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**BANWA** Supplements

SESSION E2

# Comparing the Profitability of Hybrid, Inbred, and Organic Rice Production

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#### Abstract

Rice is a staple food for most Filipinos across the country, with more than 90% of Filipinos consuming it on a daily basis. In the past two decades, annual supply of rice at 2.18% has not been enough to sustain the country's needs, whose annual population increases at 2.20%. One of the most significant programs of the government for the rice sector is to enhance provincial rice self-sufficiency through the use of proven farming technologies that not only increase yield but also raise farmers' incomes. Given the options to attain higher yields, this study investigated the profitability of certified inbred varieties, hybrid, and organic rice by determining the cost of production and net income of farmers and using partial budget analysis. Results show that rice farmers who ventured into hybrid rice production incurred the highest production cost per hectare per cropping (PhP37,428.521) compared to inbred (PhP26,717.64) and organic (PhP30,210.81) rice production. Hybrid rice production gave the highest income for farmers per hectare per cropping (PhP147,690.54) compared to inbred (PhP113,006.44) and organic (PhP84,785.46) rice productions. Partial budget analysis showed that additional income was gained by rice farmers shifting from organic to hybrid rice production per hectare per cropping (PhP43,195.25) and those shifting from inbred to organic rice production (PhP6,394.06). However, farmers shifting from organic to inbred rice production lost income amounting to PhP16,994.56 per hectare per cropping due to added cost such as farm inputs, labor, and low yield. To conclude, planting hybrid variety is recommended as it gives farmers the highest net income.