

Poultry Farmers' Response to Agricultural Insurance in Delta State, Nigeria

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ABSTRACT The study examined the response of poultry farmers to agricultural insurance. The study was carried out in Delta North Agricultural Zone of Delta State, Nigeria. A sample size of 120 poultry farmers was used for the study. Trained field assistants in addition to the researcher collected the data. Descriptive statistics such as mean scores, frequency and percentage were used to summarize data, while t-test was used to determine differences in perception of constraints to agricultural insurance between participating and non-participating poultry farmers. Results of the study reveal that only 37% of the respondents insured their poultry farms. This indicates a low participation in agricultural insurance by the farmers. The study also found a generally favourable attitude of the farmers towards agricultural insurance. The poultry farmers agreed that agricultural insurance is beneficial and is needed to cushion the effects of losses and damages. Constraints to poultry farmers' participation in agricultural insurance identified by this study include: fears that claims may not be paid; inadequate knowledge on the benefits of agricultural insurance; late payment of compensation, high premium rate and compensation paid does not cover losses. The low participation of poultry farmers in agricultural insurance despite their favourable attitude could be blamed on these constraints. In order to enhance poultry farmers' participation in agricultural insurance, this study recommends that the government should make agricultural insurance more affordable to poultry farmers by subsidizing the cost of taking an agricultural insurance cover. Insurance companies should endeavour to keep religiously to contractual arrangements so as to allay the fears of farmers that claims may not be paid. Also, a special loan scheme for poultry farmers should be established by government to enable the farmers cope with the financial requirements involved in taking an agricultural insurance cover.