

Off-Farm Work and Cost Efficiency in Staple Food Production among Small-Scale Farmers in North Central Nigeria

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Abstract : The study evaluated off-farm work and cost efficiency in staple food production among small-scale farmers in North Central Nigeria. Multistage sampling technique was used to select 360 respondents (participants and non-participants in off-farm work). Primary data obtained were analysed using stochastic cost frontier and test of means' difference. Capital input was lower for participants (N2,596.58) than non-participants (N11,099.14). Gamma (γ) was statistically significant. Farm size significantly ($p < 0.01$) increased cost outlay for participants and non-participants. Average input prices of enterprises one and two significantly ($p < 0.01$) increased cost. Sex, household size, credit obtained, formal education, farming experience, and farm income significantly ($p < 0.05$) reduced cost inefficiency for non-participants. Average cost efficiency was 11%. Farm capital was wasted. Participants' substitution of capital for labour did not put them at a disadvantage. Extension agents should encourage farmers to obtain financial relief from off-farm work but not to the extent of endangering farm cost efficiency.

Keywords : cost efficiency, mean difference, North Central Nigeria, off-farm work, participants and non-participants, small-scale farmers

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