

Factors affecting Profit of Broiler Industry in Peri-urban areas of Faisalabad

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Sequence of Presentation

- Introduction/importance
- Methodology
- Results/Main findings
- Conclusion and Recommendations

Introduction

- Growth of the poultry sector is 15-20 % per annum.
- Per capita consumption is 3.696 kg.
- Share in GDP is 1.1 % and in Agri. GDP is 4.8 %.
- Share in total meat production is 23.8 %.
- Numbers of poultry farms, feed mills and hatcheries in the country are 28000, 141 and 285 respectively.
- Directly/indirectly employed people are 1.5 million.
- Chicken meat production in Pakistan is 707('000) tonnes out of Asian's 28691.1 ('000) tonnes.
- Pakistan ranks 11th in Asia.

Importance

- In poultry, short period is required for growth and marketing.
- Can adjust rapidly to changing factors e.g. feed, availability, cost, numbers of birds on feed.
- Other livestock business require longer length of time from birth to market (e.g. cattle)
- It has proved to be a profitable business and is a good source of cheap, palatable and nutritious food protein



Some Important Breeds of Chicken



Cochin Chickens



Americana Chickens



Andalusian Chickens



Aracauna Chickens



Broiler Flock

Cont...



Australorp Chickens



Hamburg Chickens



Leghorn Chickens



Broiler Chicken

Methodology

- Faisalabad district was selected for research study.
- All the tehsils were selected.

Tehsil	Frequency	Percent
Faisalabad	30	25.0
Jarranwala	30	25.0
Sammundri	30	25.0
Tandliawala	15	12.5
Chak Jhumrah	15	12.5
Total	120	100.0

Profit function

$$Y = f(X_1, X_2, X_3, X_4, X_5, X_6)$$

Where

Y = Gross profit

X_1 = Purchase Price per chick

X_2 = Feed Cost per kg

X_3 = Labor Cost per kg

X_4 = Mortality Rate %

X_5 = FCR (kg feed consumed to gain 1 kg weight)

X_6 = Miscellaneous Cost e.g Cost of Building and Machinery

Depreciation, electricity, Heating and Cooling Charges and rent (Rs.
Kg⁻¹ LW).



RESULT AND DISCUSSION

Socio Economic Characteristics

1. Family Size

Family Members	Frequency	Percent
Below 5	10	8.3
6-8	33	27.5
9-11	37	30.8
12-14	26	21.7
Above 14	14	11.7
Total	120	100.0

Cont...

2. Farming Experience

Experience (years)	Frequency	Percent
Below 5	42	35.0
6-10	23	19.2
11-15	21	17.5
16-20	17	14.2
21-25	9	7.5
Above 25	8	6.7
Total	120	100.0

3. Age

Age	Frequency	Percent
Below 25	11	9.2
26-30	20	16.7
31-35	25	20.8
36-40	28	23.3
41-45	18	15.0
46-50	9	7.5
Above 50	9	7.5
Total	120	100.0

4. Education

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Education Level	Frequency	Percent
Illiterate	30	25.0
Primary	20	16.7
Middle	20	16.7
Matric	22	18.3
Inter	12	10.0
Graduation or Above	16	13.3
Total	120	100.0

The estimated regression model

Model	Unstandardized Coefficients	t- value	Significant
Constant	28.533	3.311	0.001
Purchase Price Chick ⁻¹	-0.181	-2.941	0.004
Feed Cost kg ⁻¹	-0.701	-7.752	0.000
Labor Cost kg ⁻¹	-0.530	-0.742	0.460
Mortality Rate %	-1.036	-14.133	0.000
FCR	2.172	5.160	0.000
Miscellaneous Cost kg ⁻¹	-0.577	-2.220	0.028

$$R^2 = 72.1 \%$$

$$\text{Adjusted } R^2 = 70.7 \%$$

$$Pf = Y = 58.533 - 0.181 X_1 - 0.701 X_2 - 0.530 X_3 - 1.036 X_4 \\ + 2.172 X_5 - 0.577 X_6$$

Conclusion and Recommendations

- Share or commission fees of the commission agents.
- Availability of the credit to broiler producers.
- Price stability of broiler in the market.
- Training and knowledge regarding broilers farm such as new feeds compounds and new technology.



Thanks