DETERMINANTS OF INCOME DIVERSIFICATION AMONG RURAL

HOUSEHOLDS IN SURULERE LOCAL GOVERNMENT AREA OF OYO STATE

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ABSTRACT

This study investigated the determinants of income diversification among rural households in Surulere Local Government Area, Oyo State. To achieve this main objective, the study examined the socio-economic characteristics of the household, identified the determinants of income diversification among rural household, investigated the reasons for income diversification in rural areas and determined the constraints to engagement in income diversification. A sequential multistage sampling technique was employed and a mixed method of both descriptive and inferential statistical tools was used in analyzing the data to achieve the objectives of the study. Primary data was collected from the respondents through the administration of a well structured interview schedule. The information collected was based on the stated objectives of the study. The findings of the study revealed that the mean age was calculated as 49 and 60% of the respondents were male. Also, 51.1% of the respondents were practicing Islam while 63.3% of them were married and 56.7% of the respondents had between 1-5 members in their households. Below half (36.7%) of the respondents had completed Secondary education and 57.2% of the respondents were engaged in farming activities as their major occupation. Most (66.7%) of the respondents employed the use of hired labour on the farm from which 44.4% of the respondents were children. The findings also revealed that the mean income was #30,566.67 and 95.6% of the respondents agreed that the major reason for diversifying their income was to provide a means to survive when the major income is not sufficient. Also, 98.9% of the respondents agreed that increased income was the major determinant of income diversification while lack of credit facility was a major constraint to income diversification WMS = (2.62). The result of findings further shows that household income diversification was influenced by the age (-.038), gender (.049), marital status (-.028*) at 5% level of significance and household size (-.074**) at 10% while 50% of household income diversification was explained by the determinants of income diversification in the regression model. The study therefore recommends that provision of credit facilities should be made available and improved access to markets should be provided in the study area to promote income diversification and increase rural income.

KEYWORDS: Local Government Area, Income Diversification WMS, Descriptive and Inferential Statistical Tools