

COMPARATIVE ECONOMIC APPRAISAL OF PERFORMANCE OF RAIN-FED UPLAND RICE PRODUCTION IN SOUTH WESTERN NIGERIA

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ABSTRACT

This study comparatively examined the demographic and production characteristics of rain-fed upland rice farmers in Osun and Oyo states of Nigeria; estimated the profitability of rain-fed upland rice production as well as determined the technical efficiencies of rain-fed upland rice production in the study areas. A combination of purposive and multi-stage random sampling techniques were employed in obtaining primary data from 300 rain-fed upland rice farmers in the study areas, and the data obtained were analyzed using descriptive statistics, gross margin analysis, performance ratios and the stochastic frontier production function analysis.

Results showed that the mean ages of the rice farmers were about 44 years and 38 years while the mean rice farm sizes were 1.3 ha and 1.9 ha for Osun and Oyo states respectively. Rice paddy outputs averaged about 1,679.5kg/ha in Osun while that of Oyo state was about 1,158kg/ha. Rice paddy farmers in Osun state earned average gross margin/ha of ₦34, 181.38 while their counterparts in Oyo State received ₦25, 448.84. The benefit cost ratio of 2.69 and 2.49 obtained for rice farmers in Osun and Oyo states respectively, showed that rain-fed upland rice production is a worthwhile investment.

Results of the stochastic frontier production function analysis showed that land was the most productive resource with elasticity of production of 0.961 and 0.314 for Osun and Oyo states respectively while the predicted technical efficiency estimates showed that rain-fed upland rice farmers in Oyo state (with mean technical efficiency of 94.3%) were more technically efficient than their counterparts from Osun state (with mean technical efficiency of 90.1%).

The results showed that although rice enterprise was profitable in the study areas, rain-fed upland rice farmers were not fully technically efficient in the use of production resources available to them.

KEYWORDS: Profitability, Efficiency, Rain-Fed Upland Rice, Nigeria