

## SUMMARY

### The Economics of Tomato Production and Marketing in Riyadh and Kharj Regions.

The main objectives of this study are to estimate the cost of production of tomatoes, in addition to identifying the marketing margins of the tomato crop in both the traditional and modern sectors in Riyadh and Kharj regions. A random sample of 73 farms (57 traditional farms and 16 modern farms) was taken for the purpose of the study.

The results of the study indicated that the total cost of tomato production was about 1.5, 12.0 and 36.3 thousands Riyals in the traditional farms, unconditioned greenhouses and conditioned greenhouses, respectively.

It has been found that labour was the main cost item. It constituted 43.9% of the total cost of production in the traditional farms, 35.7% in the unconditioned greenhouses and 30.6% in the conditioned greenhouses, while the cost of fertilizers came in second place in the traditional farms (22%) and depreciation came in second place in the greenhouses. It constituted 19.1% in the unconditioned greenhouses and 27.3% in the conditioned greenhouses. Land rent followed as the third item of importance in the traditional farms (11.4%) while the cost of maintenance occupied the third position in the unconditioned greenhouses and fertilizers occupied a similar position in the conditioned greenhouses.

Since it has been found that the average yield of tomatoes was 2.76, 12.44 and 20.45 tons/dunum in the traditional, unconditioned and conditioned greenhouses respectively, it has been estimated that the net revenue per dunum was 0.7, 7.4 and 2.5 thousands Riyals in the traditional, unconditioned and conditioned greenhouses respectively.

An attempt was also made to estimate the short run total cost functions for the traditional farms. For this purpose the farms were first divided into five groups, then into 3 groups and finally treated as one group. On the other hand three forms of functions were used (linear, cubic and quadratic). The linear form gave the best results. It has been found that there was a weak relationship between costs and production in the relatively small farms, while the relationship was strong in large farms.

The cost of marketing operations performed by producers (grading, packing, transportation, auctioneer's commission) are high. These costs averaged between 0.23 - 0.35 Riyals/Kg for the different types of farms. On the other hand, the marketing margins between the farm price and the consumer price are estimated to be 2.7 Riyals/Kg, and the share of the producer from the price paid by the consumer (farmer's share) amounted to 31% only.