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A COMPARATIVE STUDY OF INDEPENDENT AND CONTRACT BROILER RAISERS IN CAVITE

THESIS

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ABSTRACT

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A total of ten independent broiler raisers and ten contract broiler growers from six selected towns of Cavite were used in this study to: 1) gather information on the socio-economic characteristics of independent and contract broiler raisers; 2) determine the management practices employed by independent and contract raisers 3) compare the cost and return of raising broilers independently and on contract basis; 4) determine the problems usually encountered by independent and contract raisers in their business operations.

Results revealed that most of the raisers engaged in contract growing were relatively younger than the independent broiler raisers. They had been in the business for only a few years and had higher level of education than the independent broiler raisers.

In general, most of the independent as well as contract broiler raisers did employ the same management practices in operating the enterprise.

Independent broiler raisers spent more for every one hundred broiler raised. Likewise, their average gross income and consequently their average net income were

higher than that of the contract growers. Differences observed on the average cost of production and net income were found statistically significant.

In this study, capital and management practices did not influence the net return because the contract growers had tie-up with the integrators. On the other hand, the independent raisers had the option to select the buyers.

Problems encountered by the raisers include; high cost of feeds, prevalence of diseases, lack of sufficient capital, and no market assurance in the case of independent raisers, and inability of the contract growers to attain the weight limit specified by the integrators at marketing time.

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INTRODUCTION

In the last two decades, the popularity of broiler raising in Cavite as income generating enterprises has led to tremendous progress and development of the industry in the province of Cavite. The establishment of a considerable number of farms, either in small or large operations is an overwhelming evidence that would attest to this significant growth of the industry. The inevitable increase in the cost of production however, notably the spiraling prices of feed ingredients and mixed feeds brought about by inflation, prevent its continuing thrust. It is from this view point that the idea of contract growing was perceived to break the major constraints that impede the development of the industry.

The wide popularity gained by contract growing