

ECONOMIC PROFITABILITY OF SHRIMP (*Acetes spp.*) PROCESSING
IN BARANGAY ATABAYAN, TIGBAUAN, ILOILO

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Abstract

In general, this study aims to determine the economic profitability of shrimp processing in Barangay Atabayan. Specifically, the study describes the socio-demographic profile of the processors and the costs incurred in processing. It also identifies the problems encountered by the processors, and describes the production and pre-sale practices of the business.

This study uses the census method in data gathering. All the eleven processors served as respondents. An interview translated into *Kinaray-a* was used to gather information from processors.

The respondents were classified according to the method of processing they used: (1) fermentation, that produces *guinamos* and (2) drying, that produces *kalkag*. Seven of the processors were male and 4 were female; their average age was 54.45 years. They have been into shrimp processing at an average of 25.91 years. They do not rely on shrimp processing alone. Some of them engaged in farming, fishmeal selling, fishing and part-time driving.

The processors had positive operating profit per-kg-of-produce per production day. In general, the processors had a positive financial profit per-kg-of-produce but the processor engaged in drying only incurred a negative financial profit. Fermentation had a positive pure economic profit per-kg-of-produce while drying had a negative pure economic profit. For drying to be profitable, costs of variable inputs must be considered. Results showed that it is more profitable to venture in both drying and fermentation because of a higher pure economic profit compared with venturing in fermentation or drying only.

Weather, uncertainty of payments of some wholesalers, entry of illegal fisher folk from neighboring towns and the outlawing of *sungkit*, a gear used in catching the shrimps, were the problems faced by the shrimp processors.