THE ROLE OF GOVERNMENT IN THE INDUSTRIAL RELATIONS SYSTEM AND WAGE-RELATED INDUSTRIAL UNREST IN THE PUBLIC SERVICE IN NIGERIA.

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Abstract

This paper examined the pervasive and overriding role governments in Nigeria had played and continue to play in the country’s industrial relations system and how this influences wage—related industrial unrest in the public service. Government remains the largest employer of labour in the public sector in Nigeria and at the same time makes laws that regulate the industrial relations system. This peculiar scenario in the public sector in Nigeria has made the government to become so domineering to the extent that it takes numerous unilateral decisions and direct interventions in industrial relations matters including wage determination without recourse to collective bargaining. In Nigeria, the collective bargaining machinery is not well established and entrenched and as a result industrial relations issues including wages and how they are determined are never discussed and resolved through dialogue between the parties involved. Government, for instance, prefers to intervene directly in industrial relations through the use of wage commissions; wage committees, wage tribunals and direct pronouncements and these do not adequately put into consideration the views of workers represented by their unions in arriving at their decisions. The fact that wage—related issues are domiciled in the exclusive legislative list where only the federal government has prerogative has not in any way helped matters. One of the major fallouts of all this is that wage—related issues is not amicably resolved on a round table and in most cases degenerate to industrial unrest. This paper therefore contends that the government should take a second look at its role in the industrial relations system and begin to embrace collective bargaining as the best method to resolve industrial relations issues so as to drastically reduce the frequency of wage—related industrial unrest in the public service in Nigeria.

Key Words: Government, Industrial relations system, Wage—related industrial unrest, Public service, Collective bargaining, Wage commission.

INTRODUCTION

The experience of Nigeria has shown that over the years, the character of successive governments has become perhaps, the most important factor in determining the employment climate in the country through its unilateral actions that have come to bear on employment relations policies including wage determination (Yesufu, 1984; Ubeku, 1986). This is perhaps why the 110 (1992) reported that the Nigeria government had taken over unilaterally the job of regulating wages and conditions of work (in the Public Sector) on permanent basis, on the excuse of public interest and protecting the developing economy.

The role of government in the Nigeria Industrial Relations System and in the functioning of the labour-management relationship can be better understood within the framework of its power and control in industrial relations (Fashoyin, 1980). Also, this state intervention largely depend on the philosophy of the doctrine of “Sovereignty”, that is the absolute authority of the government. It follows therefore, that in adhering strictly to this doctrine the government necessarily becomes the sole determinant of wages and other conditions of service (Tajudeen and kehinde, 2007). For instance, the government enacted the Productivity Prices and Incomes Board Act of 1977 which provided machinery for government intervention in wage determination through collective bargaining. Through yearly guidelines, government defines permissible increases, if any, in wages, salaries, and benefits, and restricting the freedom of
the parties in the use of the collective bargaining process (Fashoyin, 2005). It is therefore important to investigate how government's role in wage determination influences the frequency of industrial unrest in the Public Service.

According to Tajudeen and Kehinde (2007), all labour/employment policies in Nigeria are to be seen as integral part of the national policies and objectives of the country as a whole. And the national policy and objectives of the country at a particular period in time is a function of the philosophy and ideological orientation of the nation's leadership at that time or period in question, be it colonial, military or civilian. Military rule in Nigeria was often characterized by flagrant violation of the tenets of the rule of law. Military regimes handled all labour-management issues including wage determination with arbitrariness that often engendered industrial unrest in the Public Service (Adesina, 1994). According to Olukoshi (1990), as an important actor in Nigeria's Industrial Relations System, military governments often engage in unilateral actions without following due process of law. The advent of democratic rule in Nigeria has left some impacts on the Industrial Relations System in the country. However, because the country had a longer period of military dictatorship than civilian rule, the impact of the Military is still pronounced. More importantly, the country tends to be dominated by military culture even during civilian regimes (Yusuf, 2009). The implication of this trend to the nation's Industrial Relations System is that democratic regimes in Nigeria exhibit similar pattern of attitude to industrial relations.

In Nigeria, the Federal Government appears to play some sort of overriding role on labour relations and especially in wage determination in the Public Sector where it remains the only employer of labour (Yesuf, 1984; Ubeku, 1986). The government unilaterally imposes wage structures in the Public Service without due consultations and negotiations with representatives of labour (trade unions) (Adesina, 1995; Kester, 2006). Ubeku (1986) reports that the state has employed a wide range of actions in regulating employment relations in the Public Service, some were coercive while others were through various legislations. He posits that the history of state interventions has been characterized by various strategies, which include the following: voluntarism, limited intervention, guided democracy, corporatism and direct force. It is therefore important to investigate how government's role in the Industrial Relations System in Nigeria, especially in wage determination influences the frequency of industrial unrest in the Public Service.

Conceptual Clarifications

Some concepts used in this work are hereby clarified so as to remove any ambiguity pertaining to their meaning in the context of this work. The concepts are as follows;

Government

This refers to a group of people that governs a community or unit. It sets out and administers public policies and exercises executive, political and sovereign power through customs, institutions and laws within a state. A government can be classified into many types which include: democracy, republic, monarchy, aristocracy, dictatorship, among other forms. In other words government is the system by which a state or community is governed. It is a means by which state policy is enforced, as well as the mechanism for determining the policies of the state (Wikipedia, 2013). InvestorWords (2015) regards government as a group that exercises sovereign authority over a nation, state, society or other body of people and is responsible for making and enforcing laws, managing currency and protecting the population from external threats, and may have other duties or privileges.

Wage

Employers usually see wage as all costs incurred for the recruitment and use of labour in their enterprises. These include direct wages, fringe benefits, social security benefits paid to the employees and other costs incurred for occupational safety and health and human resource development. Employers are therefore concerned with the total cost of labour. Workers on their own see wages as the direct payment received for work done (Kessler, 1995; 2000).

Duncan (1989) and Poole and Jenkins (1998) posit that workers are concerned with the immediate quantum of disposable income, although they recognize that fringe benefits associated with terms and conditions of employment and all other benefits in cash or kind are also part of wages. The types and quantum of fringe benefits vary with countries. It is determined through government intervention with legislation and collective bargaining between employers and trade unions. It is therefore a result of
According to Armstrong (1999), the main components of payment systems include: basic pay, productivity incentives, social security, fringe benefits such as medical benefits, paid leave and allowances. Some of the allowances include rent in lieu of quarters, basic amenities for electricity, water, transport, subsidies for education of children, and Domestic Assistants (Armstrong, 1999; Bratton, 1999).

Industrial unrest

Is a generic term that covers all forms of industrial actions undertaken by workers and employers to express their dissatisfaction in the workplace (Anugwom, 2007). Although, strike is the most popular form of the manifestations of industrial unrest in any society, there are other forms, which do not attract much notice or public attention. Yet this latter category accounts for a significant proportion of labour - Management dispute (Fashoyin, 2005). The other forms through which industrial unrest manifests itself are mainly used by workers and their unions as pressure methods on the employers to win their demands (Fashoyin, 2005). The types of action in this category include, work-to-rule, over time ban, lock-in/out, and intimidation (Fashoyin, 2005).

Public Service

Refers to service provided by government to people living within its jurisdiction, either directly (through the public sector) or by financing provision of services. In other words, service provided or supported by government or its agencies (Wikipedia, 2014). Service performed for the benefit of the public, especially by a non-governmental organization. Public service also refers to the business of supplying an essential commodity, such as water or electricity, or a service, such as communication, to the public.

The Role of Government in the Industrial Relations System and Wage - Related Industrial Unrest in the Public Service in Nigeria: A Theoretical Review.

A by-product of British labour policy in Nigeria was the adoption of the voluntary principle, which had strong roots in the conventions, and resolutions of the International Labour Organization (ILO), of which Britain was a founding father (Fashoyin, 2005). The premise of the voluntary principle was to discourage the use of the thirty-party, and with the belief that only those who are directly interacting in day to day relations at work are best placed to find answers to their problems. This view derived its strength from the “laissez faire” doctrine of self-government. Under the principle, government sought to encourage employers and workers to settle questions pertaining to the terms and conditions of employment through collective bargaining while intervention was a last resort, in the public interest and as an impartial umpire (Yesufu, 1984; Ubeku, 1986; Fashoyin, 2005).

In spite of the legislative attempt to create a legal environment for the voluntary principle, institutional and environmental factors created considerable inequality in labour-management relations, such as to render the voluntary principle practically irrelevant. Ubeku (1986) and Fashoyin (2005) opine that although trade unions were made legal institutions, there were no provisions for their recognition by employers and many employers were willing to treat the unions with contempt. Similarly, in the area of trade disputes settlement, agreements reached at conciliation or arbitration tribunals were not binding. Given the character of unions and the spread of anti-union sentiment among employers, it seemed idle to assume that the voluntary principle would work (Aderogba, 2005; Fashoyin, 2005). According to Kester (2006), government’s predilection to the use of semi-political Wage Commissions or Tribunals as parallel method of regulating employment conditions in the public sector, and its demonstration effects on labour relations in the private sector, all served to undermine the Principle of Voluntarism.

The government had taken centralization to its logical conclusion by unilaterally making the structure of wages and salaries uniform across all tiers of government in the 1970s. The machineries set up for collective bargaining in the public sector such as the National Civil Service Negotiating Councils and the State Civil Service Negotiating Councils, were never allowed to work (Adesina, 1995; Aiyede, 2002). The centralization of collective bargaining and wages occurred within the context of the centralization of the economic management of the country. Although this was set in motion by the logic of central planning, it accelerated and became total, under military rule in the absence of constitutionalism and rule of law (Aiyede, 2002).
the use of the collective bargaining process (Fashoyin, 1986; Adesina, 1995).

According to Tajudeen and Kehinde (2007), industrial relations policies are embodied in legislations, official pronouncements and direct action of government. In the case of Nigeria, an under-developed capitalist country, these policies are best understood in terms of labour control strategies. Although, government policies on industrial relations are anchored on what is called guided democracy and limited intervention, the evidence on the ground negates this. Rather what obtains is unguided authoritarianism and reckless intervention in the industrial relations scene.

In Nigeria’s public service the role of the government in wage determination has become so prominent, and has continued to generate much debate over what should be the limits of Nigeria government’s intervention in industrial relations. Through this role, the government has also seriously infringed on the rights of the average Nigeria workers to strike action and their rights to freedom of association. Contrary to this, an important role or duty of the state anywhere around the globe should be towards the protection and guarantee of the freedom of association to workers and trade union recognition, as a basis for harmonious labour-management relationship (Yusuf, 1984; Adesina, 1995). The over-bearing influence of government in public service wage determination has been variously blamed by industrial and labour relations scholars for the frequent wage crisis that leads to industrial unrest. Government has the penchant for taking unilateral decisions on wages which it imposes on all concerned without due consultations. These decisions most times do not go down well with the unions and their resistance usually ends up in industrial unrest (Kester, 2006).

Historically, political developments in Nigeria have influenced the formulation and implementation of industrial relations policies at a degree that sometimes betrays the poor state of the political culture (Fashoyin, 2005). In colonial times, political consideration played a considerable role in evolving the voluntary policy and in wage determination. The voluntary principle was so conveniently breached, as often as the political considerations of the ruling elite dictated (Yesufu, 1984; Ubeku, 1986). During self-government and after independence, regional and federal governments evolved industrial relations policies whose innovation or intellectual philosophies were largely influenced by the political dictates of the period and the political inclinations of the ruling elite (Fashoyin, 2005). For example, competitive wage awards led to a call for avoiding any other policy that would seem likely to lead to political influences and considerations entering into determination of wages (Yesufu, 1984; Fashoyin, 1987).

Throughout the two decades of military rule, public policies mirrored the political calculations of military regimes and equally the political values of the elites (Fashoyin, 2005). Thus, the response of the military to union demands, wage issues and all forms of industrial action have reflected the political circumstances of military administrations. The setting up of periodic Wage Commissions and Tribunals since colonial times up to the present has in itself reflected the political imperatives of these periods (Fashoyin, 2005). There is no doubt that the direction of industrial relations will continue to respond and be influenced by developments in the political environment, in part by the political orientation of the ruling elite and in part by the leadership of the trade union movement (Fashoyin, 2005). Obviously, what impacts these have on the industrial relations framework will in turn depend on the broad political structures in place and the extent of political involvement of the union. Also, it will critically depend on the degree to which policy makers and party politics interfere in industrial relations institutions.

According to Olugboye (1996) and Yusufu (2009), the military operates a totalitarian regime characterized by suppression, repression and suspension of constitutional rule, arbitrariness and unilateralism. Over the years, the first casualty of military coup is trade union. As part of the pressure groups in society, the trade union has always been at the receiving end of harsh military policies (Yusuf, 2009). More than any other time, trade unions suffer from harsh and repressive government policies during military rule. Along with other pressure groups in the society, trade unions are prevented from holding rallies, embarking on strikes and other legitimate activities of trade unions (Omole, 1991; Fajana, 2000). As an important actor in Nigeria’s industrial relations system, military governments are often arbitrary in dealing with labour-management issues. Adesina (1994) for instance, argues that since the Military adopts ideology that legitimizes its continuous supra constitutional role in politics, repression is not an impossible outcome.

Democratic governments in the country like the military are also known to engage in harassment, intimidation and arrest of labour leaders especially when they embark on strike (Yusif, 2008). Successive civilian governments in Nigeria have engaged in
interference with trade union organizations in the country (Jiminiwa, 1996). In the current political dispensation, the dominance of retired military officers is obvious and profound. This factor has an enormous impact on the nation’s political climate and especially on the attitude and actions of political office holders. The effect on the industrial relations system is the evidence of intolerance of government towards principal actors, especially workers and their unions. Such actions as the enforcement of “no work no pay” clause, refusal of government to implement collective agreements attest to this fact (Sokunbi, Jiminiwa and Onaeko, 1996; Yusuf, 2009). In spite of the obvious similarities in the attitude of military and civilian governments towards industrial relations, it must be stressed that democratic rule provides a healthier environment for the process (Yusuf, 2009).

For instance, while the rule of law is completely abolished under the military, the same tenet thrives in democracy. Many industrial relations issues have been resolved by the court in the current political dispensation. Examples include the court resolution of the nationwide strike organized by the Nigeria Labour Congress in December 2004, the reinstatement of sacked university of Ilorin Lecturers, and several other court injunctions restraining government from tampering with the employment conditions of workers (Abu, 2007; Yusif, 2008; Yusuf, 2009).

The theoretical thrust of this paper is the labour process theory. Braverman (1974), the proponent of labour process theory followed Karl Marx in arguing that work within capitalist society was alienating. Braverman examined the nature of class in the United States of America over a period of 100 years from the time he wrote and argued that the process of class formation is largely directed by changes in the nature of work in capitalist society. Capitalism involves the maximization of profit which results in the accumulation of capital. In pursuing this end, the labour process has been transformed over a period of 100 years. This transformation has important consequences for the formation of classes.

The relations of production in capitalist society according to Braverman (1974), is that of dominance and subordinacy. Workers are subject to the authority of employers and their work is controlled from above. Braverman sees this as the hallmark of the working class condition and from this point claims that there has been a progressive proletarianization of the workforce in the United States. Tasks are broken down into simple operations and directed and organized from above. As a result, the worker controls less and less of the work process which now requires more and more coordination from management. Again, Skill and initiative are steadily removed from work. This development applies not only to manufacturing industry but to work in general. The gulf between the ruling class and the working class is also widening.

Braverman (1974) further stresses that this development has been accompanied by the transformation of the bulk of the population into employees of capital. The vast majority of the workforce is either directly employed by private industry or by the state, which he regards as agent of capital. The self employed craft man, the farmer who owns his small holding and independent professional in practice are steadily disappearing and entering the ranks of wage earning and salaried employees. The goods and services required for subsistence are increasingly supplied by capitalist enterprises, and the population is less and less able to supply its own needs outside this capitalist market. As a result, the worker must sell his labour power in order to subsist and therefore becomes increasingly dependent on capital and forced to subsist to its control.

Braverman’s labour process theory helps us to have a better insight into the condition of the workers in Nigeria’s public sector where the government is the only employer of labour. The gulf between the elite and the working class people is widening everyday as a result of the disappearance of the middle class. According to Cheeka (2009), a sizeable proportion of Nigerian workers receive pay that is nothing but a starvation wage. Today, over 75 percent of them live in conditions not far removed from barbarism. Any demand for decent wages is presented by the ruling elite as unaffordable and something that will do terrible damage to the economy. The Nigeria Labour Congress (NLC) (2009) opines that all over the world, salary increase in the Public Sector is underlined by the principle of equity and the need to bridge social inequality in the face of widening economic and social gaps amongst citizens of a country. In Nigeria, while workers’ salaries increased by 15 percent between 2006 and 2007, those of political office holder increased by over 800 percent (NLC, 2009). The 2008 increase in their compensation package has been doubled (NLC, 2009), this situation has always led to incessant labour unrest occasioned by workers’ demand for better wages.

Rowlinson and Hassard (1994) have argued that Braverman by adopting the economics of Baran and Sweezy (1966), departed considerably from orthodox Marxism. According to them, the labour process theorists abandoned such central Marxist
tenets as the labour theory of value and the law of the tendency of the rate of profit to fall, concentrating instead on struggles over relations of dominance and subordination. Thus, the connection with Marxist political economy is largely severed, and becomes difficult to distinguish labour process theory from radical organization theory (Rowlinson and Hassard, 1994). In spite of these criticisms the theory remains very useful in providing a better understanding of a study of this nature in Nigeria.

CONCLUSION

It is no longer news that in Nigeria the government plays some kind of domineering and overriding role in the industrial relations system. Government takes undue advantage of its position as the largest employer of labour in the public sector and at the same time making the laws that regulate the industrial relations system. It arrogates to itself the role that both employers and employees ought to perform in industrial relations. Although, government sets up councils to negotiate wage increases and other conditions of employment in the public sector, events in recent years have shown that government has taken over the system of wage determination in Nigeria.

Instead of allowing collective bargaining to prevail, government resort to establishing wage commissions as a means of fixing and reviewing wages. Consequently, collective bargaining has been relegated to the background in the public sector, and workers frequently respond to this fundamental anomaly using the instrument of strike action. Government’s over – bearing influence in the form of direct interventions, unilateral actions, and wage impositions do not augur well for the development of the country’s industrial relations system.

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