

## Income Inequality among Selected Entrepreneurs in Ondo State, Nigeria

**Authors :** O.O. Ehinmowo, A.I. Fatuase, D.F. Oke

**Abstract :** Nigeria is endowed with resources that could boost the economy as well as generate income and provide jobs to the teeming populace. One of the keys of attaining this is by making the environment conducive for the entrepreneurs to excel in their respective enterprises so that more income could be accrued to the entrepreneurs. This study therefore examines income inequality among selected entrepreneurs in Ondo State, Nigeria using primary data. A multistage sampling technique was used to select 200 respondents for the study with the aid of structured questionnaire and personal interview. The data collected were subjected to descriptive statistics, Lorenz curve, Gini coefficient and Double - Log regression model. Results revealed that majority of the entrepreneurs (63%) were males and 90% were married with an average age of 44 years. About 40% of the respondents spent at most 12 years in school with 81% of the respondents had 4-6 members per household, while hair dressing (43.5%) and fashion designing (31.5%) were the most common enterprises among the sampled respondents. The findings also showed that majority of the entrepreneurs in hairdressing, fashion designing and laundry service earned below N200,000 per annum while the majority of those in restaurant and food vending earned between N400,000 - N600,000 followed by the entrepreneurs in pure water enterprise where majority earned N800,000 and above per annum. The result of the Gini coefficient (0.58) indicated that there was presence of inequality among the entrepreneurs which was also affirmed by the Lorenz curve. The Regression results showed that gender, household size and number of employees significantly affected the income of the entrepreneurs in the study area. Therefore, more female households should be encouraged into entrepreneurial businesses and government should give incentive cum conducive environment that could bridge the disparity in the income of the entrepreneurs in their various enterprises.

**Keywords :** entrepreneurs, Gini coefficient, income inequality, Lorenz curve

**Conference Title :** ICEID 2016 : International Conference on Entrepreneurship, Innovation and Development

**Conference Location :** London, United Kingdom

**Conference Dates :** January 18-19, 2016