

PALM OIL MILL TECHNOLOGY: PANACEA FOR ALLEVIATING RURAL POVERTY IN SOUTHWESTERN NIGERIA

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ABSTRACT

The study reveals how palm oil mill technology alleviates poverty level of modern users better than the traditional users. This study is based on Primary data collected from a sample of 144 modern users of palm oil mill technology and traditional users using multi-stage random sampling. This research work used descriptive statistics to obtain socio-economic characteristics of the respondents. Regression analysis was used to examine the factors that affect their palm oil production. Foster-Greer Thorbecke (FGT) was used to analyse the extent and level of poverty among palm oil processors (modern and traditional users). The result of the analysis showed that the mean age of the modern and traditional users is 52.5 and 54.8 respectively and the respondents were mostly women. The regression analysis shows that farm size, level of farm income, adoption of technology and experience in processing are the significant factors affecting the production of palm oil in the study area.

The FGT analysis revealed that poverty incidence was most noticed among traditional users of processing palm oil. As a whole, the incidence of poverty in the study area was 0.458 implying that 45.8% of the sampled farm households were actually poor (10.4% modern users were poor and 35.4% traditional users were poor).

KEYWORDS: Foster-Greer Thorbecke (FGT), Palm Oil Mill Technology, Multi-Stage Random Sampling