

Determinant of Youth Participations in Agri-Business in Oluyole Local Government Area of Oyo State

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ABSTRACT

Youth involvement in agriculture has been described as one of the ways in tackling the pitfalls of unemployment issues in Nigeria. However, this general negative perception of agriculture/agribusiness value chain as a means of sustainable livelihood by youths has deceived most youth into searching for the ever unavailable co-operate job. It is hoped that challenging the status quo will assist the youth to become more engaged in the agricultural/agri-business sector as a productive constituents in enabling them utilize modern technology in a business-like manner to achieve economic independences.

The study was carried out to investigate the determinants of youth participation in agri-business in Oluyole local government area of Oyo state, Nigeria. One hundred and twenty farmers were purposively selected. The paper aims to describe some specific socio-economic parameters of youth in the study area, types of agribusiness which are engaged by youth and the factors that influence youth participation in agribusiness in the area. Types of agribusiness services that youth participate and the constraints faced by the youths in the participation of agri-business were also discussed. The Data were analyzed using descriptive statistics. The study found that majority of the respondents were attracted to invest more in their own farms rather than being employed as labour or involved in family farms. The findings of the study revealed that socio economic parameters play key roles in the choices of participation in agri-business in the study area. On the other hand, the factors associated with youth's participation in agri business revealed that age, sex, Marital status, availability of credit facilities, land, agricultural knowledge, lack of job alternatives, are positive determinants associated with youth's participation in agri-business .

Key words: Youth, Agribusiness, Employment, Agriculture, Socioeconomics.

Introduction

The agricultural sector is one of the most viable enterprises particularly in terms of its employments potentials (Preshstore, 2013); as such the enterprise remains a fundamental pillar to poverty reduction and economic growth especially for developing countries in the 21st century. Unfortunately, the sector is limited by host of several challenges such as; low productivity, adoption of modern farming techniques, climate change, low fertilizers usage, and inadequate storage and processing facilities (Francis *et.al*, 2015).

Presently, Nigeria Agriculture is facing number of emerging issues in spite of the production boom that it has experienced as a boon of green revolution. Youth are abandoning agriculture, and often migrates to urban areas in search of employment. Other issues entrenched to this pitfall lies in the rising numbers of global unemployment rate; particularly among the youth.

Under such reviews agricultural sector needs new ideas, innovations, rebranding and revitalization in combating these prevailing challenges.

In Nigeria, farming population is aging. It is practically impossible for these aged generations in dominating the agricultural sector to deliver the expected productivity to meet the food security need of ever increasing population (Aphunu & Atoma, 2010). These present scenarios of changing agriculture in Nigeria demands energy and vitality of youth as ideal catalyst for such anticipated changes given greater tendencies and willingness to explore new innovative ideas, concepts and technological transfer which are all critical components to changing the perception and practice of agriculture in our domain.

Notably, in particular Oyo state is not left out of this global trend considering the difficulties in exploring full potential in agricultural production and stimulating youth participation in agribusiness enterprise towards the succession gap in agriculture development and the nation's ability to achieve its food security goals which are inextricably linked.

Another key indicator of this youth crisis lies on high rates of youth seasonal migration patterns predominantly within rural and urban areas or abroad which in turn spurs negative stigma by the youth towards agriculture as a way of life (Bennell, 2010; FAO, IFAD & CTA, 2014). Exacerbating this youth problem is worrisome in comprehending the determinants, outcomes of youth choices and aspirations due to lack of reliable and comparable data (FAO, 2013; Webster and Ganpat, 2014). Hence a concern for agriculture and the overgrowing youth population less frequent in farming as a profession within the rural transformational agenda.

However, available evidence suggest that the aging farming population stands at an average age of 47 years and a life expectancy at 47-50 years (Obohet.al,2009).Statistical projections estimate that by 2050, the global population is expected to reach 9 billion, with youth accounting for 14% of this total (FAO, IFAD & CTA, 2014). Thus this demographic shifts is expected to increase, while the available employment and entrepreneurial opportunities are not, particularly for those living in rural areas of developing countries (FAO, IFAD & CTA, 2014), triggering the International Labor Organization to warn of the worsening youth employment crisis that will leave a scarred generation(FAO, IFAD & MIJARC, 2014; ILO, 2015).

Agriculture has multi-faucets and diverse potentials that can not only transform the national economy grid but also have tremendous impacts on the personal lives of the farmers; particularly the youth. (Francis *et.al*, 2015) posited that the youth productive force of every nation is a very paramount component, especially for sustaining agricultural productivity and also important sector for development. Even though the general perception of people toward agriculture is negative, there still exist in the belief that agriculture sector has the ability to offer a high income provided it is Operated in the right way (Man, 2007).

According to (Mangal,2009) observed there is insufficient youth participation in the agricultural sector even though this category of people are the most productive of any society as it contains people in the prime of their lives physically and mentally. The viability of agriculture with youth non participation in conjunction with the aging farmers population, risk the loss of transferable skills when it comes to agricultural production, best practices and indigenous knowledge (FAO, IFAD and CTA, 2014) as such the loss of transferable skills can have detrimental effects for the next generation of farmers as well as the future of agricultural production (FAO, IFAD and CTA, 2014).

Agribusiness is a term that describes farming plus all the other industries and services that constitute the supply chain from farm production through processing to wholesaling and retailing

that has the ability to create job opportunities and generate incomes (Filmer, 2014). For instance the food and beverage industry, expected to be a USD 1 trillion industry by 2030, has great potential to create gainful job opportunities for rural youth (World Bank, 2013). This implies that there is a need to support youth in identifying business opportunities in the agriculture sector from producing food to providing services such as storage, transport, processing, and marketing (Koiri, 2014). Despite all the prospects associated with agribusiness, the level of investment in targeting youth in agribusiness remains low compared to the high attention given to the youth agenda at the international, regional, and national levels (Proctor & Luccheci, 2012).

These timeliness shift towards youth means there is a strong need for youth development and participation and also address rural well-being; reducing poverty by empowering and early exposure of the youth with transferable skills, practices and also acquiring experiences in group processes that will enable them to easily step into adult leadership roles in their communities as a part of people participation in activities that contribute to sustainable agricultural and rural development.

It is on this premise that this paper was hatched to probe the determinants of youth participation in Agri-Business in Oluyole LGA of Oyo state. The study is in a bid to provide information and insight for extension agencies and policy makers in ensuring a better developmental model in transformation of youth involvements in successful engagement and the management of youth development in the sector and also provide critical elements for youth as agriculture promoters. Specifically the objective of the study sought to describe the socio-economic characteristics of the respondents in the study area, To investigate the determinants of youth participation in agribusiness in the study area, To identify the extent of youth participation that influences their aspiration, Choice, towards agribusiness in the study area and To examine the constraints of youth participation towards agribusiness in the study area.

Research Methodology

2.1 Research Design /Study Area

Case study design was used by this study to achieve its objectives. The case study design is not limited to any methodological tool and data can be collected over a period of time. The study was carried out in Oluyole local government of Oyo State. The local government area was established in 1076 and occupies a land mass of 629km² and a population of 202, 725 as at census 2006. Plantain, Cocoa-yam, Maize and Cassava are the major food crops planted in the area.

2.2 Sampling Techniques /Sample Size.

The primary data was used and respondents were predominantly youth. The study adopted the stratified sampling method to form three strata and simple random sampling technique in each stratum was used to select the respondents.

Firstly, the stratified sampling procedure was used to select the representative villages. From the list of all five villages in Oluyole Local Govt area, four villages were randomly selected to represent the sample which included Onipe, Odo-ona, Ibusogboro and Mamu. Secondly, a simple random

selection; hence youth who were involved in agri-business were randomly selected from the four villages to represent the sample. Therefore, a total sample of 120 respondents were sampled and used for the data collection for the study.

2.3 Data Analysis and Interpretation

Descriptive statistics and Logit Regression analysis were used to estimate the determinants of youth participation in agribusiness.

Model Specification

Specify as follows is the Logit regression model:

$$Y = \ln(P/1-P)$$

$$Y = \ln(P/1-P) = b_0 + b_1x_1 + b_2x_2 + b_3x_3 + \dots + b_5x_5 + e$$

Where: Y= Dependent binary variable (participate=1, do not participate=0), P=Probability of participating in agribusiness, 1-P = Probability of not participating in agribusiness, Ln = Natural logarithm function, b_0 =Constant, b_1 - b_5 = Regression coefficients, X_1 - X_9 = Variables;

Where:

X1-Sex (Male=1 Female=0)

X2- Age (Years)

X3-Marital status (Married = 1, otherwise=0)

X4-Education (Years spent in school)

X5-Knowledge of agribusiness

Stochastic error term, $(P/1-P)$ = (Odds in favor of participation).

Empirical Result Findings and Discussion

Table 1: Demonstrates that 103 (85.3%) of all respondents were males and 17(14.20%) were females who participated in agric- business by investing in their own farms. The study suggests that male youth have better opportunities to access land and capital than young females. This is in agreement with the statement of (Chikezie, 2012) which revealed that the low percentage of the female youth participation in agriculture production could be attributed to the fact that most female usually get engaged in several other activities outside farming like food vending, tailoring, petty trading and hair dressing.

Also, the table indicates that 90 (75.0%) of all respondents were male and 30 (25.0%) were females who participate in agribusiness by working as labour on the farm. This study shows that majority of the male youths prefer to engage in agri-business by exchanging their strength for money when compared with their female counterpart partly because they are more energetic. This finding is in agreement with (Oladele *et al.*, 2013) which revealed that males are often more energetic and could readily be available for energy demanding jobs like agriculture production.

Furthermore the table reveals that, about 70 (58.3%) of all respondents were females and 50 (41.7%) were males who participated in agri- business by working on their family farms. The study revealed that participation in agri-business by working on family farms is more practiced (58.3%) by young women than young males (41.7%). The study reveals that male youth are more involved in agri-business than young women by working as labour and investing in own agri-business while more women are involved through working on family farms than young males. In addition, Table 1: further revealed that, age group 28-37 (54.2%) participate in agribusiness by working as labor on farms, age group 18-27(64.2%) invest in own farm while age group 18-27(55.9%) also work on family farm.

Table 1: Respondents Sex and Age in relation to Youth participation in Agribusiness in Oluyole Local Govt Area.

Age	18-27			28-37			38-47			TOTAL	
	Sex	Freq	%	Sex	Freq	%	Sex	Freq	%	F(n=120)	%
Own a Farm	M	69	57.5	M	15	12.5	M	19	15.8	103	85.8
	F	8	6.7	F	43.3		F	5	4.2	17	14.2
	Tot	77	64.2	Tot	19	15.8	Tot	24	20	120	100
Work as Labour	M	16	13.3	M	50	41.7	M	24	20	9075	
	F	6	5.0	F	15	12.5	F	9	7.5	30 25	
	Tot	22	18.3	Tot	65	54.2	Tot	33	27.5	120 100	
Work on Family Farm	M	32	26.7	M	8	6.7	M	10	8.3	50	41.7
	F	35	29.2	F	15	12.5	F	20	16.7	70	58.3
	Tot	67	55.9	Tot	23	19.2	Tot	30	25.0	120	100

Table 2 reveals that 65(54.2%) married, 42(35.0%) single, 10(8.3%) divorced and 3(2.5%) widowed respondent youths participated in agribusiness by investing in their own farms. This shows that most of the rural youths who participated in agri-business through investments in their own farms are mostly married within the age of 18-27 years.

While for youths that participate in agribusiness by exchanging their strength for money (Labor), table 2 shows that 32 (26.7%) of all respondents were married, 54 (45.0%) were single, 23 (19.2%) were divorced and 11 (9.2%) widowed. This result shows that youths who are single are more likely to participate in agribusiness activities than married ones. This is partly due to the fact that single youth have more energy to dissipate on jobs that require strength than married youth, hence they normally opt to participate in activities that will enable them fulfill their daily socio-economic needs. Furthermore, the table reveals that 35 (29.2%) married, 55(45.8%) single, 20(16.7%) divorced and 10(8.3%) widowed respondents participated in agribusiness by working in their

family farms. This results shows that majority of youths who are single and younger are more involved in agribusiness activities through working in their family farms. This is because they cannot afford to invest in their own farm. Therefore working on their family farms or other people's farm is important in order to earn a living.

Table 2: Marital Status in relation to youth involvement in Agribusiness in Oluyole Local Government Area.

Participation	Married	Single	Divorced	Widow	TOTAL F(n=120) %
	F %	F %	F %	F %	
Own a Farm	65 54.2	42 35	10 8.3	3 2.5	120 100
Work as Labour	32 26.7	54 45	23 19.2	11 9.2	120 100
Work on Family Farm	35 29.2	55 45.8	20 16.7	10 8.3	120 100

The findings presented in Table 3 indicate that agri-business that young people participate in the study area includes crop cultivation, agroforestry, snail rearing, poultry farming and fish farming. The results reveals that (17.5%) engaged in agroforestry, (2.5%) engaged in snail rearing, (7.5%) engaged poultry farming, (29.2%) engaged in fish farming and (43.3%) engaged in crop cultivation. Apparently, crop cultivation seems popular because majority of respondents examined practice crop cultivation more than other forms of agribusiness. This is followed by Fish farming, this is due to the presence of streams/rivers and artificial fish dam in the study area. Agroforestry practice such as tungya farming is also common among youths in the area due to availability of natural forest (Gambari forest reserve) in the area. Agricultural activities provide employment opportunities for youths in developing countries like Nigeria

Table 3: Types of Agribusiness Youth participate in Oluyole Local Government Area.

Types of Agri-Business	F(n=120)	%
Agroforestry	21	17.5
Snail Rearing	3	2.5
Poultry Farming	9	7.5
Fish Farming	35	29.2

Crop Cultivation	52	43.3
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Table 4 reveals that, about 68 (56.7%) of youths earned their income from agri-business by investing in their own farm. 35 (29.2%) earned their income by exchanging labor for money while only 17(14.2%) earned income through working on their family farms. This result indicates that most youths earned their income from agri-business by investing in their own far and by working as labour on a farm. Others earned income through selling of agricultural products from their farms.

Table 4: Mode of Participation in Agribusiness by Youth in Oluyole Local Government Area.

Mode of Participation	F(n=120)	%
Invest in Own Farm	68	56.7
Exchange Labor for Money	35	29.2
Work on Family Farm	17	14.2

The findings in Table 5 shows that 30 (25%) of all respondents participated in agri-business due to land availability, 25 (20.8%) participated due to availability of credit facility, 6 (5%) participated due to lack of necessary training and 59 (49.2%) participated due to the lack of alternative job. This implies that most of the youths (49.2%) get involved in agri-business due to lack of alternative job and availability of credit facility. This is in agreement with the work of (Akpan, 2010) on encouraging youths' involvement in agricultural production and processing' that revealed that rural credits and unemployment are perceived to be the factors for youth's participation in agricultural activities.

Table5: Factors that determines Youth Participation in Agribusiness in Oluyole Local Government Area.

Factors	F(n=120)	%
Availability of Land	30	25
Availability of Loan/Credit facility	25	20.8
Knowledge of agribusiness	6	5
Lack of alternative Job	59	49.2

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Table 6 reveals the choice of services youths in Oluyole Local government area preferred to participate in the study shows that most of the youth (53.3%) work as marketers of finished farm products, (30%) in processing predominantly factory workers,(13.3%) render transportation services while (8.3%) engage in storage of agricultural products .From the table, majority of the youth source for employment as marketers of agri-products, only few who have access to credit facility can put up a storage house to preserve agricultural products.

Table 6: Services Rendered by Youth participating in Agribusiness in Oluyole LGA.

Services	F(n=120)	% Percentage
Storage	10	8.3
Transport	16	13.3
Processing	30	25
Marketing	64	53.3

The Logit regression in Table 7 indicates that three variables significantly and positively influenced youth participation in agribusiness. The variables are age, marital status and knowledge of agribusiness. Age positive effect on agribusiness is in agreement with the works of Sunday et.al, (2015) and Akpan (2010) which both agreed that participation in agriculture increase as with age. This trend explains the negative effects of food shortage and increase unemployment rate in the country. Policies that are targeted at encouraging youth involvement in agribusiness must be implemented to reduce food scarcity and enhance high rate of employment.

Also, knowledge of agribusiness is directly correlated with youth participation in agriculture. Knowledge accumulation and application, a critical tool needed in the 21st century has the capacity to encourage youth to be their own boss, this is in consonance with the work of Silva et.al, (2009)

Marital status, which has positive relationship with youth participation, is the third significant

determinant. Marital status is another determinant of youth participation in agribusiness because family responsibility generally pushes youth to seek employment and in the absence of regular jobs people are bound to diversify.

Table 7: Logit Regression Results of Respondents on Youth Participation in Agribusiness

Y-Participation	Coef.	Std.Err	Z	P>(z)
Sex	0.2678	0.5543	-0.57	0.655
Age	0.1876	0.0576	2.30*	0.001
Marital Status	0.2215	0.5570	0.27**	0.014
Education	0.0036	0.1255	-0.04	0.985
Agribusiness Knowledge	4.1532	1.4258	4.49**	0.042

*Significant at $p < 0.001$, **Significant at $p < 0.05$

Conclusion

The findings of the present study revealed that youth in Oluyole Local Government Area participate in various agribusinesses such as crop cultivation, agroforestry, poultry farming, snail rearing etc. They participate in agriculture by investing in own farms, working as labour and working in family farms. However, majority of the youth invest more in their own farms rather than being employed as labour or involved in family farms. Also, the study shows that most of the male youth work as labor on farm when compared with their female counterpart probably because they have more strength while most of the female youth examined preferred to work on family farm. Furthermore, the study reveals that factors such as Age, sex, marital status, availability of credit facilities, availability of land, lack of necessary training and lack of alternative jobs influence youth participation in agribusiness.

The study also conclude that youth in the study area preferred to render marketing services than engaging in transportation of agricultural products probably because it looks more decent and presentable than others and it does not require capital investment when compared to other services.

Finally, it is the hope of this study that relevant authorities will work harmoniously to ensure that necessary facilities such as land, credit facility, training among others is made available to encourage youth engagement in agribusiness to further reduce the rate of unemployment in the country.

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