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PROFITABILITY AND UTILIZATION CONSTRAINTS TO LOCAL FLOATING FEED FOR CATFISH ENTERPRISES IN OSUN STATE NIGERIA

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ABSTRACT

The high percentage that the cost of feeding covers in the catfish production enterprise calls for the search of a less expensive substitute to the imported feed commonly used by fish farmers in the nation hence the need for this research and this research looked into the level of profitability of catfish farming enterprise using local floating feed in Osun State, the constraints and solutions to the enterprise in the state.

Multi-stage sampling technique was used to obtain primary data from the respondents with the aid of a well-structured questionnaire, 180 locally pelleted floating feed users. Data were collected on the cost and returns of the enterprise, constraints to the enterprise and the likely solution.

It was discovered that the enterprise is profitable with a net farm income of N1,008,769.30 and gross margin of N1,039,814.79, the rate of return, operating expenses ratio and other profitability ratios confirm the profitable nature of the enterprise. Importance ranking index was used to rank the constraints identified by the farmers and the Inability to access funds to expand production, High Cost of extruder and other machines, need to use higher volume/quantity than the imported, Unstable market price of feed ingredients and Rough appearance and less attractive saint/odour in order of importance were identified by the farmers. Also, Government loan at low interest rate, Provision of floating feed machine and other tools at low cost, Provision of good quality water, Stability of market price of fish and fish feed ingredients and Improvement on the feed by a research institute in order of importance were identified by the farmers as solution to the problems.

It can be concluded that aquaculture production is a profitable investment considering the size of gross revenue obtained from the study, the feed has a significant contribution to fish production. In order to make feed available at a relatively cheaper price for small scale catfish farmers, commercial feed millers should collaborate with relevant institutes and other relevant agricultural research centres to work out alternative substitutes to the currently imported fish meal that constitute the highest cost in feed formulation also the government should encourage financial institutions to give loans to serious minded investors at considerable interest rates but with proper monitoring