

**Factors Affecting the Production Clove Cigarettes Machine
On PR. Gagak Hitam Bondowoso regency**

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ABSTRACT

This research aimed to know the factors that affect the production of clove cigarette production machines in PR. Gagak Hitam Bondowoso Regency. The analysis method used in this research is using multiple linear regressions using production factor Cobb-Douglas assuming the Ordinary Least Squares (OLS) simultaneously is concluded that the variable Land Area Tobacco (X_1), Availability of Raw Materials (X_2), and Labor remain (X_4) effect was not significant, while the working hours of the influential significantly on the production of cigarettes in PR. Gagak Hitam Bondowoso Regency.

The level of elasticity production of cigarettes in PR. Gagak Hitam Bondowoso Regency namely Variable Land Area Tobacco (X_1), Variable Availability of Raw Materials (X_2), and Variable Working Hours Machine (X_3), When seen from the results of regression coefficient Cobb Douglas show value elasticity positive amounted to 0,008; 0.172; 0.953. This suggests that if there is an increased 1% also will increase the production of cigarettes. While to variable Labor remain (X_4) seen from the results of the value regression coefficient shows value elasticity that any negative of, -0.112. This suggests that if there is an increased 1% then will lose the production of cigarettes in PR. Gagak Hitam Bondowoso regency. Based on the result of the data analysis using the analysis of the function of production Cobb-Douglas assuming Ordinary Least Squares (OLS) states that variable working hours machines (X_3) has a positive and significant influence the dominant against cigarette production in PR. Gagak Hitam Bondowoso regency.

Keywords: factors of production.