



## Pattern and Determinants of Farm and non-Farm Employment Dynamics Among Nigerian Youth

### Background

Understanding the dynamics of youth employment and its determining factors in developing countries has continued to attract the interest of researchers in recent times, due to the long unabated unemployment crises in the continent tipped to be home to 50% of the world's young population. Africa's workforce is growing much faster than any other region in the world, at about 3% per year (Yeboah and Jayne, 2016), a situation which presents both opportunities and challenges. Between 2017 and 2030, labour supply (for all ages) will increase by another 198 million in the region with the youth contributing significantly to this growth (ILO, 2018).

According to a World Bank and IFAD (2017) study, 23 percent of household income generated from agricultural activities is accounted for by rural nonfarm activities in African countries, in Asia, 37 percent from Rural Non-Farm Sector (RNFS) and 13 percent from transfers, while rural and rural nonfarm activities account for equal share of household income of 43 percent each. Similarly, Nagler and Naude (2016) reported the prevalence and pattern of non-farm enterprises studying their performances in terms of labour productivity in six sub-Saharan African countries including Nigeria.

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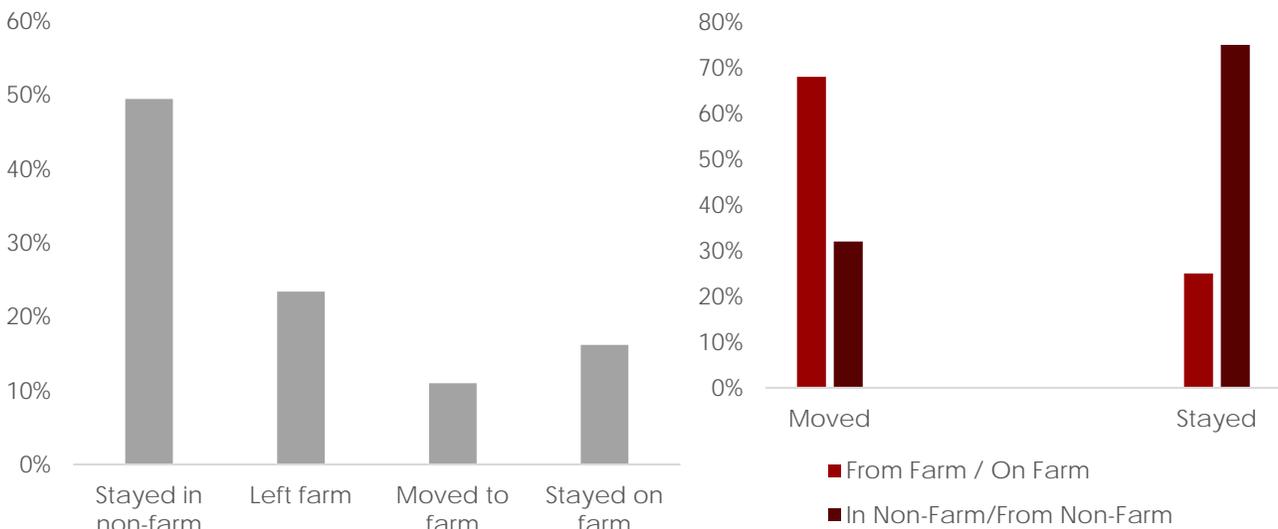
This brief is an extract from a research work, which focuses on understanding the pattern and determinants of youths' transition decisions between farm and non-farm, as a way of profiling youths who are leaving farming and entering the non-farm sector. Two periods are considered – 2010 and 2015. Employment transition outcomes is measured by tracing the individual youths between both periods. Specifically, the study analyses youths who were in farm in 2010 and left to the non-farm sector in 2015 (left farm), those who moved into farm from the non-farm sector (moved into farm), and those who stayed in either of the sectors between the period considered.

**Out of every ten youth who moved between the farm and non-farm sector between 2010 and 2015, 7 moved from farm to the non-farm sector.**

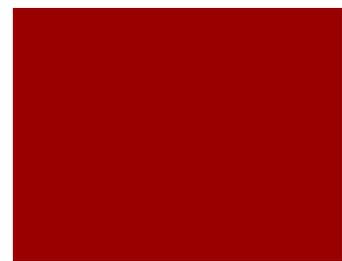
## Youth employment pattern

As shown in the figure below, more youth – about seven (7) out of every ten (10) youth in Nigeria stayed in their respective sectors of employment (farm and non-farm) while three (3) out of every ten (10) youth engage in farm employment, implying that more youth engage in non-farm employment than in farm employment.

Figure 1: Youth employment transition between 2010 and 2015

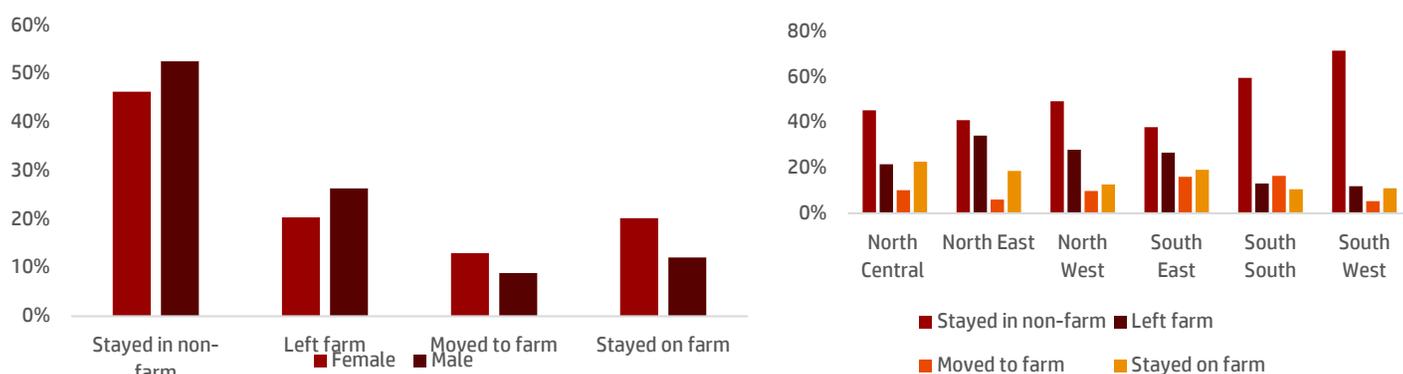


Also, between 2010 and 2015 there are more transitions from farm to non-farm among the youth as about three (3) out of every ten (10) who moved between both sectors moved from farm to non-farm. With regards to non-farm livelihood activities, more youth are employed in trading, manufacturing and services sub-sector all accounting for 88.83%. There are more youth in trading than other economic activities. Only about 2% of the youth engage in crop and animal production activities, which include fishing and aquaculture.

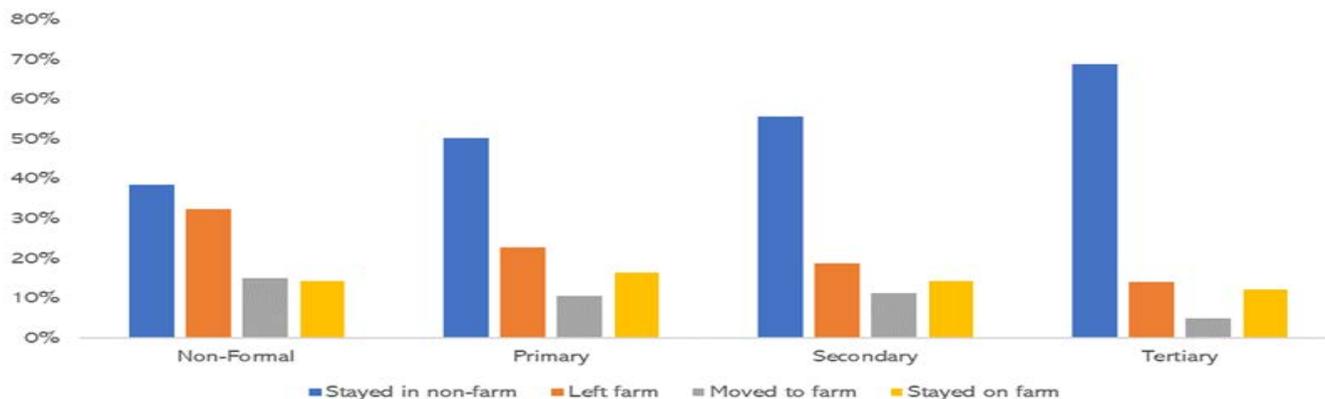


**More female youth are staying on farm than their male counterpart** - 49 percent are female, indicating almost equal representation with the male gender. The figure below shows that more female moved to non-farm, while more male moved to farm. Also, fewer number of females stayed on farm, while more female stayed in non-farm employment in the period covered. Overall, there seems to be no overwhelming difference in the pattern of youth employment transition based on gender, however the result points out that more females are staying on farm than their male counterpart. There seems to be evidence of more male leaving farm for non-farm employment compared to their female counterpart.

**Regional Pattern also varies** - There seems to be increased movement of youth in the southern part of Nigeria to farm on average than in the northern part of the country. More youth chose to stay in non-farm employment in the period covered, irrespective of the Region, with a greater number of youths in the South West and South East engaging in non-farm employment.



**Youths with no formal education, primary school leaving certificate and secondary education on average left the farm more** - On average, youth stayed in non-farm employment in the period irrespective of their education attainment level, showing the absorptive capacity of the non-farm sector for youth with varying skills. The figure above reveals that of those who moved to farm in the period, more are youths who do not have any formal education, while those with tertiary. Youths with tertiary education stayed in non-farm employment more and have the least of those who moved to farm in the period under consideration.



# What Determines Youths' Transition Between Farm and Non-Farm?

## Youths moving from farm to non-farm employment

Gender, age, education (primary and secondary) access to mobile phone, farm size, asset size, access to electricity, death shock and land access are important determinants of the likelihood of youth transiting from farm to non-farm employment

## Why more youths are staying in non-farm employment than they stay in farm employment

gender, household size, age, access to internet and mobile phones, asset size, distance to road and market, access to electricity, land access, and exposure to shock such as death are important

## Youths moving from non-farm to farm employment

household size, farm size, access to internet, distance to road, access to electricity, and exposure to shocks especially those related to land loss and death are key determinants of youths' transition decisions from non-farm to farm employment.



## POLICY RECOMMENDATIONS

- There is need to address insecurity in the North West and North Eastern Region, if a shift in pattern (from non-farm to farm) is to be achieved as the study found more movement from farm to non-farm in the two Regions;
- Promotion of inclusive policies that will encourage engagement of female youth in the production value chain is critical
- Introduce Policies towards democratizing access to credit, land and encourage rural digital revolution that will hugely supports the aspiration of many young farmers to stay on the farm.
- Institute systems and mechanisms for managing shocks having potentials to drain the income of the youth.
- Increase investment in public infrastructure, such as power, telecommunications, road networks particularly in the rural areas to step urban migration and retain youths in the farm sector.

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The research for this brief has been supported by the International Institute for Tropical Agriculture (IITA) under the Capacity for Applied Research and Evidence Programme funded by the International Fund for Agricultural Development (IFAD).