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**A STUDY OF SOCIO-ECONOMIC FACTORS INFLUENCING POULTRY
PRODUCTION IN BURETI DISTRICT, KENYA**

BY

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ABSTRACT

Poultry production is one of the most important economic activities to the small-holder farmers of Bureti District. However, constraints which have resulted in low production of poultry and poultry products are evident. For example poultry population declined by 20.8%, 41% and 90% for indigenous, commercial and broilers birds respectively between the years 2000 and 2008. Likewise, there was a 36% general decline in poultry eggs. The objective of the study was to determine the profitability, resource use efficiency, optimal production levels, production systems and factors that influence the production of poultry and poultry products by small-scale poultry farmers. Primary data were obtained using a set of structured questionnaires from 101 representative farmers drawn from the study area using cross-sectional sampling techniques. Data were analyzed by using descriptive statistics, gross margin, net present value, sensitivity analysis, multiple regression and simple correlation analysis. Results show that the mean age of poultry farmers was 43 years and with a mean experience of seven years in poultry farming. Further, some resources used in poultry production were underutilized while others were over utilized. The efficiency indicators for poultry feeds (0.0603) showed that poultry feeds were inefficiently used. Labour efficiency indicator (-0.091) showed that farmers were not only grossly inefficient in the use of the resource but also over utilized it while the efficiency indicator (60.86) for poultry equipment implied the resource was inefficiently utilized. The computed mean net income and gross margin were Kshs. 16,021 and 18,121 respectively and the gross return per shilling invested was Kshs. 1.11, representing a net return of 0.11 shillings per shilling invested. Sensitivity analysis results show that commercial layer poultry enterprise is very sensitive to any decrease of more than 23% in the posited expected revenue while indigenous poultry production enterprise is sensitive to any increase of more that 1% in the variable costs of production. The principle conclusion, based on the net present value results, was that small-scale poultry production is a profitable and viable venture. The net present worth were all positive for commercial and indigenous layer enterprises respectively which shows that farmers were recovering their investments and making profits. However, in order to improve output and profitability, it is recommended that farmers should use inputs more efficiently by reducing their levels of employment. Likewise, it is recommended that development planners should focus on innovative ways of increasing farmer access to credits from financial institutions. This could improve profitability and viability of poultry production.