Analysis of Superior Small Industry in Developing Market

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Abstract: This research was conducted in the city of Pekanbaru with the object of research areas 12 districts in the city of Pekanbaru in the period 2010-2015. This study aims to determine the small industries be featured in a small industrial city of Pekanbaru and where small industries in Pekanbaru City spatially concentrated. This study uses secondary data, employment data is a small industrial branch every district in the city of Pekanbaru. The data were analyzed using descriptive analysis of quantitative analysis tool Location Quotient (LQ) and spatial concentration. The results of the research with the analysis of location quotient on employment show that in 2010 and 2015 small industries into a small industry featured in Pekanbaru City is a branch of industry small craft where employment industry small craft in the districts in the city of Pekanbaru is greater than the absorption power small craft industries working in the city of Pekanbaru. Small craft industries in Pekanbaru City ahead in the District Tampan, District Bukit Raya, District Marpoyan Damai, District Tenayan Raya, District Lima Puluh, District Sail, District Pekanbaru Kota, District Sukajadi, District Rumbai and District Rumbai Pesisir. Based on the calculation of spatial concentration, a small industrial city of Pekanbaru concentrated in District Payung Sekaki with small industries are the mainstay of small metal industrial branch.

Key words: Industrial base, Location Quotient (LQ) and small industry, employment, district, metal, city

INTRODUCTION

Pekanbaru City as the capital of Riau Province is one of the areas experiencing economic growth very rapidly, driven by the development of the industrial sector, especially, subsector of small industries grow and thrive in the city of Pekanbaru, so that, the goal of job seekers from other regions, both from the district/town in Riau province and other provinces throughout Indonesia. This indicates that the rapid growth could be towing the entry of job seekers to the city of Pekanbaru. Therefore, the existence of small industries in the city of Pekanbaru to reduce unemployment and poverty as well as the equitable distribution of income. In accordance with the above phenomenon Pekanbaru City Development Vision which makes Pekanbaru City as the Center for Trade and Services Year 2019. This is based on the fact that the city of Pekanbaru has potential industrial sector, especially, small and trade industry of considerable potential as well as city services provider. Due to the presence of small industries with simple technology and tends to be labor intensive, so, it can absorb unskilled labor force in large numbers.

The number of small industries in Pekanbaru is a positive because it can create jobs with relatively low education level (workers who do not have special skills), thereby reducing the number of unemployed and would further the public welfare of Pekanbaru. The number of workers absorbed in large industries, medium and small, since, 2010-2015 can be seen in following Table 1.

According to the Department of Trade and Industry, small industry can be classified into five types of industry, judging from the raw materials used and products produced, these groupings are as follows:

- Food industry sector are numerous and closely related to the agricultural sector
- Clothing and leather industry sectors such as textiles, apparel and leather goods that have linkages with other sectors
- The chemical industry and building materials such as paper industry, printing, publishing, goods-goods of rubber, plastic and others-others who have limitations with other sectors
- Metal industry sector which is linked to the metal industry and other sectors such as machinery, electrical or instrument of metal
- Craft and general industry sectors that have linkages with other sectors

Based on the various problems associated with the presence of small industries in the city of Pekanbaru in terms of potentials, quantity and its role in economic

Table 1: Number of employment by large, medium and small Industries in the city of Pekanbaru by 2010-2015

	Number of workers (People)					
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Years	Large industry	Percentage	Medium industry	Percentage	Small industry	Percentage
2010	4274	74.56	954	16.64	504	8.79
2011	4274	70.81	954	15.81	812	13.44
2012	2932	56.70	680	13.15	1559	30.15
2013	2384	54.18	572	13.00	1444	32.82
2014	3501	67.61	493	9.52	1184	22.87
2015	3035	55.33	567	10.34	1883	34.33

BPS Kota Pekanbaru (2016)

development, employment in the city of Pekanbaru, so, potentially, researchers interested in conducting research and testing of small industries with a view to knowing the industry what a superior small, so, it can be a small industry which should be more focused and developed for small industry these winners will boost economic growth in the city of Pekanbaru and in turn will encourage the growth and development of other small industries (non basis) in the city of Pekanbaru. Based on a variety of issues related to small industries, the researchers are interested in examining and analyzing more deeply through a study, titled "Analysis of Superior Small Industry in Pekanbaru City (Meiryani, 2017).

Literature review

Definition of industry and small industry: Industry can be categorized within the scope of the micro and macro. Within the scope of industrial micro interpreted as a collection of companies-companies that produce homogeneous goods or goods that have to replace the interconnected nature of the close while in macro industry means economic activities that create added value (Nurimansyah, 1996). Sukirno (2000) understanding of the industry in a very different economic theories meaning with the understanding that existing industry in general. In a general sense that, the industry essentially means that the company which runs operations in the areas of economic activity are classified into the secondary sector. Such activities include textile factories, factory assemblers or automaker and manufacturer of soft drinks. In terms of economic theory is defined as a collection of industrial firms that produce the same goods or highly concurrent contained in any market (Susanto and Meiryani, 2018a, b).

Widodo (1997) industrialization needed to overcome poverty, increase prosperity, overcoming the problem of unemployment and creating jobs covering luasanya, strengthen the economic base and develop justice. In Act No. 5 of 1994 (Anonymous, 1994) explained that the industry is an economic activity that processes crude materials, raw materials, semi-finished goods and finished goods into goods with a higher value to users including

building design and engineering activities. More industry and trade of institution formulate industry definition, among others (Anonymous, 1994; Meiryani, 2018):

- The industry group is part-the main part of the activities of the upstream industry group also called the large industrial groups, groups of downstream industry or small industry
- Industrial branch is a part or the group that has the characteristics-the same general characteristics in the production process
- Kind of production is part of a branch of industry memunyai the same special features or the results are late in the production process

Based on Central Beurou of Statistict Pekanbaru manufacturing industry is an economic activity which conducts transform a basic goods mechanically, chemically or by hand, so, be finished/semi-finished and or goods less value to goods of higher value and nature closer to the end user. Included in this activity is a service industry and assembly work. Meanwhile, company or industry business is a unit (unitary) enterprises in groups that engage in economic activities to provide goods or services is located in a building or a specific location and maintain business records regarding production and cost and there are one or more responsible responsibility for such activity.

Manufacturing industry is divided into four categories, namely: large industry, the company or business processing industry with a workforce of 100 people or more. Industrial average which the company or business processing industry with a workforce of 20-99 people. Small Industries, a company or business processing industry with a workforce of 5-19 people. Micro Industries, the company or the business processing industry with a workforce of <5 people.

In the development of the industrial sector, the small industry sub-sector also plays an important role. In the Indonesian context, the development of small industries which have a strategic significance for expanded opportunities for employment and business opportunities and improve income distribution. Therefore,

the development of small industry sub-sector will be able to drive economic growth higher. Partomo (2002) small industry is a business that has the common traits that are considered the same, namely: have a very simple organizational structure without any staff redundant; The division of labor slack; Has a short managerial hierarchy; A little formal activity and less differentiate between personal assets and the assets of the company. Meanwhile, according to Anonymous (1994) is a small industrial businesses that conduct alter basic goods into semi-finished goods and less value to goods of higher value. Muhammad (1992) small industries are subject to major development in the industrial sector in Indonesia, this selection is based on various aspects, among others include: a large amount of labor; Position is not strong both in terms of companies as well as in terms of the provision of experts and have a great potential to be developed.

To facilitate the development of small industrial sector, the Department of Trade and Industry to determine the types of industries in accordance activities, small industry can be divided into three types of groups of small industries, namely (Raharjo, 2002):

- Types of agricultural and forestry products industry
- Types of industrial diverse
- Type of metal, machinery, chemicals

In carrying out the production process, Tambunan (2002), Meiryani and Lusianah (2018) states that small industries experienced a variety of problems, among others: limitations of working capital or investment capital, the capital shortfall faced due to limited industry-specific credit facilities are small and limited to the financial facilities provided by the formal financial institutions (banks) or nonbank (SOE, NGOs and so on), difficulties in obtaining raw materials with good quality and reasonable price. Difficulties faced were varied as sales spot away from the location, the price is expensive, limited supply and quality of raw materials were inadequate, limitations of the technology and human resources, air quality, the equipment used is still traditional production and the lack of skills of workers in the use of technology and difficulties in market access, due to limited information about the changes and market opportunities that exist as well as limited funds for marketing.

Economic base theory and methods location quotient: Growth industries that utilize local resources including labor and raw materials for export will generate regional wealth and employment creation (job creation) and the region has the opportunity to develop their resources by utilizing the existing workforce including from outside the region in an effort to increase export opportunities. In discussing the theory of the economic base, the economy of a region is divided into two sectors and non-base basis. The basic sector is the export activities of goods and services out of bounds economy of the area concerned. While the non base is an activity that provides goods and services to meet the needs of the people who reside within the boundaries of the region's economy. Activity-this activity is not exporting finished goods, the scope of their production and their market area is primarily localized (Arruan, 2014).

Therefore, the industrial base is an industry that should be developed in an area. Understanding the economic base in the region is not static but dynamic which means that in a given year may be the industry is an industry basis but the following year the industry may not necessarily be the industrial base. Base activities can progress or regress. The reasons because progress is the basis of activities of transport and communications network development, development perdapatan and reception area, technological developments and their economic and social infrastructure development. While the cause of the decline of activity is a change request basis from outside the area and running out of resources. LQ method can be used as an indication of comparative advantage for the sector-a sector that has long been developing whereas the new sector or emerging let alone that had not been there, LQ can not be used for the total product does not depict the real capacity of the area. It would be more appropriate to see directly whether the commodity has the prospect to be exported or not with a record of these products are not given special assistance by subsidizing or region concerned exceeds a given region other area. LQ analysis in accordance with the formula is very simple and when used in the form of one-shot analysis, the benefit is not so great, that just seeing if LQ is above 1 or not. However, analysis of LQ can be made attractive if done in the form of time series/trends, means were analyzed for some specified period. In this case, the development of LQ can be seen to a certain sector at different times whether there is an increase or decrease. If the rise seen the factors that make the area we grew faster than the national average. If there is a decrease in the assessed factors that make our region grew more slowly than the national average.

The role of labor: The role of labor for the industry is a very important thing, because labor is one of the factors of production to produce goods/services and an important factor in the production process. Means of

production labor is more important than other means of production because of the presence of other factors of production labor can be moved. According to Act No. 13 2003 Chapter 1 Article 1 Paragraph 2 enhance understanding of labor in Act No. 14 of 1969 on Basic Provisions of Labor which gives the sense of labor is that every man-men or women who are doing work both inside and outside the employment relationship in order to produce goods and services to meet the needs of the community (Husni, 2003).

Labor is every person can perform the work both from within and from outside the relationship to produce goods and services to meet community needs. Labor is the most important factor in the production process or in development activities. As other production facilities, it is important because the labor force that moves the kerjalah these resources to produce goods and services. Labor is sourced from people but not all people within the workforce. Kusumowidagdo (2000) labor (man power) is the sum of the whole population in a country that can produce goods and services if there is a demand for their labor and if they want to participate in such activity. In the literature usually is the entire population aged 15-64 years, in Indonesia in reality is the entire population aged 10 years and older. Based on the concept of the Anonymous (2016) working-age population is the population aged 15 and older while the labor force is the working age population (15 years and above) who work, have a job but temporarily absent from work and unemployment.

Small industrial sector role in absorbing labor: Raharjo (2002) defines employment as the number of workers absorbed in a sector within a certain time. Meanwhile, according to Kuncoro (2000) employment is the number of jobs that have been filled are reflected in the large number of people working. The working population absorbed and scattered in various sectors of the economy. Absorption working population caused by the demand for labor. Therefore, employment can be regarded as the demand for labor. Needs to be based on that employment is the most basic of human needs. Therefore, the creation of employment opportunities has always been a target for the development of the country. Besides employment, the welfare of workers is also always the best attention in the form of wages/salary, benefits or other income.

Spacial concentration: Spatial concentration is a grouping of each industry and economic activity is spatially where the industry is located in a specified

area. Landiyanto and Erland states that the spatial concentration of economic activity, there are 3 things are interrelated, namely: the interaction between the economies of scale, transport costs and request. To gain and increase the strength of economies of scale, companies-companies tend to concentrate spatially and serves all markets from any location. Meanwhile, to minimize transportation costs, companies-companies tend to be located in areas that have a large local demand but a great local demand tend to be located around the concentration of economic activity such as industrial areas and urban areas.

Spatial concentration is driven by the availability of specialized labor which berkumpulkan companies in a single location will encourage the gathering of specialized labor, thus, benefiting the company and labor. In addition, the gathering of companies or industries are interlinked will be able to improve efficiency in meeting the needs of specialized inputs better and cheaper. The distance was reduced by the spatial concentration would facilitate the flow of information and knowledge on these locations (Kuncoro, 2002). Shows the spatial concentration distribution share an area and the location of an industry. Where a spatial distribution of an industry is uneven and there are areas that dominate the industry berlokasinya, then it shows that the industry is concentrated spatially in the region. Landiyanto and Erland there are three factors that reason the company in the industry in determining locations, namely.

Differences in transport costs: Manufacturers tend to find a location that provides the advantages of saving transportation costs and could lead to efficiency and effectiveness of production.

Differences in wage costs: Manufacturers tend to find a location with a level of labor costs are lower in the conduct of economic activity while the labor force tend to find a location with a higher wage level. The existence of an area with high wage rates encourage workers to be concentrated in the region. This phenomenon can be found in the city, a big city with a high diversity of Jakarta.

The advantage of the spatial concentration of industry: Spatial concentration would create benefits in the form of savings and savings localization urbanization. Saving localization occurs when production costs in a declining industry when the total production of the industry increases (increasing returns of scale). This occurs in

industrial companies that are located close together. Saving as it is located in the same area is due to the large scale of the city's economy and not the result of an industry scale.

MATERIALS AND METHODS

Research time and location: This research was conducted in the city of Pekanbaru, covering 12 districts, carried out in the period 2010-2015. The area of Pekanbaru selected as the study site with consideration of: Pekanbaru is Riau provincial government center and Pekanbaru is the center of trade, services and small industry is growing very fast.

Data analysis: Analysis of the data used in this research is the analysis method Location Quotient (LQ), to determine the small industries be featured in Pekanbaru. This analysis is used to determine whether a type of small industries included in the small industrial base or nonbasis. LQ calculation used to show a comparison between the regional level to the level of the wider region. In this study, LQ is used to identify the branches of small industries be seeded using the approach of employment which will show the amount of LQ of each-each branch of a small industry has become the base or not, location quotient can be calculated using the formula (Arruan, 2014):

$$LQ = \frac{X_i/V_i}{X/V}$$

Where:
LQ = Coefficient of Location Quotient
X_i = Total employment of small industries in the district branch i
V_i = Total employment of small industries in the district branchi
X = Total employment of small industrial branch in the city of Pekanbaru
V = Total employment of small industrial branch in the city of Pekanbaru

The calculation result LQ generate criteria: LQ>1: means small industrial sector in the district concerned is a featured industry (base) that is able to absorb labor from its own territory or from the territory of another.

LQ<1: means small industrial sector in the region including non-base because the industry tends to be unable to absorb the full employment

Base and non-base industrial: Base industrial is the kind of industry that can export the production of goods and services to places outside the limits-limits the community's economy is concerned or which markets the

production of the goods-goods and services-services outside the boundary of the economy of the communities concerned. While the non-baseindustrial is the industry that provides the production of goods that are needed by people-people who have residence in within limits-limits the community's economy is concerned and the scope of production and market areas they are mainly localized (Arruan, 2014). In this study, a smallbase industrial is calculated based approach where industrial employment base is an industry that can create jobs in the region concerned and the employment of other regions. While non-industry based employment base is the industry's only able to absorb labor in the region with a small amount (Arruan, 2014).

RESULT AND DISCUSSION

Small superior industrial based on total absorption of labor per district in the city of Pekanbaru: Superior industry based approach employment number is basically the industry that can create jobs in large numbers and can absorb labor from its own territory or even able to absorb labor from other regions. Each area generally has one or more industries become leading industries in the area.

Indicators of a Superior industry that is when it becomes a base industry which has a LQ value greater than one (LQ>1), meaning that the industry is able to absorb labor from its own territory and manpower from other regions. If the industry has a LQ value smaller than one (LQ<1), then the industry is classified as non-base which means the industry is not able to absorb labor from the region itself let alone absorb labor from other regions (Table 2-13).

Based on the calculation of the industrial sector LQ small industry sector in 12 districts in the city of Pekanbaru from 2010-2015 based on absorption can be described as follows: Tampan District, small industrial subsector which has LQ average value for 5 years (from 2010-2015) more than one (LQ>1) is: chemical and building material industry, equal to 1.50 and small industrial sector of craft equal to 1.52.

Payung Sekaki District, small industrial subsector which has LQ average value for 5 years (from 2010-2015) more than one (LQ>1) is: small industrial sector of food equal to 1.15 and Small industrial sector of metal equal to 1.42.

Bukit Raya District, small industrial subsector which has LQ average value for 5 years (from 2010-2015) more than one (LQ>1) is: clothing and leather industry equal to 1.87 and small industrial sector of chemical and building material equal to 1.02, metal industrial sector equal to 1.08 and small industrial sector of crafting equal to 1.70.

Table 2: LQ calculation result based on labor absorption of small industry in Tampan District by 2008-2015

Industrial branch	2008	2009	2010	2011	2012	2013	2014	2015	Mean
Food	0.00	1.24	2.13	0.16	0.00	0.00	0.26	0.42	0.53
Clothing and leather	0.72	0.47	0.67	1.11	1.13	0.59	1.24	0.52	0.81
Chemical and building materials	1.50	1.14	0.67	1.16	1.22	2.11	2.24	1.94	1.50
Metal	0.00	0.82	0.86	1.27	0.91	0.60	0.51	0.96	0.74
Craft	1.95	0.00	1.73	0.60	1.38	0.00	6.53	0.00	1.52

Table 3:LQ Calculation result based on labor absorption of small industry in Payung Sekaki District by 2008-2015

Industrial branch	2008	2009	2010	2011	2012	2013	2014	2015	Mean
Food	3.67	1.38	0.67	1.61	0.32	0.61	0.57	0.37	1.15
Clothing and leather	1.24	0.00	0.00	0.17	0.67	0.18	0.00	0.00	0.28
Chemical and building materials	0.32	0.81	0.74	0.33	0.41	0.13	0.59	1.27	0.57
Metal	0.62	1.51	1.33	1.45	1.71	1.82	1.38	1.52	1.42
Craft	0.48	0.00	0.70	0.21	0.00	0.00	0.00	0.00	0.17

Table 4: LQ calculation result based on labor absorption of small industry in Bukit Raya District by 2008-2015

Industrial branch	2008	2009	2010	2011	2012	2013	2014	2015	Mean
Food	0.00	0.00	0.45	0.93	0.00	0.00	0.00	0.62	0.25
Clothing and leather	0.34	7.88	1.11	1.32	1.71	0.95	0.00	1.68	1.87
Chemical and building materials	0.00	0.00	1.32	1.44	1.53	1.55	1.42	0.87	1.02
Metal	3.38	0.00	0.95	0.68	0.38	0.67	1.31	1.26	1.08
Craft	2.02	0.00	2.24	1.25	3.48	4.64	0.00	0.00	1.70

Table 5: LQ calculation result based on labor absorption of small industry in Marpoyan Damai District by 2008-2015

Industrial branch	2008	2009	2010	2011	2012	2013	2014	2015	Mean
Food	0.72	0.25	0.00	0.00	0.00	1.35	0.79	0.35	0.43
Clothing and leather	1.34	3.38	1.32	1.11	0.98	2.09	2.52	2.31	1.88
Chemical and building materials	1.07	0.33	0.72	0.91	0.53	1.03	0.22	0.37	0.65
Metal	0.54	1.98	1.32	1.28	1.52	0.69	1.02	1.32	1.21
Craft	0.99	0.00	0.00	1.64	1.00	1.52	2.28	4.61	1.50

Table 6: LQ calculation result based on labor absorption of small industry in Tenayan Raya District by 2008-2015

Industrial branch	2008	2009	2010	2011	2012	2013	2014	2015	Mean
Food	1.36	0.65	1.87	0.00	3.32	0.00	0.00	0.52	0.96
Clothing and leather	0.32	0.00	1.13	0.00	0.90	1.78	0.41	0.00	0.57
Chemical and building materials	1.21	1.55	0.88	0.64	0.17	0.52	0.64	0.99	0.82
Metal	1.51	0.66	0.86	1.45	1.44	1.39	1.42	1.37	1.26
Craft	0.93	6.34	0.00	2.86	0.00	0.00	0.90	3.62	1.83

Table 7: LQ calculation result based on labor absorption of small industry in Lima Puluh District by 2008-2015

Industrial branch	2008	2009	2010	2011	2012	2013	2014	2015	Mean
Food	0.00	1.44	2.74	1.07	7.18	0.00	0.66	0.00	1.64
Clothing and leather	0.00	0.00	1.02	0.00	0.00	5.83	0.00	0.00	0.86
Chemical and building materials	1.67	0.00	2.12	0.62	0.00	0.00	3.21	0.00	0.95
Metal	3.35	1.46	0.27	0.95	1.12	0.96	0.67	1.30	1.26
Craft	0.00	14.03	0.00	3.62	0.00	0.00	0.00	19.14	4.61

Table 8: LQ calculation result based on labor absorption of small industry in Sail District by 2008-2015

Industrial branch	2008	2009	2010	2011	2012	2013	2014	2015	Mean
Food	0.00	0.00	0.00	1.98	4.09	8.36	5.34	0.00	2.47
Clothing and leather	0.00	0.00	0.00	2.81	0.00	0.00	2.26	12.47	2.19
Chemical and building materials	0.00	2.81	5.36	0.00	1.36	0.42	0.00	0.00	1.24
Metal	0.00	0.00	0.00	0.96	0.49	0.00	0.08	0.00	0.19
Craft	5.04	0.00	0.00	0.00	0.00	5.90	0.00	0.00	1.37

Table 9: LQ calculation result based on labor absorption of small industry in Pekanbaru Kota District by 2008-2015

Industrial branch	2008	2009	2010	2011	2012	2013	2014	2015	Mean
Food	2.33	2.22	3.39	0.00	0.00	0.95	0.00	3.39	1.53
Clothing and leather	3.02	1.14	2.04	6.09	9.11	5.51	4.89	1.11	4.11
Chemical and building materials	0.00	0.48	0.92	0.88	0.73	0.54	4.42	0.09	1.01
Metal	0.00	0.00	0.36	0.20	0.58	0.17	0.00	0.00	0.16
Craft	0.00	0.00	0.00	1.86	0.00	7.47	0.00	0.00	1.17

Table 10: LQ calculation result based on labor absorption of small industry in Sukajadi District by 2008-2015

Industrial branch	2008	2009	2010	2011	2012	2013	2014	2015	Mean
Food	0.00	1.89	0.66	2.63	1.28	10.13	0.34	1.91	2.36
Clothing and leather	4.10	0.79	2.28	0.00	0.00	0.00	0.51	6.23	1.74
Chemical and building materials	0.00	0.00	0.47	0.46	1.56	0.00	0.00	0.00	0.31
Metal	0.00	1.67	1.11	0.91	0.74	0.22	1.54	0.00	0.77
Craft	0.00	0.00	0.00	0.98	0.00	0.00	0.00	0.00	0.12

Table 11: LQ calculation result based on labor absorption of small industry in Rumbai District by 2008-2015

Industrial branch	2008	2009	2010	2011	2012	2013	2014	2015	Mean
Food	0.00	0.19	0.83	3.23	0.00	0.00	2.20	0.31	0.85
Clothing and leather	0.00	0.00	0.00	0.00	0.00	0.00	0.42	2.29	0.34
Chemical and building materials	3.43	1.76	2.55	2.06	2.73	2.48	1.21	1.19	2.18
Metal	0.00	1.48	0.60	0.00	0.00	0.29	0.76	1.14	0.54
Craft	0.00	1.75	2.78	0.00	0.00	3.84	0.00	0.00	1.05

Table 12: LQ calculation result based on labor absorption of small industry in Rumbai District by 2008-2015

Industrial branch	2008	2009	2010	2011	2012	2013	2014	2015	Mean
Food	0.00	0.19	0.83	3.23	0.00	0.00	2.20	0.31	0.85
Clothing and leather	0.00	0.00	0.00	0.00	0.00	0.00	0.42	2.29	0.34
Chemical and building materials	3.43	1.76	2.55	2.06	2.73	2.48	1.21	1.19	2.18
Metal	0.00	1.48	0.60	0.00	0.00	0.29	0.76	1.14	0.54
Craft	0.00	1.75	2.78	0.00	0.00	3.84	0.00	0.00	1.05

Table 13: LQ Calculation result based on labor absorption of small industry in Rumbai Pesisir District by 2008-2015

Industrial branch	2008	2009	2010	2011	2012	2013	2014	2015	Mean
Food	0.00	0.00	3.03	0.37	0.00	0.00	0.00	1.91	0.66
Clothing and leather	2.89	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.36
Chemical and building materials	1.01	2.81	1.34	2.75	2.34	2.07	6.42	2.03	2.60
Metal	0.00	0.00	0.61	0.54	0.21	0.37	0.00	0.00	0.22
Craft	0.00	0.00	0.00	0.79	0.84	8.01	0.00	0.00	1.20

Disperindag Kota Pekanbaru, 2016 (processed)

Marpoyan Damai District, small industrial subsector which has LQ average value for 5 years (from 2010-2015) more than one (LQ>1) is: clothing and leather indsutry equal to 1.88 and small industrial sector of metal equal to 1.02; metal industrial sector equal to 1.08 and small industrial sector of crafting equal to 1.50.

Tenayan Raya District, small industrial subsector which has LQ average value for 5 years (from 2010-2015) more than one (LQ>1) is: metal industrial sector equal to 1.26 and small industrial sector of crafting equal to 1.83.

Lima Puluh District, small industrial subsector which has LQ average value for 5 years (from 2010-2015) more than one (LQ>1) is: food industrial equal to 1.64, small industrial sector of metal equal to 1.26 and small industrial sector of crafting equal to 4.61.

Sail District, small industrial subsector which has LQ average value for 5 years (from 2010-2015) more than one (LQ>1) is: food industrial equal to 2.47 and small industrial sector of clothing and leather equal to 2.19 chemical and building material industrial 1.24 and small industrial sector of crafting, equal to 1.37.

Pekanbaru City, small industrial subsector which has LQ average value for 5 years (from 2010-2015) more than

one (LQ>1) is: small industrial of food equal to 1.53; clothing and leather industrial equal to 4.11; small industrial sector of chemical and building materials equal to 1.01; industrial sector of metal equal to 1.08 and small industrial sector of crafting equal to 1.17.

Sukajadi District, small industrial subsector which has LQ average value for 5 years (from 2010-2015) more than one (LQ>1) is: clothing and leather industrial 2.36 and industrial sector of chemical and building materials equal to 1.58 and small industrial sector of crafting equal to 1.09.

Senapelan District, small industrial subsector which has LQ average value for 5 years (from 2010-2015) more than one (LQ>1) is: food industrial equal to 2.36; Clothing and leather industrial equal to 1.74.

Rumbai District, small industrial subsector which has LQ average value for 5 years (from 2010-2015) more than one (LQ>1) is: chemical and building material industry equal to 2.18 and small industrial sector of crafting, equal to 1.05.

Rumbai Pesisir District, small industrial subsector which has LQ average value for 5 years (from 2010-2015) more than one (LQ>1) is: chemical and building material industry, equal to 2.18 and small industrial sector of crafting, equal to 1.05.

CONCLUSION

Small industry is one of industries that can absorb a large labor force. This is because to work in small industrial sector is not too concerned with the level of specific expertise; Community of job seekers who come to the city of Pekanbaru in general with a relatively low level of education (high school). From the calculation of the superior industry through LQ, it is known that small industries were superior in Pekanbaru City based on employment are: small craft industry sub-sector, small industrial of chemicals and materials and small industrial sub-sector of food and small industrial metals. It can be seen from the calculation of the small industries of excellence (LQ>1) in 12 districts in the city of Pekanbaru showed that almost all districts, the superior small industrial sector is a small industrial of crafts, chemicals and building materials, small industries of food, small industry of metal and small industry of clothing and leather.

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