

ECONOMIC LOSS DUE TO LARCENY IN SOME AGRICULTURAL ENTERPRISES OF KADUNA STATE, NIGERIA

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ABSTRACT

When the challenges facing agricultural enterprises are being discussed, pilfering is hardly mentioned, or it is considered loss inconsequential. Unfortunately, pilfering cumulatively leads to heavy losses in agricultural enterprises. Thus, this study was aimed at highlighting the items being preferentially pilfered and assessing the value of losses incurred by agricultural enterprises. Structured and pretested questionnaire was administered to 150 agro-allied enterprises purposively selected from ten Local Government Areas (LGAs) out of the 23 LGAs of Kaduna State. Variables assessed include type of enterprise, items being pilfered, monetary values of items pilfered and presence of insignia on assets. A total of 105 questionnaires were retrieved and the resulting data was analysed using descriptive statistics. The enterprise sampled were aquaculture, apiculture, poultry, piggery, large ruminants and feed mill. This study showed that items being pilfered in order of preference were: cattle > poultry birds ≥ eggs > smoked fish > goats and other products. The value of products pilfered ranged from less than ₦1,000.00 to above ₦ 100,000.00 and 66.70% of the enterprises do not have any form of insignia or logo on their physical properties. Pilfering constitutes a leaking bucket in farming enterprise and it is important to deploy several security measures such as marking, artificial intelligence and other state of the art facilities to guard the agro-allied investments.

Keywords: pilfering, losses, enterprise, Nigeria, value

INTRODUCTION

Agriculture value chain activities are plagued with several risks and uncertainties amongst which pilferage is a vice that is given minimal attention (Folorunso and Bolorunduro, 2015), Pilfering is petty theft or stealing in small quantities of variable items (Olubanjo, 1995). Farm pilferage is the act of stealing things in small quantities from farms by unknown persons, friends, relations, hired labourers, or even security operatives hired to protect such farms or agricultural investments (Ifenkwe, 2012). Pilfering has direct and indirect effect and it can cumulatively lead to heavy losses in agricultural enterprises. Hence, this study was aimed at assessing the losses due to pilfering incurred by agricultural enterprises in Kaduna state, Nigeria.

Methodology

Ten LGAs were randomly selected out of the 23 LGAs in Kaduna State namely Zaria, Giwa, Kaduna North, Sabon Gari, Kudan, Ikara, Chikun, Zangon Kataf, Jema'a and Igabi. The questionnaire was pretested and necessary corrections were made before the survey. Purposive sampling was used to select agricultural enterprises within the study area and structured questionnaire was administered to 150 enterprises, However, 105 questionnaires were retrieved. Data collected were analysed by using Statistical Package for Social Sciences (SPSS) software package 15. Descriptive statistics such as frequency distribution, percentages and averages were used to present the data obtained.

RESULTS AND DISCUSSION

Demography of respondents is presented in Table 1 while security measures, threats, products pilfered, and value of items lost by agricultural enterprises in Kaduna state is presented in Table 2.

Table 1: Demography of some Agricultural Enterprises in Kaduna State where a form of pilfering or another had occurred.

Variable	Frequency respondents (N=105)	Percentage 100%
Farm Location (LGA)		
Chikun	24	22.90
Giwa	4	3.80
Igabi	3	2.90
Ikara	6	5.80
Jema'a	1	1.00
Kaduna North	13	12.40
Kudan	1	1.00
Sabon Gari	35	33.30
Zangon Kataf	11	10.50
Zaria	6	5.70
Type of Agricultural Enterprise		
Aquaculture	16	15.20
Apiculture	5	4.80
Layers	23	21.90
Broilers	18	17.10
Piggery	12	11.40
Large Ruminants	27	25.70
Feed mill	4	3.80
Type of Business ownership		
No Response	2	1.90
Sole Business	80	76.20
Partnership	23	21.90
Status of Respondent in the Organization		
Employer	73	69.50
Employee	32	30.50
Years of experience of respondent		
0 – 3	86	81.90
4 – 6	11	10.47
>6	08	7.62
Size of enterprise in Hectare(s)		
0 – 3	93	88.57
4 – 6	6	5.71
> 6	6	5.71
Age of Establishment (years)		
0 – 5	34	32.38
6 – 10	42	40.00
11 – 15	17	16.19
> 15	12	11.42
Population of staff in the establishment		
0 – 5	66	62.85
6 – 10	26	24.76
11 – 15	07	6.66
> 15	06	5.71

This study showed that layers and broiler production enterprise were the highest with 21.9% and 17.1% respectively while feedmill was the lowest with 3.8%, 88.57 % of the respondents had 1 – 3 ha of land and ownership of the business was 76.2 % sole proprietorship. A total of 62.85% of the sampled enterprises had staff strength of 5 or less. The small land size, sole ownership and few staff is an indication that most of the sampled agro-allied enterprises are micro, small and medium enterprises MSMEs which were established for the purpose of meeting the immediate need and demand of the household. The study further showed that few (30.5%) of the enterprises had logo insinuated on their

Table 2: Security measures, threats, products pilfered and value of items lost to pilfering by agricultural enterprises in Kaduna state

	Frequency (N=105)	Percentage 100%
Presence of fence round the enterprise		
No response	2	1.90
Yes	76	72.40
No	27	25.70
Company name/logo/insignia printed on physical asset		
No response	3	2.90
Yes	32	30.50
No	70	66.70
Theft of physical assets (Equipment parts, machinery, etc.)		
No response	6	5.70
Yes	43	41.00
No	56	53.30
Theft of company products		
No response	4	3.80
Yes	52	49.50
No	49	46.70
Type of agricultural product pilfered in enterprise		
No response	63	60.00
Pig	1	0.95
Vegetables	1	0.95
Bags of feed	1	0.95
Poultry birds	8	7.61
Bone meal	1	0.95
Cows	10	9.52
Livestock feed	1	0.95
Goats	2	1.90
Maize	1	0.95
Manure	1	0.95
Milk	1	0.95
Pig	1	0.95
Smoked fish	4	3.81
Eggs	8	7.61
Vaccines	1	0.95
Experienced theft of raw materials used in production		
No response	12	11.40
Yes	33	31.40
No	60	57.10
Culprit caught in the theft		
No response	44	41.90
Outsider	34	32.40
Employee	27	25.70
Gender of culprit caught pilfering: male or a female		
No response	44	41.90
Male	52	49.50
Female	9	8.60
Salary of culprit if he/she was an employee		
No salaried employee	66	62.90
₦ 1.00 – ₦10,000.00	35	33.33
₦10,000.00 – ₦ 20,000.00	4	3.92
Value of item stolen		
No response	49	46.70
1 – 1,000	6	5.70
1,000 – 10,000	31	29.50
10,000 – 20,000	4	3.80
20,000 – 30,000	9	8.60
30,000 – 40,000	0	0.00
40,000 – 50,000	1	1.00
50,000 – 100,000	1	1.00
>100,000 and above	4	3.80

physical properties while majority of the farms accounting for 66.7 % of the respondents had no logo or any form of identification on their implements or machineries. The absence of logo or insignia on

properties may either be due to ignorance of its importance or the farm owners cannot afford it. Unfortunately, most of the farm owners do not realise that thefts of farm equipment can be discouraged when a permanent means of identification is present, criminals are warned that property recovered by police anywhere in the nation can be traced to the rightful owner. Austin (1996) stated the obvious that funding for security may seem wasted, but only one incident can cost more than investment in security. Pilferage of poultry chickens recorded the second highest of 7.61% after cattle, this is similar to Ifenkwe (2012) who reported poultry chickens as second ranked livestock stolen after goats in Abia state. Apparently, poultry and poultry products are attractive to thieves because of their size or taste or other factors not explained in this study. Value of items stolen ranged from less than ₦1,000.00 to over ₦100,000.00. This implies that nothing is too small or too big to be stolen on farms. Austin (1996) reported losses due to pilferage can easily exceed losses from pests and diseases.

CONCLUSION AND RECOMMENDATION

The study showed that pilfering was a major constraint to profitability and success of any agricultural enterprise. Investors should deploy several strategies such as permanent marking of implements (physical or electronic), artificial intelligence and other state of the art methods to secure their investments.

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