

**AN ECONOMIC ANALYSIS ON FACTORS AFFECTING OIL PALM
PRODUCTIVITY FOR DIFFERENT OIL PALM PLANTATION:
A CASE STUDY IN TERENGGANU & JOHOR**

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ABSTRACT

AN ECONOMIC ANALYSIS ON FACTORS AFFECTING OIL PALM PRODUCTIVITY FOR DIFFERENT OIL PALM PLANTATION:

A CASE STUDY IN TERENGGANU & JOHOR

Malaysian oil palm industry has been one of the largest contributors to the Malaysia' Gross Domestic Product(GDP) as well as the foreign exchange earnings and establishment of work vacancy (Balu Nambiappan et al., 2018). There are several factors affecting oil palm productivity focused in this research study which includes labors, fertilizer, herbicide and technology adoption. This research focused on studying the economic analysis based on production factors mentioned for different oil palm plantation. The first objective of this research was assessing the economic analysis of production factors comparing two different estates. Besides that, this study was carried out to investigate the effects of focused factors affecting oil palm productivity of oil palm. The location of this study was done in two different plantations from two different states in Johor and Terengganu which were Felda Bukit Waha in Kota Tinggi and Felcra Bhd Bukit Kapah in Terengganu. The methods of data collection used were using interview and secondary data collection from the companies. Then, the data were analyzed using three analyses which are descriptive analysis, t-test, and correlation analysis. The results showed that Felcra Bhd Bukit Kapah is more effective and efficient in cost and productivity compared to Felda Bukit Waha based on factors studied. As a conclusion, all the factors highlighted are directly and indirectly affecting the production of oil palm. It was recommended that the plantations optimize each of the inputs discussed to get a good production as practiced by Felcra Bhd Bukit Kapah.

Keywords: Labor, Fertilizer, Herbicide, Technology