

FADAMA III PROJECT AND EMPLOYMENT GENERATION IN SOBA AND KUDAN LOCAL GOVERNMENT AREAS OF KADUNA STATE

* ¹Dr. Abubakar Usman, ²Sani Abdullahi

Abstract

The research work was carried out to find out the extent to which Fadama III Project has contributed to employment generation in Soba and Kudan Local Government Areas of Kaduna State. It explored the various employment opportunities opened by the project in Fadama communities of the two LGAs. The research employed the use of survey research design and multi-stage sampling technique. Data on the issue at hand was collected through FGDs, KIIs and questionnaire administration. The data collected was analysed qualitatively and quantitatively. The statistical tools used for the analysis were percentages and spearman correlation coefficient. The result of the analysis revealed that the pilot assets like milling machines, work bulls and vegetable grinder run by crop farming and processing enterprises respectively were used as means of livelihood for FUGs and their paid employees. The result of the spearman correlation also revealed a strong correlation between the pilot assets and employment generation in Fadama communities of the two LGAs. Accordingly, the access roads constructed in Kudan LGA has opened up economic opportunities and it was further confirmed by the spearman correlation result which revealed a strong correlation between rural infrastructure and employment generation. The result also revealed a weak correlation between rural infrastructure and employment generation in Soba LGA. This was as a result of the type of infrastructure provided. The LGAs were faced with shortage of rural infrastructure, low patronage, and shortage of farm inputs. In line with the findings of this study, it was recommended that more pilot assets should be provided in Fadama communities, but emphasis should be laid on those assets that provide permanent employments in Fadama communities. The need for provision of farm inputs and rural infrastructure like access roads, earth dams, markets and micro-processing industries was also recommended because of their ability to motivate farmers towards enhancing agricultural production in both seasons, hence employment generation.

Key Words: Fadama III Project, Pilot Asset, Rural Infrastructure and Employment Generation

Background to the Study

Employment opportunities for the teeming labour force is a fundamental responsibility of governments the world over. It is fundamental to the extent that it constitutes one of the indicators by which the level of development of society is measured. In this regard, governments the world over, put in place all the necessary

¹Department of Local Government and Development Studies, A.B.U Zaria.

²Department of Local Government and Development Studies, A.B.U, Zaria

machinery(ies) to make sure that their teeming populations are gainfully employed.

It is estimated that nearly 30 percent of the world's labour force (about 910 million people) live on less than US \$2 a day (ILO, 2012). Similarly, vulnerable employment, consisting of own-account workers and contributing family workers, makes up around 50 percent of global employment, reaching almost four-fifths of the employed in sub-Saharan Africa and South Asia (ILO, 2012). The majority of vulnerable workers works within the informal economy, in rural areas of developing countries and constitutes most of the "working poor".

Recognising the importance of employment generation, successive governments in Nigeria have planned and implemented employment generation programmes. These programmes among others include: National Directorate of Employment (NDE), National Economic Empowerment and Development Strategies (NEEDS), National Poverty Eradication Programme (NAPEP), Subsidy Reinvestment Programme (SURE-P) and Agriculture Transformation Agenda (ATA). In spite of all these programmes, the rate of unemployment kept on increasing with each passing year (NBS, 2013). This could not be unconnected with the implementation strategy adopted by these programmes. Specifically, unemployment rate in 2006 was 12.3% but skyrocketed to 24.7% in 2013 (NBS, 2013). It was argued that there is a strong relationship between neglect of agricultural sector and high rate of unemployment in the country. As such a focus on agriculture is generally believed to be a panacea for sustainable development of any nation (Meijerink and Roza, 2007; Vaarst, 2010; Barbu and Capusneanu 2012).

The National Fadama Development Project introduced by the World Bank in collaboration with the Federal Government of Nigeria is a bottom-up approach to poverty reduction and employment generation by sustainably increasing the income of Fadama and other resource users. The programme started with Fadama I, which was implemented from 1993 - 1999. And later Fadama II, implemented from 2003 – 2007; and then Fadama III that was implemented from 2008 – 2013. This study focused on

Fadama III and employment generated within the areas of study with a view to determining the employment opportunities and nature of employment generated to reduce rural unemployment which could serve as a basis for subsequent rural intervention strategies vis-à-vis employment generation. This is so because employment provides a source of livelihood for individual members of community which in turn reduces rural poverty.

However, Fadama III Project is a follow-up to Fadama II Project which was assessed to have impacted on the lives of rural farmers, increased productivity and raised their incomes (Fadama III PAD, 2008). The project like Fadama II adopted the Community Driven Development (CDD) approach, which placed beneficiaries on the driver's seat of development. Local community members under the umbrella of Fadama Community Associations (FCAs) and Fadama Users Groups (FUGs) oversee the design and implementation of the project and are empowered through skills and capacity building to improve their livelihoods by increasing income generating activities.

Moreover, Fadama III Project supported different enterprises like crop farming, processing and marketing that are carried out in the rural areas to promote employment generation at both group and individual level. It is contained in the Project Appraisal Document, (2008) that:

Fadama III Project will support about 412,924 sub-projects for various enterprises and about 15 households will benefit directly from each subproject. It will, therefore, create employment for about 6,193,862 households. About 15 percent of the total subprojects or 929,079 households, will be made up of disadvantaged or vulnerable groups in the society, including women, widows, aged, disabled persons (cripples, lame, blind, lepers, etc.), HIV patients, unemployed youths, etc. (Fadama III PAD, 2008, p. 47)

Accordingly, Fadama III Project has taken the advantage of agricultural value chain in creating employment opportunities for the rural poor through the project's value addition scheme. The project especially through its community owned infrastructure and asset acquisition components provided opportunities for the rural

poor to be integrated into the mainstream economic activities. It created accessibility in the rural area thereby opening-up economic opportunities and providing room for asset acquisition as a means of livelihood for rural poor. Employment is created as part of the multiplier effects or higher level objectives of the project in reducing rural poverty.

However, Soba and Kudan Local Government Areas of Kaduna State, Nigeria are part of the twenty three (23) Local Governments in the State that participated and benefitted from the completed Fadama III Project. A lot of money was committed for the implementation of the project in the two Local Governments. It is therefore, pertinent to determine whether or not the project has made some contribution to employment generation and poverty reduction in the two Local Government Areas.

Statement of the Research Problem

According to the Fadama III Project Implementation Manual, (2009) cited in Alawode (2013), the strategic objectives of Fadama III Project are to enhance growth in all sectors other than oil in order to achieve increased food security, reduce poverty, and create employment in the rural areas. Despite this effort, unemployment has kept on increasing in the country. It has increased from 14.9% in 2008, 19.7% in 2009, 21.1% in 2010 and 23.9 in 2011 to 24.7% in 2013 and suddenly to about 30% in 2014 (NBS, 2012 and Innocent, 2014). On the other hand, rural unemployment stood at 25.6% compared to urban unemployment of 17.1% in 2013. However, in Kaduna State, the unemployment rate was 12.7% in 2008, 11.6% in 2011, 12.4% in 2012, and 24.7% in 2013 respectively (NBS, 2015). The question being asked is: what might have accounted for this increase? The answer to this could not be far from the nature of employment reports from official statistical surveys that do not take into account economic activities undertaken by rural people to earn a living (ILO, 2003).

However, a large amount of money was approved for the implementation of Fadama III Project in the two Local Government Areas under study. A total sum of N29, 977,024.00 was spent on the implementation of the project components in Kudan Local Government and a total sum of N16,501,966.00 in

Soba Local Government (Kaduna State Fadama III Implementation Completion Report, 2013). Specifically, in Kudan Local Government, N1, 925,000 was disbursed to input support, N11, 504,200 to Asset Acquisition, N13,468,192.00 to Small Scale Rural Infrastructure. Similarly, in Soba Local Government, N2, 314,600 was disbursed to input support, N10,338,800 to Asset Acquisition and N457, 968.00 to Small Scale Rural Infrastructure respectively (Kaduna State Fadama III Implementation Completion Report, 2013). Given this huge amount of money, the project is expected to generate employments capable of reducing rural unemployment in the rural areas. Conversely, over this period rural unemployment has kept on rising. It has rose from 21.1% in 2009 to 25.6% in 2013 amidst increasing effort by government (Federal, State and Local) towards reduction of unemployment in Soba and Kudan Local Government Areas. It was reported in the Local Development Plans of Soba and Kudan LGAs (2011) that the two Local Government Areas were affected with high level of unemployment among the youth, disabled and women. Therefore, it is the determination of this study to pose the question as to “what might be the cause of this increase in unemployment in spite of the adoption of the Fadama III Project? It is against this background that the study sought to find out the extent to which Fadama III Project generated employment among beneficiaries in Soba and Kudan Local Government Areas of Kaduna State, Nigeria.

Aim and Objectives of the Study

The general aim of this study is to find out the extent to which Fadama III Project has contributed to employment generation in Soba and Kudan Local Government Areas of Kaduna State in Nigeria. The specific objectives are:-

- i. to identify the employment opportunities created by Fadama III Project in Fadama communities of Soba and Kudan Local Government Areas;
- ii. to examine the nature of employment generated by Fadama III Project in Fadama communities of the two Local Government Areas;

- iii. to examine the benefits of employment generated by Fadama III Project to the Fadama communities in the two Local Government Areas;
- iv. to identify and discuss the challenges faced by Fadama III Project in generating employment in the two Local Government Areas; and
- v. proffer solution to refine future intervention delivery processes towards employment generation in the rural areas.

Research Hypotheses

The following hypotheses were raised and tested in this study, and they are formulated in a null form:

- i. H_{0i} : There is no significant relationship between pilot assets acquired by Fadama III Project beneficiaries and employment generation in Soba and Kudan Local Government Areas.
- ii. H_{0ii} : There is no significant relationship between rural infrastructure provided by Fadama III Project and employment generation in Soba and Kudan Local Government Areas.

Research Methodology

Soba is located at Northern part of Kaduna State it has a total population of 125,703 based on 2006 census data, and Kudan LGA is also located in the Northern part of the state with a population of 138,992. However, the research was mixed in nature and it employed the use of survey research design. Data were collected from primary sources through interview and questionnaire methods. The primary method consists of Semi Structured Interview (KII), Key Informant Interview (KII), Focus Group Discussion (FGD), and questionnaire administration. Mixed methods procedures are those in which the researcher sought to elaborate on or expand on the findings of one method with another method. This may involve beginning with a qualitative interview for exploratory purposes and following up with a quantitative, survey method with a large sample so that the researcher can generalize results to a population (Creswell, 2008). The Cronbach alpha's test was employed in this study to measure the internal

consistency of the instrument. After running the data using SPSS version 16 for windows, it was found that the measures possess a high reliability standard of 0.705 (Maiyaki & Mokhtar, 2011).

Population and Sampling

The population of the study covers the officials and the beneficiary group of the Fadama Project in the Local Government Areas. Soba LGA has a total population of 2018 (beneficiaries and officials) and Kudan LGA has a total population of 1584 (beneficiaries and officials), out of which 320 and 306 respondents was arrived at as a sample size for Soba LGA and Kudan LGA respectively using Krejcie & Morgan (1970) table of sample size. However, 15% of the sample size was added in each of the two LGAs based on Naing; Winn and Ruslin, (2006) submission that it is wise to over-sample by 10% to 20% of the computed number.

The study employed the use of multi-stage sampling technique. The population of the study was stratified into staff and beneficiaries categories. Therefore, for the purpose of Focus Group Discussions, one Fadama User Groups (FUG) was purposively selected from each Fadama Community Association (FCA) in each of the two Local Government Areas. The beneficiary groups were also randomly selected for questionnaire administration.

Techniques for Data Analysis

The data collected was analyzed using both quantitative and qualitative techniques (mixed method of data analysis). The data collected was analysed using the spearman correlation coefficient analysis, which was used in testing the hypotheses formulated in the study at 5% level of significance, using the Statistical Package for Social Sciences (SPSS) Version 16.

Literature Review and Theoretical Framework

Conceptual Issues in Employment

The concept of employment has been conceived differently by different scholars. Douglasson and Gbosi (2006) conceived employment as a situation in which people who are willing to work at the prevailing wage rate are able to find jobs. The implication of this definition is that anyone who is hired should not be counted as part of the unemployed labour force, in order to avoid overestimation of the official rate of unemployment (Sunday,

Vonke and Matthew, 2014). It also means that anyone who voluntarily refuses to take employment should not be counted as unemployed. In his own view, Fields (1990) referred to employment as the individual having an income from work either as employee, as self-employed, or both. This research concurs with this definition in that, it looked at both self-employment and wage employment provided for other people.

In its report the International Conference of Labour Statisticians (1982) stated that employment captures all those who have done some work over a short reference period (usually one week, sometimes one day). It covers two principal categories of workers: (i) those in paid employment, i.e. those who have performed some work for wage or salary, in cash or in kind; and (ii) those in self-employment, i.e. those who have performed some work for profit or family gain, in cash or in kind (Malte, 2008). It can be realized from this submission that reward for employment can be in cash or kind.

The NBS (2012) referred to employment as the contract between two parties, one being the employer and the other being the employee. The Employer conceives of a productive activity generally with the aim of generating income, and the employee contributes labour to the enterprise usually in return for remuneration. NBS added that employment also exists in the public, non-profit and household sectors. An employer is any entity that hires employees; it can be a person, an organisation or a corporation. A person is regarded as employed if he/she is engaged in the production of goods and services, thereby contributing to the Gross Domestic Product (GDP) in a legitimate manner, which is a component of the National Accounts and receives any form or amount of compensation for that activity (NBS, 2015). This definition has explicitly shown that employed persons are only those engaged in productive activities that contribute to growth of GDP. Others that do not contribute to GDP are not counted as employments. The definition, though explicit, has not taken into account some legitimate productive activities in the informal sector of the rural area (undertaken by households to earn living) which are often overlooked by national income statistics.

1.7 Types of Employment

In its report, the ILO (2003) classified employment into two (2) categories: formal and informal employments.

1.7.1 Formal Employment: Employment is remunerated work which complies with statutory requirements in regard to employment protection legislation or pay related social insurance. (Lin, Prins & Jan, 2002). In another view, formal jobs are referred to as employment generated in establishments that employ 10 persons and above, or formal professional services that employ less than 10 persons (CBN, 2014). In the first view, jobs that employed less than 10 persons are not qualified as formal employment, while the second view is inconsistent as to the number of employed people in an establishment to qualify it as formal employment. In this study, we consider employment as any economic activities that employed at least one person be they self employed or paid employed.

1.7.2 Informal Employment: According to the ILO, (2003) employment in the informal sector includes all jobs in informal sector enterprises or all persons who, during a given reference period, were employed in at least one informal sector enterprise, irrespective of their status in employment and whether it was their main or a secondary job. It added that informal employment comprises the total number of informal jobs, whether carried out in formal sector enterprises, or households, during a given referenced period. Hart (1973) cited in Vandana and Robert (2008) saw informal employment as that which fell outside the boundaries of formal sector enterprises (factories, public services, and large-scale commerce). The above definitions have rather given qualitative features of informal employment as all forms of informal jobs that are not within the purview of the formal sector. Contrarily, CBN, (2014) gave a quantitative view of informal employment. It sees informal jobs as those generated by individuals or businesses employing less than 10 people, or those businesses operating with little or no structures e.g. those in agriculture and wholesale and retail trades. However, informal employment could cover an enterprise employing more than 10 people as in the case of FUGs.

1.8 Employment Generation

This is the process of engaging the labour force in productive activities in the economy. Full employment is the most desired employment condition in the economy. Beveridge (1994) defined full employment as situation where there are more jobs than men. He added that full employment does not mean that everybody in the labour force is employed. A condition of full employment can be said to exist if the number of unfilled vacancies is equal to the number of people who are out of work (Hanson, 1996).

Economically, employment generation is determined by how fully and productively society utilizes the material, technological, organizational and human resources at its disposal. The more productive the society is, the greater the quality and efficiency with which it produces goods and services, the greater the demand for those goods and services in the market place, the more employment opportunities and purchasing power are created (National Commission on Farmers, 2004). This increased purchasing power then acts as an additional stimulus to the creation of new demand and employment opportunities (National Commission on Farmers, 2004). This shows how productivity can in turn creates employment opportunities in an economy.

1.8.1 Strategies for Employment Generation

Umar and John (2012) opined that rural infrastructure investment is taken by the Fadama project to support creation of economic infrastructure and local public goods that would improve the productivity of households using Fadama resources. Under this component, beneficiaries are required to pay 10 percent of the costs of constructing rural infrastructure, including rural roads, culverts, market stalls, cold storage, boreholes, and irrigation infrastructure, among others. In addition, pilot productive asset acquisition support to enhance the improvements in the productivity and income of Fadama resource users by facilitating the acquisition of productive assets by individuals or FUGs. Under this component, Fadama resource users are required to pay 30 percent of the cost of the productive assets acquired (Umar and John, 2012).

1.9 Conceptual Issues in Agriculture and Rural Employment

Agriculture has a central role to play in the rural economy of most developing countries, which means that rural employment entails mainly agricultural work – including both on-farm self-employment and wage employment. In addition, the non-farm economy (which is becoming an important source of employment growth in rural areas), depends heavily upon agricultural production (e.g. agro-industry, trade in inputs and products, machinery and transportation services, professional services, etc.) (FAO, 2011).

1.10 Conceptual Framework: Livelihoods Approach

The theory underpinning this study is the body of work known as the livelihoods approach or framework. The approach was first developed by Chamber and Conway in 1992. It was later popularized by Scoones, 1998; Bebbington, 1999; Carney et al, 1999; Ellis and Freeman, 2005. A livelihood comprises of the capabilities, assets (including both material and social resources) and activities required to make a living (Chambers and Conway, 1992). Chamber (1995) opined that Livelihoods perspectives start with how different people in different places live. A variety of definitions are offered in the literature, including, for example, ‘the means of gaining a living’ (Chambers 1995) or ‘a combination of the resources used and the activities undertaken in order to live.

The targeted beneficiary households utilised the pilot assets acquired from Fadama III Project in their productive activities in order to earn a living thereby making them self employed. They also employed the labour of others in their communities to operate the pilot assets acquired so as to earn a living. The rural infrastructure provided by the project stimulates employment opportunities in the Fadama communities by opening up economic opportunities for small scale businesses, increase farming businesses, transport services which served as sources of livelihood for the rural people and thus employment generation.

1.11 Empirical Studies on Fadama III Project

A number of empirical studies have been carried out on Fadama III Project. Odoh (2014) conducted a study on Fadama III Project

using stratified sampling technique, questionnaire and interview methods as well as qualitative method of data analysis. His findings revealed that part of the benefits of Fadama III Project are: increase in income, youth employment, reduction in rural-urban migration, employment opportunities. Using one method of data analysis, the study has tried to bring out the benefits of the project among which is employment in Fadama communities, but has not clearly shown the strategies and nature of the employment generated. This study made use of quantitative and qualitative methods of data analysis in bringing out the relationship between Fadama III project and employment generation.

In another study conducted by Eze (2014) using content analysis and descriptive survey, it was found out that the contribution of Fadama III project to economic development among others includes: provision of food, supply of raw materials to growing industrial sector, promotion of employment generation among others. However, like the previous study, it has not shown the nature of employment generated by the project.

In the same vein, study conducted by Ezeokeke, Anyanwu and Okoro (2012) using secondary data, found that Fadama projects have created employment and reduced poverty. However, this study has not really shown the economic activities that generated the employment opportunities within the project framework. It also relied on secondary data which may not reveal the practical reality or situation in Fadama communities.

1.12 Analysis of Data

Fadama III Project has two types of employment, that is the group involvement in economic activities from which they earn a living, and the paid employment created by the beneficiaries from the benefit received in their enterprises. The responses collected on this issue were presented and analyzed qualitatively and quantitatively.

Table 1: Nature of Employment created by Fadama III Project in Fadama Communities of Soba Local Government Area

| Name of FUGs | Enterprise | Nature of Employment | | |
|--------------|------------|----------------------|---------------|--------------------|
| | | At Group | At Individual | Type of Employment |

| | | | | |
|------------------------------------|--------------|--|---------------|---|
| Karofi Farmers Cooperative Society | Crop farming | All members | 2 | Permanent (both self and paid employed) |
| Anguwan Umar Farmers Cooperative | Crop farming | 2 sprayers operators 3 irrigation farmers | Not specified | Permanent and Temporary |
| Gimba Blind MPCS | Crop farming | All members | 1 | Temporary (both self and paid employed) |
| Soba Women Better Life | Processing | All members | 4 | Permanent and Temporary |
| Anguwan Dandabo Garu | Processing | 9 members | 3 | Permanent (self and paid employed) |
| Gama Gira MPCS | Processing | All members | 1 | Permanent (self and paid employed) |

Source: Researcher's Survey, 2015

Table 1 above shows the nature of employment generated by Fadama III Project at both group (FUG) and individual level (paid employment). In this regard, the crop farming enterprises to start with Karofi Farmers Cooperative opined that the project has made their group members self employed and other two individuals that were paid employed. Both group members (aged and youths) and paid employees (youths) were permanently employed. In their own view, Anguwan Umar Farmers Cooperative said that 2 of their members were now permanently employed as sprayers (youths); and 3 members that were hitherto the project not into commercial agriculture. Gimba Blind MPCS (disabled) said that the project has provided all their members and employed person means of earning a living, but such employment is only in the rainy season.

On the other hand, the processing enterprises to start with Soba Women Better Life (married women and widows) opined that the project has provided all their members with permanent source of

earning living. At the same time, they have provided paid employment for 2 people on permanent basis and 2 people on temporary basis. In their view, Anguwan Dandabo Garu said that the project has provided 9 of their members with a sustained means of living. The group in turn has provided paid employment for 3 people on permanent basis. Gama Gira MPCs also opined that the project has provided their group with permanent means of living; and they have taken a paid employee from their community on a permanent basis.

Table 2: Nature of Employment generated by Fadama III Project in the Fadama Communities of Kudan Local Government Area

| Name of FUG | Enterprise | Nature of Employment | | Nature of employment |
|------------------------------------|--------------|----------------------|---------------|---|
| | | At Group | At Individual | |
| Unguwan Tsauni Farmers Cooperative | Crop farming | All members | 2 | Permanent and Temporary |
| Zumunta Women MPC | Crop farming | All members | 3 | Permanent and Temporary |
| Doka Rice FCS | Crop farming | All members | 1 | Permanent and Temporary (both self and paid employed) |
| Sarama Women Cooperative Society | Processing | 7 members | 1 | Permanent (both self and paid employed) |
| Kudan Blind MCS | Processing | All members | 2 | Permanent (both self and paid employed) |

Source: Researcher's Survey, 2015

Table 2 above shows the nature of employment generated by Fadama III Project in Kudan LGA. Therefore, the crop farming enterprises to start with Unguwan Tsauni Farmers (youths) said that the project has provided their group members a permanent

source of earning living; and their group has now employed other 2 people on temporary basis. In its own view, Zumunta Women MPC (married women and widows) said that the project has provided them with permanent employment as it becomes the primary source of earning living for some of their members. The group have also given permanent paid employment to 2 people and temporary to 1 person. Doka Rice FCS, said that the project has provided permanent employment for some of their members that are now into irrigation farming as a result of the project assistance and temporary for some. The group has provided temporary employment for a person.

On the other hand, the processing enterprises to start with Sarama Women Cooperative society said that 7 of their group members have been permanently employed in their enterprise from where they earn living and a person that they permanently employed. Kudan Blind MCS also said that they are now permanently employed in their enterprise as a result of the project benefits and they employed 2 people on a permanent basis.

Table 3: Demographic Data of Respondents and their Enterprises

| Options | Soba LGA | | Kudan LGA | |
|--------------------|------------|--------------|------------|--------------|
| | Frequency | Percent | Frequency | Percent |
| Gender | | | | |
| Male | 207 | 59.0 | 209 | 65.5 |
| Female | 144 | 41.0 | 110 | 34.5 |
| Total | 351 | 100.0 | 319 | 100.0 |
| Age Bracket | | | | |
| 18 - 25 years | 126 | 35.9 | 77 | 24.1 |
| 26 - 33 years | 126 | 35.9 | 154 | 48.3 |
| 34 - 41 years | 63 | 17.9 | 77 | 24.1 |
| 42 years and above | 36 | 10.3 | 11 | 3.4 |
| Total | 351 | 100.0 | 319 | 100.0 |

| Options | Soba LGA | | Kudan LGA | |
|------------------------------------|------------|-------------|------------|--------------|
| | Frequency | Percent | Frequency | Percent |
| Gender | | | | |
| Male | 207 | 59.0 | 209 | 65.5 |
| Female | 144 | 41.0 | 110 | 34.5 |
| Type of economic activities | | | | |
| Crop farming | 131 | 34.6 | 209 | 65.5 |
| Processing | 128 | 33.8 | 110 | 34.5 |
| Marketing | 59 | 15.6 | 0 | 0.0 |
| Others | 33 | 8.7 | 0 | 0.0 |
| Total | 351 | 92.6 | 319 | 100.0 |

Source: Researcher's Survey, 2015

From the table it can be seen that that the beneficiaries of Fadama III Project in Soba and Kudan

LGAs cut across males and females. On the other hand, youths constituted the majority of the respondents in the two LGAs. At the same time, crop farming and processing constituted the larger percentages of the enterprises found in Fadama communities of the two LGAs.

1.13 Test of Hypotheses

The two hypotheses raised in the study were tested using the data presented on table 6 and 7 on Soba and Kudan LGAs respectively (see appendix).

Table 4: Correlations of Variables in Soba LGA

| | | Employment Generation | Pilot Assets | Rural Infrastructure |
|----------------|-----------------------|-----------------------|--------------|----------------------|
| Spearman's rho | Employment Generation | 1.000 | .822 | .277 |
| | Pilot Assets | .277 | 1.000 | . |

| | | | | |
|-----------------|-------------------------------|------|------|-------|
| | Rural Infrastructur e | .277 | . | 1.000 |
| Sig. tailed) | (1- Employmen t Generation | . | .000 | .000 |
| | Pilot Assets | .000 | . | .000 |
| | Rural Infrastructur e | .000 | .000 | . |
| N | Emloymen t Generation | 351 | 351 | 351 |
| | Pilot Assets | 351 | 351 | 351 |
| | Rural Infrastructur e | 351 | 351 | 351 |

**. Correlation is significant at the 0.05 level (2-tailed).

The above result revealed that, at significant level 0.05 under 2-tailed test, there is a strong correlation (0.822 correlations co-efficient and $P < 0.05$) between the pilot assets and employment generation. This connotes a significant relationship exist between Pilot Assets and employment generation in Soba LGA.

The result also revealed that, at significant level 0.05 under 2-tailed test, there is a weak correlation (0.277 correlations co-efficient and $P < 0.05$) between the rural infrastructure and employment generation. This connotes that, a significant relationship between rural infrastructure and employment generation in Soba LGA.

Table 5: Correlations Variables in Kudan LGA

| | | Employment Generation | Pilot Assets | Rural Infrastructure |
|-------------------|--------------------------|--------------------------|--------------|-------------------------|
| Spearman's rho | Employment Generation | 1.000 | .718 | .557 |
| | Pilot Assets | .718 | 1.000 | . |

| | | | | |
|-----------------|-----------------------|------|------|-------|
| | Rural Infrastructure | .557 | . | 1.000 |
| Sig. (1-tailed) | Employment Generation | . | .000 | .000 |
| | Pilot Assets | .000 | . | .000 |
| | Rural Infrastructure | .000 | .000 | . |
| N | Employment Generation | 319 | 319 | 319 |
| | Pilot Assets | 319 | 319 | 319 |
| | Rural Infrastructure | 319 | 319 | 319 |

**. Correlation is significant at the 0.05 level (2-tailed).

The above result revealed that, at significant level 0.05 under 2-tailed test, there is a strong correlation (0.718 correlations coefficient and $P < 0.05$) between the pilot assets and employment generation. This connotes a significant relationship between Pilot Assets and employment generation in Kudan LGA. It also means that, the higher the pilot assets, the more employment will be generated.

The study also revealed that, at significant level 0.05 under 2-tailed test, there is a strong correlation (.557 correlations coefficient and $P < 0.05$) between the rural infrastructure and employment generation. This connotes a significant relationship between rural infrastructure and employment generation in Kudan LGA. It also means that, the higher the number of rural infrastructures (like roads, markets, orchard farms and earth dams), the more employment would be generated.

1.14 Discussion of Findings

Based on the data collected through interviews and questionnaire, which were presented and analysed, the following findings revelation becomes pertinent.

1. The analysis of the data generated through FGDs and KIIs revealed that Fadama III Project through its pilot assets

acquisition like milling machine, rice thresher, work bulls, and vegetable grinder, has generated employment for the 2 major enterprises (crop farming and processing) found in Fadama communities of the 2 LGAs. On the other hand, the rural infrastructure provided in Fadama community of Kudan LGA has provided employment opportunity for the rural people that are into petty-trading, and expansion of farm for irrigation farming in Fadama communities. The result revealed a weak correlation between rural infrastructure and employment generation in Soba LGA. This is not unconnected with the type of rural infrastructure provided in Soba LGA.

2. It was revealed that employments provided in Fadama communities as a result of the project were self and paid employments (in each case permanent and temporary) in nature. Specifically, crop farmers (especially youth group) are now into irrigation and rain-fed farming, which provided self employment for them and wage labours employed along the agriculture value chain. This finding is in line with the NBS (2015) perception of full time employment that farmers who work in both rainy and dry seasons are classified as full time employed. The crop enterprises used their work bulls as a means of livelihood for their members and employed operators to earn a living. On the other hand, the processors' enterprises (including women and disabled) were also self employed for they run their processing machines to earn living and employed operators of productive assets. Thus, in each of the enterprise, households (FUGs) members were self-employed, and an average of 1-2 persons as paid employees.

In comparative terms, the project has generated more employments for the disabled and youth groups in Kudan LGA than in Soba LGA. On the other hand, more women groups were employed in Soba LGA than in Kudan LGA.

3. The study revealed that employment opportunities created by the project have improved beneficiaries' welfare, reduced social problems like street begging, and unemployment in Fadama communities. It has also increased income of beneficiaries, sending children to better schools, reduced youth

migration as well as other economic and social benefits that were accrued as a result of the project's employment generation.

4. It was found out that the processors' enterprises were experiencing low patronage of their enterprises in their communities. It was also found that very few FUGs were able to sustain their FUEF accounts, this has led to the break-down of many processing machines, inability to add more assets and even replaced depreciated ones.
5. The study brought to the fore that there is shortage of rural infrastructure like access roads, market stalls and earth dams which affects the level of agriculture production. Other factors found to be affecting employment generation are: shortage of farm inputs, low prices of agric commodities, shortage of buyers of farm produce, project low coverage, shortage of land for expansion, some FUG member inability to pay CF. These factors among others continued to affect the prospects of employment generation in the rural area.

1.15 Conclusion and Recommendations

Fadama III Project is part of the Federal Government's efforts to generate employment through the development of agriculture value chain. The Project has supported crop farmers, processors and marketers through its components. This research found only crop farming and processing as the major types of enterprises operating by beneficiary groups in the study areas. In this regard, employments generated in Fadama communities were explored. Based on the data presented and analysed, the study concluded that the project has generated employments among the beneficiaries in Fadama communities as people were earning living from their various enterprises. However, the beneficiaries were faced with a number of challenges that need to be addressed. Part of the effort should be on widening the scope of any rural intervention programme to deliberately include the whole segments of the society (rural area) thereby increasing the supply of rural infrastructure and pilot assets capable of generating wider employment opportunities for people to earn a living.

Based on the findings of the study presented above, the following recommendations were outlined:

1. There is need for provision of more rural infrastructure like markets, access roads, and earth dams in rural areas. The access road and market would help farmers have easy access to market and sell their farm produce at appreciable price which would in turn motivate them to be self employed by producing more agric commodities and employ more labour along the agric value chain. The earth dams will encourage more farmers to engage in irrigation farming thereby providing more permanent employment opportunities in the rural area. This could be complemented by supply of adequate fertilizer, insecticides and improved seedling.
2. More pilot assets should be provided in Fadama communities, but emphasis should be laid on those assets that would generate permanent employment, as this would sustain the income generation of beneficiaries in Fadama communities. Hence, improve their livelihood.
3. Establishment of micro agro-processing industries like vegetable processing industry should be encouraged. This could be ensured through providing an enabling environment for private business investors that would invest in this sector thereby developing the agric value chain through forward and backward linkage effects. The industry should have potential for generating on farm and nonfarm employments for people to earn living in Fadama communities.
4. There should be effective periodic monitoring and evaluation by both FCAs and their apex Federations. At FCA level, periodic monitoring and evaluation of the beneficiaries' sub project should be carried out to ensure that the percentage earmarked as capital/revolving fund is saved in the FUEF Accounts of each EIGs so as to ensure sustainability of sub projects.
5. Community patronage of the processors' enterprises should be encouraged through quality services and subsidy to customers. This would help in increasing the income of the EIGs and means of livelihood.

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APPENDIX**Table 1.6: Fadama III Project and Employment Generation in Fadama communities of Soba LGA**

| | Items Questions | SA | | A | | U | | D | | SD | |
|---|---|-----|------|-----|------|----|------|-----|------|----|-----|
| | | F | P | F | P | F | P | F | P | F | P |
| 1 | Fadama III project has generated employment in my community. | 171 | 48.7 | 171 | 48.7 | 0 | 0.0 | 9 | 2.6 | 0 | 0.0 |
| 2 | People are now earning a living in my community as a result of Fadama III project. | 126 | 35.9 | 225 | 64.1 | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 |
| 3 | There was improvement in Employment situation in my community after Fadama III Project | 189 | 53.8 | 144 | 41.0 | 9 | 2.6 | 9 | 2.6 | 0 | 0.0 |
| 4 | Fadama III project has opened economic opportunities in my community. | 0 | 0.0 | 271 | 77.2 | 9 | 2.6 | 71 | 20.2 | 0 | 0.0 |
| 5 | Fadama III Project has provided rural infrastructure in my community. | 9 | 2.6 | 127 | 36.1 | 27 | 7.7 | 188 | 53.6 | 0 | 0.0 |
| 6 | The infrastructure provided by Fadama III project has generated permanent employment in my community. | 18 | 5.1 | 126 | 35.9 | 63 | 17.9 | 144 | 41.1 | 0 | 0.0 |
| 7 | The infrastructure provided by Fadama III project has generated temporary employment in my community. | 9 | 2.6 | 144 | 41.0 | 45 | 12.8 | 153 | 43.6 | 0 | 0.0 |
| 8 | The infrastructure provided by Fadama III project has | 45 | 12.8 | 153 | 43.6 | 18 | 5.1 | 135 | 38.5 | 0 | 0.0 |

| | | | | | | | | | | | | |
|----|--|-----|------|-----|------|----|------|----|------|---|-----|--|
| | generated seasonal employment in my community. | | | | | | | | | | | |
| 9 | Fadama III Project has provided pilot assets in my community. | 180 | 51.3 | 153 | 43.6 | 18 | 5.1 | 0 | 0.0 | 0 | 0.0 | |
| 10 | The pilot assets provided by Fadama III Project have generated permanent employment in my community. | 63 | 17.9 | 126 | 35.9 | 72 | 20.5 | 90 | 25.6 | 0 | 0.0 | |
| 11 | The pilot assets provided by Fadama III Project have generated temporary employment in my community. | 56 | 15.4 | 180 | 51.3 | 27 | 7.7 | 90 | 25.6 | 0 | 0.0 | |
| 12 | The pilot assets provided by Fadama III Project have generated seasonal employment in my community. | 90 | 25.6 | 180 | 51.3 | 36 | 10.3 | 45 | 12.8 | 0 | 0.0 | |
| 13 | Fadama III support on farm input has reduced cost of production which in turn provided employment opportunities in my community. | 252 | 71.8 | 90 | 25.6 | 0 | 0.0 | 9 | 2.6 | 0 | 0.0 | |

Source: Researcher's Survey, 2015.

Note: F = Frequency, P = Percentages, SA = Strongly Agree, A = Agree, U = Undecided, SD = Strongly Disagree, D = Disagree.

Table 1.7: Fadama III Project and Employment Generation in Fadama communities of Kudan LGA

| | Items Questions | SA | | A | | U | | D | | SD | |
|---|--|-----|------|-----|------|---|-----|----|-----|----|-----|
| | | F | P | F | P | F | P | F | P | F | P |
| 1 | Fadama III project has generated employment in my community. | 242 | 75.9 | 77 | 24.1 | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 |
| 2 | People are now earning | 66 | 20.7 | 242 | 75.9 | 0 | 0.0 | 11 | 3.4 | 0 | 0.0 |

| | | | | | | | | | | | |
|---|---|-----|------|-----|------|----|-----|-----|------|----|------|
| | a living in my community as a result of Fadama III project. | | | | | | | | | | |
| 3 | There was improvement in Employment situation in my community after Fadama III Project | 77 | 24.1 | 231 | 72.4 | 11 | 3.4 | 0 | 0.0 | 0 | 0.0 |
| 4 | Fadama III project has opened economic opportunities in my community. | 132 | 41.4 | 187 | 58.6 | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 |
| 5 | Fadama III Project has provided rural infrastructure in my community. | 88 | 27.6 | 130 | 40.8 | 0 | 0.0 | 101 | 31.7 | 0 | 0.0 |
| 6 | The infrastructure provided by Fadama III project has generated permanent employment in my community. | 44 | 13.8 | 242 | 75.9 | 11 | 3.4 | 22 | 6.8 | 0 | 0.0 |
| 7 | The infrastructure provided by Fadama III project has generated temporary employment in my community. | 11 | 3.4 | 66 | 20.7 | 11 | 3.4 | 187 | 58.6 | 44 | 13.8 |
| 8 | The infrastructure provided by Fadama III project has generated seasonal employment in my community. | 22 | 6.9 | 44 | 13.8 | 11 | 3.4 | 198 | 62.1 | 44 | 13.8 |
| 9 | Fadama III Project has provided pilot assets in my | 66 | 20.7 | 220 | 69.0 | 0 | 0.0 | 22 | 6.9 | 11 | 3.4 |

community.

| | | | | | | | | | | | |
|----|--|----|------|-----|------|----|-----|-----|------|----|------|
| 10 | The pilot assets provided by Fadama III Project have generated permanent employment in my community. | 55 | 17.2 | 198 | 62.1 | 22 | 6.9 | 22 | 6.9 | 22 | 6.9 |
| 11 | The pilot assets provided by Fadama III Project have generated temporary employment in my community. | 11 | 3.4 | 66 | 20.7 | 0 | 0.0 | 220 | 69.0 | 22 | 6.9 |
| 12 | The pilot assets provided by Fadama III Project have generated seasonal employment in my community. | 11 | 3.4 | 55 | 17.2 | 11 | 3.4 | 198 | 62.1 | 44 | 13.7 |
| 13 | Fadama III support on farm input has reduced cost of production which in turn provided employment opportunities in my community. | 77 | 24.1 | 198 | 62.1 | 11 | 3.4 | 33 | 10.3 | 0 | 0.0 |

Source: Researcher's Survey, 2015.