

ANALYSIS OF THE COST STRUCTURE AND PROFITABILITY OF SMALL-SCALE CATFISH FARMING IN ZARRAGA, ILOILO

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**BRYLLE D. BIENE
ZAPHARA MAE M. TAYCO**

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ABSTRACT

Catfish farming has contributed significantly to the economy of Zarraga, Iloilo. Currently however there are a few existing literature on the economic viability of the venture. This study was undertaken to bridge that gap. Nineteen small-scale catfish farmers were chosen as respondents of the study using simple random sampling method. This study evaluated the economic performance of small-scale catfish farming using cost and return analysis. Measures and indicators of profitability such as benefit-cost ratio, rate of return on capital investment, payback period and break-even points were solved to determine profitability. Sensitivity analysis was also done to examine the effect of changes in major variables on the profitability of small-scale catfish farms. Results showed that small-scale catfish farming in Zarraga, Iloilo is profitable with positive pure, gross and financial profit. The findings also indicated that it is more sensitive to changes in the market price of catfish compared to changes in the prices of major inputs such as feeds, fingerlings and labor. It is recommended that local government programs such as fingerlings dispersal and research supporting catfish farming will be carried out.