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Abstract

The use of casual labour has been a source of ongoing conflict between workers, labour unions, and employers in most organizations in Nigeria. Many scholars and commentators have written and spoken extensively on the subject matter, yet in most cases their approach tended to be one-sided, skewed and lack duality of purpose. Attempt to look at it from another angle or juxtapose its position is rare and almost absent. Therefore, this paper through content analysis of literature review examined the rise of casual work in Nigeria vis-à-vis its challenges and benefits to Nigerians. It anchored casual work in Nigeria on Neo-liberal and Equity theories. The paper opined that casual work is not in all cases bad as most people think. It has its benefits and in some cases, it is a matter of choice. Also, the paper is
of the view that the benefits of casual jobs constitute the price of progress.

Key Words: Casualization, Casual Work, Rise, benefits, loses, Nigeria

Introduction

Casual work has become a social phenomenon and a cankerworm in labour relations in various industries across developing countries of the world, Nigeria inclusive. This is as a result of the deliberate policy of the multi-nationals in productive and service companies, which created casual workers in place of permanent labour employment. That is, the placement of workers as temporary employees on jobs that is routine, contentious and permanent in nature. This non-standard work arrangement is a form of work arrangement occasioned by the effects of globalization and trade liberalization. This development was facilitated by technological improvement in communication and information technology (Okafor, 2010). Scholars have argued that the shift from permanent work to casual work arrangement is as a result of employers using it to avoid the mandates and costs associated with labour laws which are designed to protect permanent employees in standard employment (Onyeonoru, 2008; Okafor, 2011). Available records have shown that within the shortest of time, employers of labour are increasingly filling positions in their organizations that are supposed to be permanent with casual employees. The reason for this has been largely attributed to the increasing desperation on the side of employers to cut down the organizational cost. However, Casual work has always existed for particular jobs. Therefore, it is not a new development, but the form it has taken in the recent times is different and alarming. The problems of workers in casual jobs have been made worse by massive unemployed youths in most African countries, especially in Nigeria. This has made the Nigerian labour market volatile and precarious (Onyeonoru, 2008; Okafor, 2011). With volatile labour market, there have been proliferations of many unscrupulous recruitment/employment agencies that take advantage of

desperate unemployed persons thereby promoting nonstandard employment relations like casual jobs. In Nigeria, there is a growing concern that the use of local casual workers in firms is on the increase, with hosts of undesirable consequences for those who are compelled by unemployment and poverty to take such employment (Okafor, 2011). The working conditions of such casual workers are not only incapacitating, but also precarious. Scholars are of the view that the use of casual workers do not only promote indecent work, but also violates established labour standards in Nigeria (Uvieghara, 2000; Okougbo, 2004; Onyeonoru, 2007; Adewumi, 2008; Okafor, 2010). Notwithstanding, it is sometimes suggested that the benefits of casual jobs constitute the price of progress. In this approach, casual jobs are identified with increased flexibility, which is in turn presented as the precondition for economic progress (Robyn May, Iain Campbell and Burgess, 2012). Therefore, this paper examined the rise of casual work vis-à-vis its challenges and benefits (in terms of who loses, who benefits from it?) in Nigeria, with the theoretical exposition on Neo-liberal and Equity theories.

Conceptual Clarification

What is Casual Work?

There is no standard definition of casual work. One common definition describes casual jobs as jobs that:

- Are short-term or temporary
- Involve irregular hours
- Are not guaranteed to be ongoing

Another definition describes casual employees as employees who do not get paid holiday leave or sick leave. Casual employees do not usually work set hours, although some casual workers do work long, regular hours. Casual workers are also often employed on an "as needed" basis. Some casual workers may experience long periods of time between being offered shifts.
Casual work refers to the systematic replacement of full-time and part-time staff with staff employed on an ad hoc basis (Okafor, 2010). Regular work is not provided, but the casual worker is expected to be available when required. Casualization of workers is a worldwide phenomenon. Studies done in New Brunswick, United States (CUPE, 1999, 2000; Lebreton, 1997, 2000), Canada (Tilly, 1991; Friss, 1994; Baumann and Underwood, 2002; Baumann and Blythe, 2003), South Africa (Mosoeta, 2001; Altman, 2003; Barchiesi, 2007), India (Jenkins, 2004) and Australia (Buchler, Haynes and Baxter, 2009), showed that casualization of workers is a worldwide phenomenon that cuts across various genders and professions. The International Labour Organization (ILO) (2007) defines casual workers as workers who have an explicit or implicit contract of employment which is not expected to continue for more than a short period, whose duration is to be determined by national circumstances. Casual work is a significant part of that group of employment arrangements that are collectively known as non-standard, contingent, atypical, precarious and alternative work arrangements in international labour law.

The new development in Nigeria today is that the term “casual” worker has been replaced by “contract staff”. For instance, in the oil and gas industry, they no longer refer to them as casuals but as contract staff, because most of them are now supplied by labour contractors to the User Company which makes them employees of the labour contractor and not oil company (Danesi, 2011). Danesi, further stresses that casual work has always existed for particular jobs; therefore, it is not a new development. However, she explains that it is the form that it has taken in the last two decades that is different and problematic. In the past, such labour was required for seasonal work or work that arises periodically and continues for a relatively short period. This work arrangement was predominant in the construction industry and agricultural sector and it was mainly for the unskilled in Nigeria. Today, both the skilled and unskilled are engaged as casual
workers in the informal sector, the organized private and public sectors of the economy.

The practice of engaging casual workers in Nigeria for permanent positions have been referred to as “casualization” and this practice abounds mainly in the manufacturing, banking and oil and gas industries. It remains a practical option as well as a socio-economic necessity to cut costs and remain competitive in an environment of increasing competition, cost minimization and flexibility (Danesi, 2011).

The rise of casual work in Nigeria

In Nigeria, the scourge of casualization of employment is gaining grounds in an unprecedented proportion. The increase in the spread and gradual acceptance of this labour practice in the Nigerian labour market has become an issue of great concern to stakeholders. Employers of labour are increasingly filling positions in their organizations that are supposed to be permanent with casual employees (Fapohunda, 2012). The problem of casualization is common in Nigeria. However, it has been a long outstanding issue in the oil/gas, banking industries and multinational corporations. In some companies in Nigeria, it is possible for one to get workers as many as 2000 in an industry, out of which about 1500 may be casual workers (Okafor, 2010). In some local industries, in the informal sector, it is possible to get situations whereby virtually all the employees are casual staff (Okafor, 2010).

The casual workers have either professional or administrative skills (Okougbo, 2004; Adenugba 2006; Okafor, 2007). Data on casual workers is quite alarming. In the oil and gas sub-sector alone, there are over 1000 casual workers, who are unionized against the wishes of management and, also, being discriminated against by management. Specifically, in 2001, there were an estimated 14,559 casual/contract workers, as against 23,065 junior workers on permanent job positions in the oil industry (Okafor, 2010). Most of the casual workers have various qualification that would warrant permanent jobs-certificates,
diplomas and degrees in such areas as engineering, computer science, telecommunication and accounting. Some of the permanent jobs where casual workers were being utilized in the industry include clerical jobs, plant operations, computer services, rig drilling operations, maintenance services, transportation, flow station operations, flow station guards, deck-hands, forklift operators, typists and fire service men (Adenugba, 2006) cited in (Okafor, 2010).

Taking the oil/gas industry as a unit of analysis, according to Adenugba, the scope of the problem can be seen from the fact that in 1980, Mobil oil Nigeria Limited (Marketing Unit) had 195 permanent junior employees. By 1991, however, there were only 28 of them. Mobil producing Nigeria (production section) had over 400 permanent junior employees in 1980. This figure declined to 80 by 1991, with most of the jobs being undertaken by casual workers. In the Western Division (i.e. Warri Area) of Shell operations alone, there were 110 labour contractors in 1991, employing 1,329 casual workers. By 2002, there was no single junior staff, who was a direct employee of Mobil Oil plc. These were in violation of existing labour laws (Uvieghara, 2000; Okougbo, 2004; Onyeonoru, 2004; Adenugba, 2006; Okafor, 2007).

Nevertheless, the Nigerian labour market is not only saturated but characterized by massive youth unemployment of various forms such as seasonal, frictional, cyclical, and structural unemployment (Adebayo, 1999; Damachi, 2001; Okafor, 2011). In Nigeria, accurate unemployment rates are difficult to access. However, according to Oyebade (2003) cited in (Okafor, 2010), Nigeria’s unemployment can be grouped into two categories: First, the older unemployed who lost their jobs through retrenchment, redundancy, or bankruptcy; and second, the younger unemployed, most of whom have never been employed. For Awogbenle and Iwuamadi (2010) cited in (Okafor, 2010), the statistics from the manpower Board and the Federal Bureau of statistics showed that Nigeria has a youth population of 80 million, representing 60% of the total population of the country. Also, 64 million of them were unemployed, while 1.6
million were underemployed. The 1990 to 2000 data on youth unemployment showed that the largest group of the unemployed was the secondary school graduates. Also, 40% of the unemployment rate was among urban youth aged 20 to 24 and 31% of the rate is among those aged 15 to 19 years. Also, two-thirds of the urban unemployed were ranged from 15 to 24 years old. Moreover, the educated unemployed tended to be young males with few dependents. There were relatively few secondary school graduates and the lowered job expectations of primary school graduates. The authors, however, admitted that there was no consistent trend of unemployment rates in Nigeria. An increase in one or two years was sometimes followed by a decline in the subsequent years. According to National Bureau of Statistics (2009:238,238, 2010:2) cited in (Okafor,2010) the national unemployment rates for Nigeria 2000 and 2009 showed that the number of unemployed persons constituted 31.1% in 2000; 13.6% in 2001; 12.6% in 2002, 14.8% in 2003; 13.4% in 2004; 11.9% in 2005; 13.7% in 2006; 14.6% in 2007; 14.9% in 2008 and 19.7% in 2009. Hence, a significant number of people stayed in casual jobs because it had not been very easy to find a job in the first place. This was not because they lacked skills and qualifications but simply because of a lot of competition for available jobs, poor economic condition cum corruption and bad leadership in Nigeria.

**Theoretical frame of analyses**

This paper anchored casual work in Nigeria on Neo-liberal theory and Equity theory.

**Neo-liberal theory**

Neo-Liberalism is both a body of economic theory and policy stance. The liberal school of economics became famous in Europe when Adam Smith, a Scottish economist, published a book in 1776 called THE WEALTH OF NATIONS. He and others advocated the abolition of government intervention in economic matters. No restrictions on manufacturing, no barriers to commerce, no tariffs, he said; free trade was the best way for a nation's economy to develop. Such ideas were "liberal" in the sense of no controls. This application of individualism
encouraged "free" enterprise," "free" competition -- which came to mean, free for the capitalists to make huge profits as they wished. Neo-liberalism refers to the desire to intensify and expand the market, by increasing the number, frequency, repeatability, and formalization of transaction. The ultimate goal of neo-liberalism is a universe where every action of every being is a market transaction, conducted in competition with every other being, and influencing every other transaction. Neo-liberalism seeks to transfer part of the control of the economy from the public to the private sector, under the belief that it will produce a more efficient government, and improve the economic indicators of the nation. The neo-liberal theory sees the nation primarily as a business firm. The nation-firm is selling itself as an investment location, rather than simply selling export goods. A neo-liberal government pursues policies designed to make the nation more attractive as an investment location. These policies are generally pro-business.

The main features of neo-liberalism include: the rule of the market, cutting public expenditure for social services, deregulation, privatization and eliminating the concept of ‘’the public good’’ or ‘’community’’.

Neo-liberalism assumes that higher economic freedom has a strong correlation with higher living standards; higher economic freedom leads to increased investment, technology transfer, innovation, and responsiveness to consumer demand (Martinez and Garcia, 2000) cited in (Okafor, 2010) . Neo-liberalism believes staunchly on the freedom of contract. Freedom of contract is the right to choose one’s contracting parties and to trade or work with them on any terms and conditions one sees fit. Contracts permit individuals to create their own enforceable legal rules, adapted to their unique situations. Parties decide whether contracts are profitable or fair, but once a contract is made, they are obliged to fulfil its terms, even if they are going to sustain losses by doing so. Through making binding promises, people are free to pursue their own interests. For neo-liberalism, it is a moral duty of human beings to arrange their lives to maximize their
advantages in the labour market. According to Harvey (2005), corporations operating in a typical neo-liberal economic environment prefer short-term contract of employment, which in effect, forces workers to apply and re-apply for the same job over and over again. This kind of flexibilization reduces cost of production, boost profit but, at the same time, minimizes or cheapens workers’ quality of working lives (Bucher, Haynes and Baxter, 2009) cited in (Okafor,2010).

**Equity theory**
Adams (1963) equity theory can adequately explain casualized employees’ work behaviour in organizations in Nigeria. Equity theory explains that employees cognitively make comparison of their inputs (knowledge, skills, abilities, time, energy, qualification, experience, etc) into an organization with that of comparable person or persons (similar in inputs) within and outside the organization. Where they perceive imbalance between the two inputs (my input versus his input) perception of inequity results, which in turn bring about many kinds of negative work behaviour such as increased insecurity, anxiety, low organizational commitment, low job involvement, organizational alienation, etc (Gallagber & Sverke, 2005; Hipple, 1998). The exhibition of negative work behaviour (low job involvement, low organization commitment and high job insecurity) can only result if the casualised employees perceive inequity, hence, challenges to some casual workers. However, there could be employee in the same casualised employment condition who will rather thank God for at least, providing him/ her with something to do. Such employee will rather perceive equity than inequity. Therefore, benefits to some casual workers. This implies that the work behaviour of casualised employee is a function of the equity (equity or inequity) perceived.

**Who loses from casual work in Nigeria?**
Casual work is a term used in Nigeria to describe work arrangements that are characterized by bad work conditions like job insecurity, low wages, and lack of employment benefits that accrue to regular
employees as well as the right to organize and collectively bargain. In addition, workers in this form of work arrangement can be dismissed at any time without notice and are not entitled to redundancy pay. It is an unprotected form of employment, because it does not enjoy the statutory protection available to permanent employees (Okafor, 2011). Basso (2003) observes that casual work may be linked to underemployment. It is often used loosely in international literature to refer to the spread of bad conditions of work such as employment insecurity, irregular work hours, intermittent employment, low wages and absence of standard employment benefits. O’ Donnell (2004) emphasizes that legally, a casual employee is seen as a worker engaged for a period of less than six months and who is paid at the end of each day. The expectation is that this category of worker includes those engaged, for example, in piece work, short-term construction work, etc. This however, is not really the practice; casual jobs today are commonly understood as jobs that attract an hourly rate pay but very few of the other rights and benefits, such as the right to notice, the right to severance pay and most forms of paid leave (annual leave, public holidays, sick leave, etc.)

Similarly, Okafor (2007) notes that losses suffered by casual employees include: abysmal low wages, absence of medical care allowances, no job security or promotion at work, no gratuity and other severance benefits, no leave or leave allowance, freedom of association which is often jeopardized, no death benefits or accident insurance at work, no negotiation or collective bargaining agreement. Fapohunda (2012) in her study states that, this treatment extends to job allowances, canteen services, pension plans, health and life insurance schemes, transportation and leave entitlements. Sadly, the trend now is that casual workers work for many years without promotion and necessary entitlements, and sometimes they do what normal employees should do, but are not compensated for such (Okafor, 2010).

According to Okafor (2010), there are two forms of employment under casualization in Nigeria namely; casual and contract labour. The
terms and conditions of employment of this category of workers are not regulated by the Nigerian labour laws in the sense that their status is not defined and no provisions are made for the regulation of the terms and conditions of their employment, hence the mass exploitation of these workers by employers. Employers use casualization of the labour force as an effective means of reducing cost, maximizing profit and de-unionizing the work force. Fajana (2005) notes that, it is difficult to give accurate statistics about the number of casual and contract workers in Nigeria because there are no official statistics showing the extent and trends of casualization. Animashaun (2007) asserts that some organizations have been reported to have up to 60-90 percent of their workers as casual/contract employees. The Nigerian Labour Act does not define casualization and does not provide a legal framework for the regulation of the terms and conditions of this work arrangement. However, section 7(1) of the Act provides that

a worker should not be employed for more than three months without the regularization of such employment. After three months, every worker including the casual or contract workers’ employment must be regularized by the employer by being giving a written statement indicating the terms and conditions of employment including ‘the nature of the employment’ as well as ‘if the contract is for a fixed term and the date when the contract expires.

The lack of definition of the status of this category of workers as well as the legal framework regulating the terms and conditions of their employment and protection probably explains the motivating factor for the increasing use of casualization by employers and why this category of workers are exploited by employers who engage them (Fapohunda, 2012). The prevailing arrangement in most organizations is a situation where people are employed as casual and contract workers for five years or more and are paid less than their permanent counterparts in terms of wages and benefits even though they possess
the same skills, work the same hours and perform the same tasks as permanent employees. Hall (2000) submits that casualisation may have negative effects on important aspects of national economic performance such as skill formation and development. Within such framework, the labour force of the nation will continue to suffer and be greatly affected. Anti-labour practices such as casualisation can derail advancements in economic progress because there would always be agitations, industrial actions and breakdown in production and services. Casualisation may also increase the rate of brain drain and capital flight in the country, since the nation’s labour force will begin to run to other countries with perceived better employment conditions and working environment as has been witnessed in Nigeria. More so, it renders the citizens who are supposed to be the major beneficiaries of economic investments impoverished and completely hopeless. Again, it leads to disparity among households over time.

Nevertheless, it can be argued that the conditions of casual work have structural tendencies to undermine casual workers’ well-being in Nigeria in the following ways:

First, the lack of rights and minimal legal status of casual work threatens not only these workers’ access to resources and entitlements, but also to the type of self-respect that equal rights supports. This is especially problematic in those industries where casual workers are performing the same tasks as workers on more standard employment contracts, because this expansion of dual employment systems within the one workplace tends to formalize unwarranted hierarchies of (dis)respect, and hierarchies which workers will confront on a daily basis. Such ongoing misrecognition, especially for workers in the oxymoronic category of “long-term casuals” may in turn threaten workers’ conceptions of themselves as sharing a basic equality with other workers on these terms (Tweedie, 2011).

Second, the process of casualisation means that casual workers increasingly lack access to career paths, because much casual work lacks possibilities for career progression comparable to standard
employment relationships; for example, a corollary of casualisation in universities is that casual positions that may once have been stepping stones into tenured positions are increasingly long term experiences. Yet casual positions typically have little opportunity for career progression within this employment type; for instance, casual teaching positions in universities include only two employment categories: (a) workers with a doctorate; and (b) workers without a doctorate. Such a lack of career progression for casual workers has obvious material costs; however, it is important to note that in contemporary “work societies” a career path is not simply a determinant of income. Rather, a career path also designates a progression from less to more demanding work, and career progression is (still) one significant form of social esteem. By limiting access to career paths, casualisation thus tends to undermine both the development of skills and capacities and workers’ access to legitimate esteem for the work that they perform (Tweedie, 2011).

Third, casual work also tends to undermine workplace esteem through the typically smaller presence or “voice” that casual workers have in the workplace.

**Who benefits from casual work in Nigeria?**

Most scholars and commentators agree that casual work and its spread are bad for the workforce. It is accepted that workers involved in casual jobs suffer a substantial deficit in their rights and benefits, compared with employees in standard ‘permanent’ jobs. However, a critical analysis based on the benefits/half-truths and myths of casual work are explained as follow. First, casual work would not necessarily have bad effects on workers if it were a short-term bridge into better work. Certainly, in some cases, casual workers do go on to better-paid and more secure jobs (Chambers and Kalb, 2001). This is most clearly the case for many tertiary students who after a period of casual work while they are studying, will eventually start careers in the profession in which they have been educated. It is also likely in some other cases, as part of the normal process of looking around and
seeking better work. Some evidence suggests that a direct transition from unemployment to ‘permanent’ job is less likely than an indirect transition which goes from unemployment via a casual job and then into a permanent job (Chalmers and Kalb, 2001). This is unsurprising, since many employers in Nigeria are reluctant to recruit directly from the pool of unemployed, but want some assurance of current skills, work attachment, and work discipline. Second, it is sometimes suggested that casual jobs do not have bad effects on workers because most of the workers in question are full-time or part-time students and married- special kinds of workers who are seen just as ‘secondary earners’. These categories of workers do not have the full capacity or privilege to work as permanent staff due to their dual role for work, schooling and taking care of the family respectively. It is also necessary to ask how and why status as a full-time student or as a married woman can be seen as an excuse for deprivation of rights and benefits. There is no evidence for a preference for casual work amongst these groups (though there is a strong preference for part-time hours). Similarly, there seems little basis for an assumption that such workers are not dependent on their jobs. It may be argued by some scholars and commentators that deprivation of rights and benefits is less important in the case of students, since they only experience this for a few years. But women with family responsibilities can be in their casual jobs for long periods of time, and any effects from casual work will therefore indeed be long term. It is hard to resist the conclusion that these groups are poorly treated because their desire for part-time work renders them vulnerable.

As a matter of fact, one reason why workers in non-standard employment in Nigeria may obtain permanent jobs, either directly with a client or indirectly, is because they acquire skills (for example, computer training) and experience with a variety of former employers, who may happen to have employed them as casuals. Indeed, what may be the primary motivation of non-standard employment is sometimes the opportunity for these workers to acquire skills and experience (Carey and Hazelbaker, 1986; Von Hippel et al., 1997).
Despite this, Dale and Bamford (1988) and Nollen (1996) argued that most non-standard workers are employed in jobs that are low-skill and without career potential and that non-standard employment is adverse to human capital development by either the staffing company or client. Yet, in any event, having temporary work is often better than not having a job at all (Lenz, 1996; Segal and Sullivan, 1997). Belous (1989) and Polivka and Nardone (1989) also argued that workers also benefit in so far as non-standard jobs let them control their schedules, sample a variety of jobs, and have more time for other activities. Nonetheless, the extent to which non-standard workers are able to obtain permanent jobs in their working organization is an unresolved issue (Kalleberg, Reskin and Hundson, 2000).

Theoretically, casual work leads to the reduction of an organization’s operational costs, by increasing the ease with which workers can be included and excluded from the workforce (Richardson and Allen, 2001). In this case, the employers and owners of organizations benefit from casual work in Nigeria. Therefore, the corporate trend of hiring and keeping workers on temporary employment rather than permanent employment, even for years, is a cost reduction measure.

**Conclusion**
The current state of the economy (with high level of unemployment) has brought a major obstacle to stopping casual work in Nigeria. Since jobs are hard to find, casual workers preferred staying with employers in order to meet up with their daily bread. The Neo-liberal and Equity theories also lead us to that background factors and situation in the place of work which will more likely influence the attitude and behaviour of workers to engage in such jobs. Nigeria has gone a long way in her attempt at economic development and social advancement, hence what she needs now is hardly such depleting virus as proliferation of casual employment, but rather, good terms and conditions of employment for all Nigerian workers. It is doubtful if organizations that engage employees on casual employment basis actually save costs through the practice. This is evident in some Nigerian banks that could not come out of their financial quagmire...
despite massive casualization of employees (Fagbohungbe, 2011). Nonetheless, as revealed in this paper, casual work has its benefits and in some cases, it is a matter of choice. Also, the paper is of the view that the benefits of casual jobs constitute the price of progress.

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