PROFIT ON FEED PRICE RATIO OF BROILER FARM IN THE BEGINNING AND CURRENTLY IN SOPPENG REGENCY SOUTH SULAWESI PROVINCE, INDONESIA

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Abstract: Poultry business attracted many farmers to small businesses and take profit. Business opportunities will arise and also create jobs. This study aims to determine the ratio of profit on the price of feed broiler farms in Soppeng Regency, South Sulawesi Province, Indonesia.This research is quantitative descriptive, conducted over two months, starting from September to October 2016 in Soppeng Regency, South Sulawesi Province, Indonesia. The study population was independent broiler farmers divided by the length of the business. Classification of farmers divided by 3, which began farming before 2006, the range of 2006-2010 and range of 2011-2015. The respondents in this study were 30 farmers.Further analysis of the ratio of profit to the price of feed for each classification of respondents. This ratio was compared between the beginning of starting a business with current. In order to know the changes benefits and also change the price of feed in some classifications broiler farmer independently. This study shows the benefit ratio to the price of feed at the start of farming is as follows. Period prior to 2006 have a ratio of 1.667.In the period 2006-2010, has a ratio of 1.095. As during the years 2011-2015 has a ratio of 0.842. The ratio of profit on the price of feed at the current average of 0.837 is smaller than the average ratio began farming at 1.201. Changes in the ratio of period began farming until now looks smaller. The smaller ratio indicates that there is an increase in feed prices is greater than the increase in profits on a broiler farmer. This indicates that there is a tendency of rising feed prices and a trend towards decreased profit broiler farmers.

Keywords-Profit, Feed Price, Broiler Farmer, Ratio

I. INTRODUCTION

Poultry business has grown into an industry that contributes to the economic development and also strengthen national food security. Growth in the poultry business in Indonesia is supported by the increased consumption due to the encouragement of population increase and the strengthening of consumer purchasing power. The development of the poultry business can create the effect of stimulus for other businesses such as feed industry, equipment and food industry (Siregar et all,2016).

Consumption growth is giving support to the poultry industry. Consumption of chicken meat in 2014 has reached 3.99 kg / capita / year. This figure has increased from the previous year's consumption of 3.75 kg / capita / year.

Growth in consumption of chicken meat has can be supplied from within the country. It is unknown when compared to the data of production and national consumption of chicken meat in 2014.National production average of 1.48 million tons, while the average consumption of 1.06 million tons (Center for Data and Information System for Agriculture,2015)

The price of chicken meat at the retail level from 2011 to 2015 are likely to continue to rise, with an average growth of 4.45% per year. The price of broiler meat in 2015 amounted to Rp 29, 962 per kg, up 3.40% from the price in 2014 of Rp 28,976 per kg.

Broiler farms mostly done by farmers and carried out in a small scale as well as a household business (Rasyaf,2002). Generally broiler farms is a labor-intensive industry, but it can be a capital intensive industry because it is done on a massive scale, as is done by many farmers and spread throughout Indonesia.In the poultry industry has grown also integrated company that commercialize products from the upstream to the processing industry (Suparmadi,2013).

Broiler small entrepreneurs has grown in a number of areas.The existence of broiler farms in some areas has been able to attract and also supports other businesses in the surrounding region (Agustini,2001). The development of the poultry industry have created new economic center of the region where there is a trade of raw materials and livestock products. In addition it will form a distribution process involving a number of middlemen who will make the process though and marketing to the consumers' point (Arwita,2013).

A number of broiler farmers act independently for businesses.They can choose a number of day old chick, chicken strain, feed and marketing plan. Type is supported by farmers as capital ownership and farming experience (Dilla,2011). They can decide for themselves when to start farming and how much capital will be used. Farmers will be ready also to face the trouble of setting up of production factors such as scarcity and rising prices of poultry feed (Suwarta et all,2006). They also will be ready to bear the risk in case the fluctuating price of broilers. This condition will affect the cash flow of the farmers, as they will face uncertainty in terms of production preparation and in terms of marketing (Fadilla,2006).

There are a number of broiler farmers are business independently in Soppeng Regency, South Sulawesi Province, Indonesia. They often face fluctuative of feed prices and selling prices. Feed and raw materials are often scarce and expensive. While the current

selling price is not in line with the increase in feed prices. As a result, a number of farmers often have difficulty, either because of problems preparing the product, marketing issues and also loss of business.This study aims to determine the ratio of profit to the price of broiler feed at the beginning started farming and currently in Soppeng Regency, South Sulawesi Province, Indonesia. Will be obtained a description of changes in profit and also changes in the price of feed at some time on broiler farm.

II. MATERIAL ANDMETHODS

This research is quantitative descriptive, conducted over two months, starting from September to October 2016 in Soppeng Regency, South Sulawesi Province, Indonesia. The study population was independent broiler farmers divided by the length of farming. According Sugiyono (2007), the population is generalization region consisting of: objects / subjects that have certain qualities and characteristics set by the researchers. Classification of farmers divided by 3, namely farmers who start farming prior to 2006, the range of 2006-2010 and the range of 2011-2015. The respondents in this study of 30 people farmer.

Further analysis of the ratio of profit to the price of feed for each classification of respondents.This study aims to determine the ratio of profit on the price of feed broiler farms at beginning started farming and today. In order to obtain an overview of feed price changes and also changes in profits at some time farming broilers.

III. RESULTS AND DISCUSSION

The results of this study show the distribution and population of broiler farmers in the beginning started farming and currently in Soppeng Regency, South Sulawesi Province, Indonesia.

Table 1. In the beginning of farm, the number of farmers and populations

In the beginning of farm (year)	Amount of Farmer (people)	Population in the beginning of farm (chick)	Currency Population (chick)
< 2006	1	100	1000
2006 – 2010	9	2189	4111
2011 – 2015	20	1415	2860

Source :Data once processed, 2016

According to the table 1 shows that farmers who started a business before year 2006 was one person. Farmers who started businesses between year 2006 and 2010 totaled 9 people. While farmers who started the business between 2011 to 2015 numbered 20 people. This condition shows that the less experienced farmers who survived his efforts until 2016. Because they experienced 10 years of one person. Nowadays more and more farmers who are just starting a business compared to farmers who have long sought. Most of the respondents had experience farming approximately 5 years.

Further seen an increase in population in the entire classification broiler farmers. Farmers who started the business prior to 2006 showed an initial population of 100 chick current increases into 1,000. Farmers who started businesses between 2006 and 2010 showed an average initial population in 2189 increased to 4111 chickscurrent. As for the farmers who started the business between 2011 to 2015 showed an initial population in 1415 increased to 2860 chicks. This indicates that the entire classification farmer is able to increase its business volume. Increased business volume is a strategy to increase business scale farmers because of declining profits (Tamaluddin, 2014). Increased business volume is expected to maintain an operating profit (Himawati, 2006).

Table 2. Average Price Feed and Farm Profit

In the Beginning of Farm (year)	Average PriceFeed (IDR/Kg)	Average of Profit (IDR/chick)
< 2006	3000	5000
2006 – 2010	6411	6556
2011 – 2015	7232	6035

Source :Data once processed, 2016

In Table 2 above shows the average price of feed at the beginning of farming. Feed prices obtained by farmers lowest in the period before 2016, which amounted to IDR 3,000 per kg. While the highest feed prices obtained by farmers during the period between 2011 to 2015, which amounted to IDR 7232 kg. The highest profit was obtained farmer during the period betweenyear2006- 2010, which amounted IDR 6556 per chick. While the lowest profit gained farmers prior to 2006, which amounted to IDR 5,000 per chick. The above conditions indicate that feed prices tend to increase, while profits are fluctuative.

Table 3. Average Price Feed and Current Profit (2016)

	Current (year 2016)	
In the Beginning of Farm (year)	Average Price Feed (IDR/Kg)	Average of Profit (IDR/chick)
<2006	8000	2500
2006 – 2010	7333	6567
2011 – 2015	7865	6360

Source :Data once processed, 2016

in Table 3 above shows the average price of feed on all farmers in current condition.There are differences in the price of feed each classification farmer. This is caused by the difference in scale businesses owned by

individual farmers (Aziz,2015). Furthermore, an impact on the benefits of each farmer (Solihin,2009).
Table 4.Ratio of profit on the price of feed based on various classifications farmers.

In the Beginning of farm (year)	**Ratio of profit (IDR/chick) on the price of feed (IDR/kg)**	
	In the Beginning of farm	**Current (2016)**
< 2006	1,667	0,313
2006 – 2010	1,095	0,948
2011 – 2015	0,842	0,813
Average Ratio	1,201	0,837

Source :Data once processed, 2016

In Table 4 above shows the ratio of profit on the price of feed based on various classifications farmers. Farmers who started the business prior to 2006 when it was getting ratio of 1.667 and is now 0,313. Farmers who started businesses between 2006 and 2010 get a ratio of 1.095 at the beginning of farming, but this time get a ratio of 0.948. As for the farmers who started businesses between 2011 and 2015 get a ratio of 0.842 at the beginning of farming and 0,813 in 2016.The average ratio of profit on the price of feed during in the beginning of farming at 1.201.While the average ratio in 2016 amounted to 0.837.
Ratio arebecome smaller. The smaller ratio indicates that there is a tendency of rising feed prices and a trend towards decreased profit broiler farmers.
This condition occurs in all broiler farmers have reduced profit. According Soekartawi (2006), that increase of cost would reduce farm income.

CONCLUSION

Based on the results and discussion, it can be concluded as follows :
1. The ratio of profit on the price of feed in the beginning of farmingare as follows. In the period before year 2006 to have a ratio of 1.667. In the period year 2006-2010, has a ratio of 1.095. As during the years 2011-2015 has a ratio of 0.842.
2. The average ratio of profit to price of feedin current year (2016) of 0.837. This number is lower than the ratio when the beginning of faming at 1.201. Changes in the ratio from in the beginning of farming period until now (2016) it looks smaller. The smaller ratio indicates that there is a tendency of rising feed prices and a trend towards decreased profit broiler farmers.

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