

Resource Use Efficiency: A Stochastic Frontier Production Analysis of Smallholder Broiler Farmers in Capricorn District, Limpopo Province

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ABSTRACT The objective of the paper was to determine the level of resource use efficiency by smallholder broiler farmers. Primary data was used and the stochastic frontier production analysis was applied to determine efficiency in levels in broiler production by smallholder farmers. The results of the estimates showed that all the inputs used were significant at one percent. The overall return to scale is greater than one indicating that resources are under-utilized. The result also revealed that the estimated farm level technical efficiency ranged from eight to ninety-seven percent with a mean of seventy-five percent on average indicating that smallholder broiler farmers in the study area can improve technical efficiency by twenty-five percent. The study recommends that extension officers should increase the frequency of contact with individual broiler farmers and implement policies that will promote access to credit and transport as a means to help farmers use their resources efficiently.