the dominance of the labor in North Maluku, which is primarily employed in the agricultural sector, as well as the geographical component of fisheries potential and sustainability issues.

To continue the current good momentum of economic growth, North Maluku must overcome different hurdles and manage risks in order to retain the investment climate. One critical topic in this regard is the problem of worker productivity or workforce competency. A better education and training system can boost worker competency or labor productivity. This is the responsibility of not just local governments, but also of businesses of all sizes, higher education institutions, entrepreneurs, and other stakeholders.

The availability of human resources with high labor efficiency in North Maluku also facilitates a speedier transfer of knowledge and technology for industrial development. This would ensure that North Maluku stays on track with its strategy of advancing natural resource-based businesses like as agriculture, plantations, fisheries, mining, and services. Another problem that requires more attention is the regional and central governments' commitment to increasing the availability of infrastructure to enhance efficiency and economic competitiveness in the investment industry. Finally, for North Maluku to be able to overcome these deep-rooted structural challenges, collaboration among stakeholders (synergy) is critical.

To facilitate investment accessibility, the regional economic structure must be capable of establishing both backward and forward linkages. And, on an ongoing basis, the development of the economic structure must be capable of increasing regional competitiveness by restructuring the role of economic institutions in the region, relaxing a number of regulations, focusing on the quality of human resources, and the quality of public services that can create regional competitive advantages. This advantage will have an influence on the region's ability to attract investment inflows in regional competition.

Suggestion

It is usual to hear that there are numerous investment challenges in the field of natural resources, including mining, plantation, fisheries, and similar sectors in North Maluku, which are generally related to labor issues, including issues with foreign workers (FW) and environmental issues. The complexities of these difficulties have the potential to cause social division, which tends to favor community development goals. The local government should conduct periodic reviews to support the inclusive development route for the sake of equitable welfare distribution and a sense of fairness in enjoying the advantages of development for the people of North Maluku.

The primary sector must be turned into an industrial sector capable of absorbing large amounts of labor. To manufacture intermediate commodities to final goods, there must be a continual downstream process to create added value in agriculture, fishery, and mining. Building infrastructure means not just breaking down barriers, but also creating soft skills and mentality characteristics that foster economic growth and development in the community and encourage people to start businesses (entrepreneurship mindset).

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