PROFITABILITY OF AQUACULTURAL PRACTICE; A CASE STUDY OF FISH FARMERS IN IKEDURU LOCAL GOVERNMENT AREA OF IMO STATE

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ABSTRACT

The study was carried out to examine the profitability of aquacultural practice in Ikeduru Local government area of Imo state and made use of both primary and secondary data. The main instrument for collecting the primary data was structured questionnaire. The population of the study was forty five registered fish farmers in Ikeduru L.G.A and a sample of twenty five fish farmers were drawn out from the population. A random sampling technique was employed. Data collected include socio economic characteristics (Age, sex, marital status, educational qualification and years of experience), total revenue, total variable cost, net income and total fixed cost. The data were analyzed using inferential statistics. The descriptive analysis showed that a large proportion of fish farm was age 31 – 50 years, 60% had formal education (secondary education), 80% are married, 60% male farmers, 40% with year of experience between 5 – 10 years and 34% trained formally in fish farming and financed their fish production through personal savings. Equally evident from the result is that the average net income of fish farmers was N155, 868 while the profitability index was 0.33, which implies that for every one naira invested in fish production by farmers, a return of N1.33 and a profit of N0.33 were obtained. The multiple regression result revealed that fish output was significantly determined by size, farming experience, educational attainment and training in fish farming. The coefficient of determination R^2 value of 0.6805 indicates that 68.05% of the variation in the value of fish output was explained by the socioeconomic characteristics listed. Multiple regression also revealed that fish output was significantly determined by feed, capital, labour and other variable costs. The coefficient of determination R^2 value of 0.7520 indicates that 72.50% of the variation in the value of fish output was explained by feed, capital, labor and other variable costs (fingerlings, medication, maintenance, etc). The study concluded that fish production in the study area is economically rewarding and profitable. It is capable of improving the standard of living of the people by creating employment and augmenting income. Therefore it is recommended that fish farmers there should be encouraged with grants, credits and subsidy from the government financial institutions so as to boost their startup capital.

KEYWORDS: Profitability, Socio-Economic, Fish Farming, Gross Margin