

The Influence of Costs, Long at Sea and Prices on Fishermen's Income in Alor District

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Abstract

The purpose of this study was to determine the effect of cost, duration of fishing and price on income. The methodology of this research is multiple linear regression with quantitative methods and uses primary data with data collection techniques: observation, interviews, questionnaires and literature study. The data is then processed with the help of SPSS 25. The analysis technique is preliminary analysis, namely: descriptive statistics, instrument tests and classical assumption tests, then followed by further analysis, namely analysis of the coefficient of determination and hypothesis testing, namely t-test and F-test. The results of this study are: (1) Partially, costs have an effect on income with a significance value of $3.5\% < 5\%$. (2) Partially the length of time at sea has an effect on income with a significance value of $0\% < 5\%$. (3) Partially the price has an effect on income with a significance value of $0\% < 5\%$. (4) Simultaneously cost, length of fishing and price affect income with a significance value of $0\% < 5\%$. The conclusions of this study are: 1) the results of the study accept H1, H2, H3 and H4.

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INTRODUCTION

The fisheries and marine sector is one of the economic sectors that has a role in national economic development, especially in the provision of protein food, foreign exchange earnings and the provision of jobs. During the economic crisis, the role of the fishery sector is increasingly significant, especially in terms of bringing in foreign exchange. However, ironically, the fisheries sector so far has not received serious attention from the government and business circles, even though if the fisheries sector is managed seriously it will make a greater contribution to national economic development and can alleviate poverty for the Indonesian people, especially the fishermen and fish farmers. 2005 in Nugroho, (2017).

The problem that is often experienced by Indonesian fishermen is the lack of income they get. Until now, these problems have not been resolved, while Indonesia is an archipelagic country that has a lot of potential natural resources, one of which is abundant in the marine and fishery sector. Appropriate and consistent management of the potential of our coastal, marine and small islands resources will be able to provide social welfare for the Indonesian people, especially coastal communities.

Fishermen are one of the coastal communities working in the field of fisheries, which until now are categorized as poor people and have many problems (especially for those who work as small fishermen or fishing laborers), so they are very far from the general picture of a prosperous society.

In fishing, fishermen spend money for operational costs so they can go to sea. Optional costs are needed to support fishermen in catching fish. Fuel costs, food and drink costs, and fishing equipment costs are all operational costs. According to Wardiyah (2017:13), operational costs are costs that show the extent to which the efficiency of business management is. Selling and administrative costs are related to the operations performed. According to Jumingan, (2017:32) Business/Operational costs arise in connection with the sale or marketing of goods or services and the administration of the general and administrative functions of the company concerned.

The length of time at sea or the length of time working is the total time spent in a job to earn income, then the working time spent by a fisherman in fishing will determine the size of the income that will be received, be it income in the form of daily, weekly, monthly or annual. The length of time at sea or work is the accumulation of one's work activities carried out over a long period of time. Suma'mur, 2009 in Rahim, et al. (2014). The length of time worked is also a factor related to the length of time a person works in a place.

Selling Price is the estimated exchange rate of the product which is determined in money. Selling Price is the price at the time of selling. The selling price is the price obtained from the sum of the total production costs plus the mark-up used to cover the company's factory overhead costs. The selling price is the value reflected in the list price. The price is also the final value received by the company as revenue or net price. The selling price is the sum of the cost of goods sold, administrative costs, selling costs, and the desired profit. From some of these understandings, it can be concluded that the selling price in question is the final value of the goods which is the sum of the production costs and other costs to produce an item plus a number of profits that are desired by Sari, (2018).

Alor Regency is one of the regencies located in the territory of Indonesia, precisely in the Province of East Nusa Tenggara. Alor Regency has a coastline length of approximately 287.1 km stretching a total of 17 sub-districts in Alor Regency. Northwest Alor sub-district itself has an area of

107.95 km² and the area of Adang Village is 11.78 km². Adang Village, Northwest Alor Subdistrict, Alor Regency is located quite far from the Kalabahi city area, it takes 2 hours to use microbus public transportation to get there. almost 40% of the residents of Adang village make a living as fishermen. Number of Marine Fisheries Business Households by Alor in Figures 2017 Business Category and District,

In one go to sea, fishermen can get fish 50-80 kg with a long time at sea can be more than three days. Fishermen in Adang Village who use deep engine boats and outboard engines usually go to sea in one week 1-2 times because the fishing grounds are very far with a distance of 40-50 miles from the mainland, this makes fishermen have to spend the night at sea for 3 days even more to get more fish. In contrast to fishermen who use fishing nets, the distance to fishing locations is very close, only 15 miles from the mainland and fishing time in one week can reach 5-6 times of fishing, but in certain months fishermen cannot go to sea due to unfriendly natural weather. such as in December, January, February and even until mid-March. This also usually occurs during the fasting month, where fishermen do not go to sea. At times like this the price of fish set by the fishing community ranges from Rp. 20,000 – Rp. 100,000 depending on the size of the fish. However, there are also fish that are sold per box for around Rp. 100,000 – 250,000 depending on the number of fish caught. Seeing the geographical conditions and potential, illustrates that one of the components of the Adang Village community is to make a living as a fisherman, by depending on fishery and marine products for his life. Will but with abundant production does not make the people there prosperous because a lot of production sometimes does not match the income they get.

Research by Nugroho (2017), regarding the factors that affect fishermen's income, concludes that the price variable affects income significantly while the cost variable has a negative effect on income, where every increase in costs will reduce income. On the other hand, Sari (2018) also concludes the results of his research that all independent variables consisting of prices, working capital and catches simultaneously affect income. However, some of the studies mentioned above use secondary data, while in this study, researchers tried to use primary data from direct interviews with fishing communities in Adang Village, Northwest Alor District, Alor Regency. Therefore, researchers are interested in conducting research on the effect of costs.

According to Sumitro in Nugroho, (2017) income is the amount of goods and services that meet the standard of living of the community, where the income owned by each soul is called per capita income where per capita income is a benchmark for progress or economic development. Income is very influential for the continuity of a business, the greater the income obtained, the greater the ability of a business to finance all expenses and activities to be carried out. A person's condition can be measured

using the concept of income which shows the total amount of money received by a person or household during a certain period of time. According to Sukirno (2006) in Nugroho,

According to Jumingan (2017: 32) Business/Operational costs arise in connection with the sale or marketing of goods or services and the administration of the general and administrative functions of the company concerned. According to Mulyadi, 1999 in Restu, (2019) Costs are sacrifices of economic resources, measured in units of money, that have occurred or are likely to occur for certain purposes.

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The basic framework of thought or commonly called the basic framework of research. Uma Sekaran in his book Business Research, 1982 in Wancung, (2020). Suggests that the framework of thinking is conceptual capital about how theory relates to various factors that have been identified as important problems.

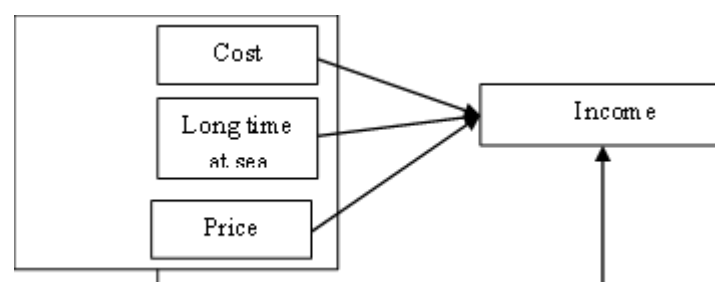


Figure 1. Basic Research Framework

METHODS

Quantitative research in this writing is all data from interviews collected, summed, then processed using the SPSS 25 program. Qualitative research in this paper is a general description of the object of research, respondents Likert scale answers and so forth.

The population in this study was the entire fishing community of Adang village. The sample in this study was an accidental sample or happened to meet the researcher at the research location during the research period, as many as 78 respondents. Data collection techniques: observation, interviews, questionnaires and literature study.

Data analysis techniques: Preliminary analysis, namely: descriptive statistical analysis, instrument test and classical assumption test. Further analysis, namely: the coefficient of determination, t test and F test.

RESULTS AND DISCUSSION

Partially, costs have an effect on income with a significance value of $3.5\% < 5\%$ so that the results of this study accept H1. Partially the length of time at sea has an effect on income with a significance value of $0\% < 5\%$, so the results of this study accept H2. Partially, the price influences income with a significance value of $0\% < 5\%$, so the results of this study accept H3. Simultaneously cost, length of fishing and price affect income with a significance value of $0\% < 5\%$, so the results of this study accept H4.

Based on the results of research conducted, it shows that cost (X1) has an effect on income (Y), this can be seen from the value significantly smaller than alpha ($0.035 < 0.05$). This research is also the extent to which the efficiency of business management is. Selling and administrative costs are related to the operations performed. The results of this study are also in line with previous research by Nugroho (2017) which states that operational costs have a significant effect on income and Restu, (2019) has different research results, namely operational costs have no effect on income.

Based on the results of research conducted by researchers, it shows that the length of time at sea (X2) has an effect on income (Y), this can be seen from the value significantly smaller than alpha ($0.000 < 0.05$). This research is also supported by the study of the theory of Rahim, et al. (2018) The length of time at sea or the length of time working is the total time devoted to a job to earn income, then the working time spent by a fisherman in fishing will determine the size of the income that will be received, be it income in the form of daily, weekly, monthly or yearly. The results of this study are also in line with previous research by Asmita, et al, (2019) which stated that the length of time at sea had a significant effect on income.

Based on the results of research conducted by researchers, it shows that price (X3) has an effect on income (Y), this can be seen from the value significantly smaller than alpha ($0.000 < 0.05$). This research is also supported by the study of Sari's theory (2018), the selling price is one of the determinants of success because the price determines how much profit fishermen will get from selling fish. The results of this study are also in line with previous research by Nugroho, (2017) which states that the selling price has a significant effect on income.

Based on the results obtained that the cost, duration of fishing and the price together affect the income of the fishing community in Adang Village, Northwest Alor District, Alor Regency, this is evidenced by the results of research using the F test which states that the variable cost (X1), the variable length of fishing (X2) and the price variable (X3) jointly affect (Y) with significance value $0.000 < 0.05$.

CONCLUSION

This study aims to look at the effect of costs, duration of fishing and prices on the income of fishing communities in Indonesia in Adang Village, Northwest Alor District, Alor Regency. 1) Operational costs partially affect the income of fishing communities in Adang Village, Northwest Alor District, Alor Regency. This result was obtained from a significant value of $0.035 < 0.05$. Thus, H1 is accepted. 2) The length of time at sea partially has a significant effect on the income of the fishing community in Adang Village, Northwest Alor District, Alor Regency. This is caused by the results of the significance of $0.000 < 0.05$. Thus, H2 is accepted. 3) The selling price partially has a significant effect on the income of the fishing community in Adang Village, Northwest Alor District, Alor Regency. The results showed a significance value of $0.000 < 0.05$. Thus, H3 is accepted. 4) Operational costs, length of time at sea and selling prices together affect the income of fishing communities in the area in Adang Village, Northwest Alor District, Alor Regency. This result is evidenced by the F test with a significance value of $0.000 < 0.05$. Thus, H4 is accepted.

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