**0 Journal of Researches in Agricultural Sciences**



**©2018 Copyright Faculty of Agricultural Sciences Journal,**

 **Ekiti State University, Ado-Ekiti. Nigeria**

http://faculty.eksu.edu.ng/agric.office published-volumes Vol. 6 (1), May, 2018. Pp 29-37

**Effect of Occupational Diversification on Rural Youths’ Livelihood in Ekiti State, Nigeria.**

**1A.O. Adedapo, and 2O.J. Filusi,**

*1Department of Agricultural Economics and Extension Services,*

*Ekiti State University, Ado Ekiti, Ekiti State,*

*2Department of Agricultural Extension and Rural Development,*

*Obafemi Awolowo University, Ile Ife, Osun State,*

Email: ayodeji.adedapo@eksu.edu.ng

**Abstract**

The study examined the effects of occupational diversification on rural youths’ livelihood in Ekiti State, Nigeria. A multi-stage sampling procedure was used to select 120 respondents. A well-structured questionnaire was used to elicit information from the respondents and the data obtained were analyzed using descriptive statistics, a 3 points Likert scale and Pearson Product Moment Correlation. The degree of occupational diversification was high among the rural youths was high and some engaged in farm and non-farm occupations. Most (78.33%) of them were male with mean age of 34.5 years; married (86.67%) with average household size of 5 members; and had one form of education or the other (98.33%). The factors influencing their choice of occupational diversification were subjected into eighteen variables, classified into livelihood assets- physical, natural, financial, social and human and ranked according to the level of importance. Limited agricultural income, to earn regular income, to cope with the increasing vulnerability associated with agricultural production, seasonal nature of agricultural produce, accessibility to credit facilities for non-farm occupation, to encompass a range of other productive areas, proximity to urban area, empowerment of youths in non-farm occupation were the most common influential factors. Most (62.50%) of the rural youths have favourable perception towards occupational diversification, which has significant relationship with their physical (p<0.05), economic (p<0.05), social (p<0.05), natural (p<0.10) and health (p<0.05) assets. Therefore, there is need to sensitize rural youths to diversify their income sources in order to improve their livelihood and to meet their financial obligations.

**Keyword**: Influential factors, livelihoods, non-farm income, occupational diversification, rural youths.

**Introduction**

Rural households tend to diversify income sources by combining two or more occupations (multiple job holding) to enhance consumption, smoothen and acquire other basic needs (Ajani, 2012). Rural youths need to diversify their occupation due to seasonal or nature of rain-fed farming which offer them ample time for them to acquire additional income needed to meet their financial obligations during the off-season periods. Occupational diversification becomes pertinent in order for rural youths to cope with increasing vulnerability associated with agricultural production. As a result of this struggle to survive and in order to improve their income, off-farm and non-farm income activities have become an important component of livelihood strategies among rural households in Nigeria.

Occupational diversification according to Lanjouw and Lanjouw (2001) involves incorporating all economic activities in rural areas except crop and livestock production, fishing and hunting.

Sekumade and Osundare (2014) opined that occupational diversification is the attempt by individuals and households to find new ways to raise incomes and reduce environmental risks. This includes both on and off-farm activities which are undertaken to generate additional income to the main household agricultural activities through the production of other agricultural and non-agricultural goods and services or self-employment undertaken in small firms and other strategies undertaken to spread risk. Occupational diversification is the attempts to find new ways to raise additional income to that of agricultural activities and reduce risk (economic, environmental and social) which sharply differs by the degree of freedom of choice (to diversify or not) and the reversibility of the outcome (Assan and Beyene, 2013).

It is becoming more rampant in Nigeria, because some farmers and youths have diversify into commercial motorcyclists, bus conductors, night guards, shoe menders, hair dresser, crafting, tailoring, etc. (Ahmed *et al.,* 2012). Several studies have shown that most rural households are involved in agricultural activities such as livestock, crop or fish production as their main source of livelihood and also engage in other income generating activities to augment their main source of income. Very few of them generate all their income from only one source, hold all their wealth in the form of a single asset, or use their resources in just one activity (Barrett *et al.,* 2001). Reasons for occupational diversification include declining farm incomes and the desire to insure against agricultural production and market risks. They take up off-farm jobs because the returns from off-farm activities are higher and less risky than in agriculture. Also, to improve households’ welfare in terms of health care, housing, sustenance, covering, etc. It is in this background that the study was carried out to assess the effect of occupational diversification on the livelihood of rural youths in Ekiti State, with the objectives to describe the socio-economic characteristics of the respondents, identify their engagement in farm and non-farm income activities, factors influencing their choice of occupational diversification, level of perception and the effects of occupational diversification on their livelihood assets.

**Materials and Methods**

**Study area**

This study was carried out in Ekiti State which lies within the tropics between longitudes 4°451 and 6°451 East of Greenwich meridian and latitude 6°151 and 8°51 North of equator. The State shares boundary in the South with Kwara and Kogi States, in the east with Ondo State and in the west with Osun State. The State experiences a typical tropical climate with two different seasons, raining season between April-October and dry season is between November-March. The average annual rainfall ranges between 2000 mm - 2400 mm, the average annual temperature range from 200C - 270C and 60% relative humidity. The State has a population of about 2,384,212 which represents about 1.7% of the national population with covered land area of 6,353 km2 (NBS, 2008; NPC, 2006). There are sixteen (16) Local Government Areas. Ekiti State was purposively chosen for the study due its humid to sub-humid climate and agricultural land suitable for farming activities.

**Sampling procedure:** A total of 240 youths from eight (8) Local Government Areas was selected using a multi-stage sampling procedure and a well-structured interview schedule to elicit information from the respondetns. Data were collected on socio-economic characteristics of the respondents such as age, marital status, educational level, households’ size, membership of social associations and annual income. Information was also collected on the various livelihood occupational diversifications, factors influencing their choice of occupational diversification, level of perception and the effects of occupational diversification on the livelihood of the respondent.

**Methods of data analysis:** Data were analyzed with the use of descriptive statistics such as frequency counts, percentages and mean to describe the socio-economic characteristics of the respondents and their engagement in farm and non-farm income activities. A 3-point Likert scale was use to analyze the factors influencing the choice of occupational diversification. Means and standard deviation were used to categorize their level of perception while PPMC was used to assess the effects of occupational diversification on the livelihood of the people.

**A 3-points Likert Scale:** In analyzing the factors influencing the choice of occupational diversification among the rural youths. A 3-point Likert scale was developed and ranked accordingly based on the mean score points. The extent of their preference was expressed and accorded 3, 2, and 1 for Agree, Undecided and Disagree respectively.

**LS = (N1X3 + N2X2 + N3X1) / (N)**

where:

LS = Likert Scale

N = Total number of respondents.

N1 = Number of rural youths who agree to the statement.

N2 = Number of rural youths who do not decide on the statement.

N3 = Number of rural youths who disagree with the statement

**Pearson Product Moment Correlation (PPMC)**

Pearson Product Moment Correlation was used to determine the relationships between the occupational diversification of the respondents and their livelihood assets. Pearson "r" otherwise known as PPMC is used to measure relationship or association for interval (and ratio) scale data. It is also use to measure linear association between interval variables.

Thus, the formula:

$$r=\frac{N∑XY-\left(∑X\right)-\left(∑Y\right)^{}}{√(N∑X^{2}-\left(∑X\right)^{2}(N∑Y^{2}-∑Y^{2}}$$

Where

∑X = summation of X variables

∑Y = Summation Y

∑XY = Summation XY

∑X2 = Square of summation X

∑Y2 = Square of summation Y

N = Number of observations

∑XY = summation X multiply by Y.

 **Results and Discussion**

**Socio-economic characteristics of the respondents**

The distribution of respondents based on their socio-economic characteristics shows that 47.50 percent of them were between the age range of 31-40 years with mean age of 34.5 years (Table 1). This implies that most of the respondents were within the youthful age, they will be very active and energetic in farm and non-farm occupation. Onuekwusi and Odoemelam (2016) noted that majority of the youths were between 30-35 years of age.Most (78.33%) of them were male, and 86.67 percent of them were married with average household size of 5 persons. It was opined that they have moderate households size due to their age and religion, as most (65.83%) of them practiced Christianity. Nearly all (98.33%) of respondents had one form of education or the other and 55.83 percent of them were into non-farm income activities on full-time basis with average of 14.5 years of experience. It was asserted most of the respondents were engaged in non-farm occupation in order to meet financial obligations and the seasonality of farming activities. Adepoju and Obayelu (2013), Onuekwusi and Odoemelam (2016) and Ajayi, *et al.* (2016), observed that that rural youths would look for diverse opportunities in order to increase and stabilize their incomes.

**Table 1. Socio-economic characteristics of the respondents**

|  |  |  |  |
| --- | --- | --- | --- |
| **Age (Years)** | **Frequency** | **Percentage** | **Mean** |
| Below 31 | 104 | 43.33 |  |
| 31 – 40 | 114 | 47.50 | **34.5** |
| Above 40 | 22 | 9.10 |  |
| **Sex** |  |  |  |
| Male | 188 | 78.33 |  |
| Female | 52 | 21.67 |  |
| **Marital** **Status** |  |  |  |
| Married | 208 | 86.67 |  |
| Single | 32 | 13.33 |  |
| **Household size** |  |  |  |
| 1 – 3 | 34 | 14.17 |  |
| 4 – 6 | 170 | 70.83 | **5** |
| 7 – 9 | 36 | 15.00 |  |
| **Religion** |  |  |  |
| Christianity | 158 | 65.83 |  |
| Islam | 82 | 33.33 |  |
| **Level of Education** |  |  |  |
| Non formal education | 20 | 8.33 |  |
| Primary school | 140 | 58.33 |  |
| Secondary school | 76 | 31.67 |  |
| Tertiary education | 4 | 1.67 |  |
| **Secondary Occupation** |  |  |  |
| Farming  | 4 | 1.67 |  |
| Trading | 44 | 18.33 |  |
| Artisan | 4 | 1.67 |  |
| Services | 188 | 78.33 |  |
| **Occupational experience (Years)** |  |  |  |
| 1-5 | 10 | 4.20 |  |
| 6-10 | 68 | 28.57 |  |
| 11-15 | 90 | 37.82 | **14.3** |
| Above 20 | 68 | 28.57 |  |
| **Farm status** |  |  |  |
| Full-time | 134 | 55.83 |  |
| Part-time | 106 | 44.16 |  |

**Source:** Field survey, 2018.

**Engagement in farm income activities**

Table 2 shows the distribution of the respondents’ engagement in farm income generating activities. Majority of them engaged in crop production (97.50%), engaged in processing of farm produce (94.58%) and farm produce marketing (38.75%). The other activities less patronized were oil palm (17.50%), livestock production (15.42%) and agro-processing (5.00%). Crop production was the most income yielding at ₦188,625.00 per annum. Followed by, processing of farm produce and farm produce marketing activities from which ₦65,555.00 and ₦51,519.00 were realized per annum respectively. Also, the least revenue came from livestock production at ₦21,183.00 per annum. The respondents realizable minimum of about ₦402,632.00per annum from their engagement in different farm income activities and this justifies the rural youths diversification of income activities. Obayelu and Adepoju (2013) affirmed that the main reason for livelihood diversification by the youths was limited agricultural income.

**Table 2. Engagement of the respondents in farm income activities.**

|  |  |  |
| --- | --- | --- |
| **Farm Activities** | **Percentage (%)** | **Average Income per annum (₦)** |
| Crop production | 97.50 | 188,625.00 |
| Livestock production | 15.42 | 21,183.00 |
| Agro-processing | 5.00 | 34,500.00 |
| Marketing of farm produce | 38.75 | 51,519.00 |
| Processing of farm produce | 94.58 | 65,555.00 |
| Processing of oil palm | 17.50 | 41,250.00 |
| **Total** |  | **402,632.00** |

**Source:** Field survey, 2018.

**Engagement in non-farm income activities**

Table 3 shows the engagement of respondents in non-farm income activities. More than half (51.25%) of the respondents were engaged in commercial motorcycle (Okada) riding, trading (32.50%) and tailoring (21.67%). Followed by, civil servant, driving and artisan at 18.75, 17.92 and 15.00 percentages respectively. The least patronized activities were shoe making (cobbler) and photography at 4.25 and 3.50 percentages respectively. Also, few of them patronized catering services, painting and bricklaying. The most revenue yielding non-farm income activities were commercial motorcycle (okada) riding, artisan and driving from which respondents realized about ₦756,000.00, ₦720,000.00 and 680,000.00 respectively. This were followed by civil servant, operating of barber and hair dressing salons, furniture and painting earns ₦360,000.00, ₦340,000.00, ₦338,181.00 and ₦336,000.00 per annum respectively. It was obvious that income earning was favourable for the choice of commercial motorcycle (okada) riding while trading which was the majority had the least income ₦81,000.00. The total average income realized from non-farm income activities was ₦4,823,665.00 per annum, which is much higher than the income from farm activities. This is similar to the assertion of Ajani (2012) who observed that the high incomes from non-farm occupations by the respondents.

**Table 3. Engagement of the respondents in non-farm income activities**

|  |  |  |
| --- | --- | --- |
| **Non-farm Income Activities** | **Percentage (%)** | **Average Income per annum (₦)** |
| Trading | 32.50 | 81,000.00 |
| Artisan | 15.00 | 720,000.00 |
| Okada | 51.25 | 756,000.00 |
| Driving | 17.92 | 680,000.00 |
| Hawking | 12.92 | 300,000.00 |
| Civil Servant | 18.75 | 360,000.00 |
| Tailoring | 21.67 | 235,200.00 |
| Furniture | 13.33 | 338,181.00 |
| Vulganizer | 7.50 | 194,666.00 |
| Mechanic | 7.50 | 274,285.00 |
| Bricklayer | 11.25 | 300,000.00 |
| Painter | 7.50 | 336,000.00 |
| Photographer | 3.50 | 255,000.00 |
| Shoe maker | 4.25 | 144,000.00 |
| Barbing and Hairdressing | 13.33 | 340,000.00 |
| Catering and Baking Services | 9.51 | 323,333.00 |
| **Total** |  | **4,823,665.00** |

**Source:** Field survey, 2018.

**Factors influencing the choice of occupational diversification**

Table 4 shows the factors influencing the choice of occupational diversification of the respondents. The factors were subjected into eighteen variables and efforts were made to classify them into five livelihood indicator groups; physical, natural, social, human and economic assets. Each group has variables ranging from two to seven. It is important to note that efforts were made to ascertain their choice of preference and were ranked using a 3-point Likert scale. The mean point for this variable was 2.0 and this was used as the benchmark and any variable below it is considered or irrelevant but the variables equal to or above are regarded as very important or relevant and are ranked accordingly. Thus, the variable with the highest mean score is ranked first while the least mean score is accorded the eighteenth position.

Only accessibility to land (2.97) under the physical asset was very relevant (4th) to the factors influencing the choice of occupational diversification. This physical asset is a necessity and must be provided for the youth in the study area, in order to improve the household livelihoods. All the variables under the natural assets were relevant to the factors influencing their choice of occupational diversification with the mean scores of 2.22, 2.97 and 2.93 at twelfth, fourth, and ninth positions respectively. Five of the six variables under the economic or financial assets were relevant to the factors influencing their choice of livelihood diversification with the mean score of 2.97, 3.00, 3.00, 2.97, 1.45 and 2.97 at fourth, first, first, fourth, sixteenth and fourth positions respectively. Thus, in order to improve the livelihood of the rural household, the financial status must also be considered. This is in agreement with the findings of Ayantoye, Amao and Fanifosi (2017) that most rural households diversified their means of livelihood through multiple income generating activities to support the main income source.

Farm size or status under the social assets was relevant to the factors influencing the choice of livelihood diversification with the mean score of 2.53 at eleventh position. This shows that most of the youths in the study area were engaged in non-farm income activities due to their farm size or farm status. Two variables (household size and meeting of households obligations) were important human assets influencing the choice of occupational diversification with the mean scores of 2.92 and 3.00 at tenth and first positions respectively. Ajayi *et al.,* (2016) observed that environmental factors and seasonality of agricultural activities strongly influenced the livelihood diversification of the farmers which provides an easy route out of the vicious circle of poverty and guarantee better living standards. Onuekwusi and Odoemelam (2016) opined that rural youths would look for diverse opportunities to increase and stabilize their incomes as determined by their portfolio of assets – social, human, financial, natural and physical capital. The rural youths engaged in occupational diversification due to poor access to credit, failure of agriculture to deliver improved livelihood, regular cash generated from non-farm activities, declining soil fertility and degraded natural environment and decreasing farm size.

**Level of perception of the respondents on occupation diversification**

Figure 1 shows the perception level of the respondents to occupational diversification. Most of the rural youths (62.50%) have a favourable perception of occupational diversification due to the benefits derived from it, and the level of engagement in farming activities. The rural youths are already engaged in non-farm income activities as influenced by their financial status and the constraints associated with agricultural production.

**Table 4. Factors Influencing the Choice of Occupational Diversification**

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **Influential Statement** | **Agree** | **Undecided** | **Disagree** | **Total** | **Mean** | **Rank** |
| **Physical Assets** |  |  |  |  |  |  |
| Land accessibility | 351 | 4 | 1 | 356 | 2.97 | 4th |
| Proximity to urban areas | 90 | 0 | 90 | 180 | 1.50 | 15th |
| **Natural**  |  |  |  |  |  |  |
| To cope with increasing vulnerability associated with agricultural production | 141 | 104 | 21 | 266 | 2.22 | 12th |
| Seasonal nature of agricultural produce | 354 | 0 | 2 | 356 | 2.97 | 4th |
| To mitigate the shock of climate change | 348 | 0 | 4 | 352 | 2.93 | 9th  |
| **Financial/Economic Assets** |  |  |  |  |  |  |
| Accessibility of credit facilities for non-farm occupation | 354 | 0 | 2 | 356 | 2.97 | 4th |
| So as to source for income during off season | 360 | 0 | 0 | 360 | 3.00 | 1st |
| To earn regular income | 360 | 0 | 0 | 360 | 3.00 | 1st |
| Due to limited agricultural income | 351 | 4 | 1 | 356 | 2.97 | 4th |
| Favourable demand for goods and services | 78 | 4 | 92 | 174 | 1.45 | 16th |
| To argument my main source of income | 354 | 0 | 2 | 356 | 2.97 | 4th |
| **Social Assets** |  |  |  |  |  |  |
| To encompass a range of other productive areas | 51 | 120 | 43 | 214 | 1.78 | 13th |
| Due to my farm size or farm status | 273 | 2 | 28 | 303 | 2.53 | 11th |
| **Human** |  |  |  |  |  |  |
| To improve their welfare in terms of health care, housing, sustenance, shelter etc. | 63 | 104 | 47 | 214 | 1.78 | 13th |
| Due to household size | 345 | 0 | 5 | 350 | 2.92 | 10th |
| To meet household obligations | 360 | 0 | 0 | 360 | 3.00 | 1st |
| Empowerment of rural youths | 0 | 2 | 119 | 121 | 1.01 | 18th |
| Increase in self-esteem and knowledge | 69 | 0 | 97 | 166 | 1.38 | 17th |

**Source:** Field survey, 2018.

**Figure 1. Perception level of the respondents**

**Source:** Field survey, 2018.

**Relationship between the occupational diversification and the livelihood of the respondents.**

Table 5 shows that there is significant relationship between the involvement of the rural youths in occupational diversification and their livelihood assets; Physical, economic, social, natural and health. This agrees with the assertion of David (2016) that occupational diversification has a significant impact on the income of the rural households. Ajayi *et al.* (2016) observed that occupational diversification had positive and significant effect on respondents’ welfare and gives the farmers an easy route out of rural poverty and improves the standard of living.

**Table 5. Relationship between Occupational Diversification and the Livelihood Assets of the Respondents**

|  |  |
| --- | --- |
| **Livelihood Assets** | **Pooled data** |
| **Pearson Coeff.** | **Sig.** | **Remark** |
| Physical | 0.390\*\* | .034 | Sig. |
| Economical | 0.423\*\* | .067 | Sig. |
| Social | 0.403\*\* | .041 | Sig. |
| Natural | 0.454\*\*\* | .087 | Sig. |
| Health | 0.432\*\*\* | .073 | Sig. |

**Source:** Computed from survey data, 2018.

\*\* and \*\*\* represents 5% and 10% level of significant respectively.

**Conclusion and Recommendation**

This study concluded that the meanage of the respondents to be 34.5 years, married with average family size of 5 people and 98.33% of them had some form of education. The most common factors influencing their choice of occupational diversification were to earn regular income, to cope with the increasing vulnerability associated with agricultural production, the seasonal nature of agricultural production, accessibility of credit facilities for non-farm occupation, availability of a range of other productive areas, proximity to urban area and empowerment of youths in non-farm occupation. Most (62.50%) of the youths have favourable perception towards occupational diversification due to the benefits derived from it. Also, the occupational diversification has significant effects on the physical, economic, social, natural and health of the rural youths. The study recommends the further sensitization of rural youths on the significance of occupational diversification in order to improve their livelihood and to meet their financial obligations.

**References**

Adepoju, A.O. and Obayelu, O.A. (2013). Livelihood diversification and welfare of rural households in Ondo State, Nigeria. *Journal of Development and Agricultural Economics.* 5(12): 482-489.

Ahmed, F.F. (2012). Income diversification determinants among farming households in Konduga, Borno State, Nigeria. *Academic Research International*. 2(2): 555-561.

Ajani, E.N. (2012). Occupational diversification among rural women in Anambra State, Nigeria. A Ph.D Thesis submitted to the Department of Agricultural Extension, Faculty of Agriculture, University of Nigeria, Nsukka. 159 pp.

Ajayi, O.J., Sanusi, O., Muhammed, Y. and Tsado, J.H. (2016). Livelihood diversification of rural households in Niger State, Nigeria. *Nigerian Journal of Agriculture, Food and Environment.* 12(2): 156-161.

Assan, J.K. and Beyene, F.R. (2013). Livelihood impacts of environmental conservation programmes in the Amhara Region of Ethiopia. *Journal of Sustainable Development,* 6(10); 87-105.

Ayantoye K., Amao J.O. and Fanifosi, G.E. (2017). Determinants of livelihood diversification among rural households in Kwara State, Nigeria. *International Journal of Advance Agricultural Research.* 5 (17): 82-88.

Barrett, C.B., Reardon, T. and Webb, P. (2001). Non-farm income diversification and household livelihood strategies in rural Africa: Concepts, dynamics and policy implications. *Food Policy.* 26: 315-331.

David, I.A. (2016). Analysis of Livelihood Diversification by Farming Households in selected Local Government Areas of Kaduna State, Nigeria. M.Sc Thesis submitted to the School of Postgraduate Studies, Ahmadu Bello University, Zaria, Department of Agricultural Economics and Rural Sociology. 72Pp.

Lanjouw, J.O. and Lanjouw, P. (2001). The rural non-farm sector: Issues and evidence from developing countries. *Agricultural Economics*, 26 (1): 19-25.

(NBS) (2008). National Bureau of Statistics. *Annual Abstract of Statistics*. Abuja.

(NPC) (2006). National Census Data for Nigeria. National Population Commission. Abuja.

Onuekwusi G.C and Odoemelam L.E (2016). Pattern of occupational diversification among rural youths in Abia State, Nigeria. *International Journal of Trend in Research and Development,* 3(4): 62-65.

Ranjan, S. (2006). Occupational diversification and access to rural employment: Revisiting the non-farm employment debate *Munich Personal Repec Archive (MPRA)* 7870, 8 pp.

Sekumade, A.B. and Osundare, F.O. (2014). Determinants and effect of livelihood diversification on farm households in Ekiti State, Nigeria. *Journal of Economics and Sustainable Development.* 5(5): 104-112