Nonstandard Employment Relations and Implications for Decent Work Deficits in Nigeria

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Abstract
Nonstandard employment relations have become very common in most work Organisations in Nigeria. However, the implications of this form of employment relations as regards the International Labour Organisation’s (ILO) decent work agenda are rarely investigated by the industrial and work sociologists. Conceptualizing nonstandard work within the context of casual, contract and outsourced work, the paper contends that this form of employment relations has been exacerbated by the growing incidence of youth unemployment in Nigeria. Using neoliberalism as a theoretical framework, the paper further contended that most work organisations in Nigeria are using this mode of employment to reduce labour cost so as to increase profit in line with the rule of free market economy at the expense of the improvised workers in violation of extant labour law. The paper argues that with this mode of employment relations, there are serious infractions and deficits of decent work in Nigeria.

Keywords: Nonstandard work, decent work, social protection, neoliberalism, right at work, social Dialogue.

Introduction
The nature and kind of work available to the members of the society is a reflection of the socio-economic and political arrangement of that society.
Hence, in some societies it may be easier to provide people with non-decent work than the decent one. For instance, in the capitalist social formation built around profit maximisation, efforts are made by the employers to minimize cost of production while maximising profits. In the thinking of such employers operating in such social formation, human labour is considered as a major cost of production which must be kept as low as possible to maximise profit (Okafor, 2005, 2010; Oya, 2008).

In developing societies like Nigeria which is bedeviled by the crisis of development and where labour market is saturated, most employers’ intention to keep cost of labour as low as possible has resulted in the proliferation in nonstandard employment relations such contract work, casual work or part time work even though workers in these categories have prerequisite skills to hold full time jobs with varying implications for decent work deficits (ILO, 2005).

The issue of nonstandard employment relations and decent work is not the issue that is peculiar to the developing and emerging societies but also applicable to the developed countries of the world. The main difference may be that in the former, individual’s decision to engage in such employment may be driven by compulsion, while in the latter, it is driven by choice. However, in the developing and emerging countries, the issue of non standard employment has been exacerbated by rapid economic globalization has resulted in massive labour migration and penetration of the multinational companies with capitalist inclinations to these regions. The national governments in an attempt boost Foreign Direct Investment often overlook or lower some vital labour issues to encourage them to make profit. In doing this, the proliferation of various forms of non-standard employment relations (Umunna, 2006; Oya, 2008; Okafor, 2010) have escalated with varying implications and challenges for the decent work agenda being promoted by the International labour Organisation (ILO).

The Nigerian labour Market Situation and Prevalence of Nonstandard Employment Relations

Unemployment and underemployment are the main features of the Nigeria labour market with weak economy unable to absorb all those willing to be engaged productively (Adebayo, 1999; Damachi, 2001; Onyeonoru, 2008; Okafor, 2011). Unemployment is measured among the people in the labour force (Obadan and Oduosola, 2001; National Bureau of Statistics, 2010). The labour force of a country is defined by the National Bureau of Statistics
(NBS) (2009) as a set of people or citizens of a country who are willing and are able to make available at any given point in time their efforts for gainful employment. The unemployed are the individuals with no work, but are looking for work at the time of any study.

In Nigeria, accurate unemployment rates are difficult to access. However, according to Oyebade (2003), 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. According to National Bureau of Statistics (2009:238; 2010:2), the national unemployment rates for Nigeria between 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. Specifically as regards the age group, educational group and sex, data provided by the National Bureau of Statistics (2010:3) further showed that as at March 2009 in Nigeria, for persons between ages 15 and 24 years, 41.6% were unemployed. For persons between 25 and 44 years, 17% were unemployed. Also, those with primary education, 14.8% were unemployed and for those with only secondary education, 23.8% were unemployed. Furthermore, for those with post secondary education, 21.3% were unemployed. For those who never attended school and those with below primary education, 21.0% and 22.3% were unemployed respectively. As regards sex, data showed that males constituted 17.0% while females constituted 23.3%. This precarious situation in the Nigerian labour has given rise to increase in the nonstandard employment relations in many work establishments in Nigeria as most unemployed especially the youth make desperate efforts to survive.

According to Kallerberg, Reskin, and Hundson (2000), the term “nonstandard employment” relationship implies the existence of a “standard employment” relationship even though the latter is relative. Thus to understand the concept of non standard employment relations, it will be more appropriate to understand the concept of standard employment relationship. The standard employment relationship is full-time, continuous employment where the employee works on his employer’s premises or under the employer's supervision. The central aspects of this relationship include; an employment contract of indefinite duration, standardized working hours/weeks with sufficient social benefits. Benefits like pensions,
unemployment, and extensive medical coverage protected the standard employee from unacceptable practices and working conditions. Nonstandard employment relationship sometimes called precarious work on the other hand is used to describe jobs that are poorly paid, insecure, unprotected, and cannot support a household. According to Kalleberg, et al (2000) to the extent that nonstandard jobs pay poorly, lack health insurance and pension benefits, are of uncertain duration, and lack the protection that trade unions and labour laws afford, they are problematic for workers.

In recent decades there has been a dramatic increase in nonstandard jobs due to such factors as: massive unemployment, globalisation, the shift from the manufacturing sector to the service sector and the spread of information technology. These changes have created a new economy which demands flexibility in the workplace and, as a result, caused the decline of the standard employment relations and a dramatic increase in precarious work (Kalleberg, 2000; Adewumi, 2008). Nonstandard employment relationship is frequently associated with the following types of employment: part-time employment, casual work, contract work, outsourced jobs, fixed-term work, temporary work, on-call work and home workers. All of these forms of employment are related in that they depart from the standard employment relationship (full-time, continuous work with one employer). Each form of nonstandard employment may offer its own challenges but they all share more or less the same disadvantages: low wages, few benefits, lack of collective representation by unions and little to no job security and definite duration (Okougbo, 2004; Okafor, 2007, 2010; Mokwenye, 2008).

There are four dimensions when determining if employment is nonstandard in nature. These include; the degree of certainty of continuing employment; control over the labour process, which is linked to the presence or absence of trade unions and professional associations and relates to control over working conditions, wages, and the pace of work; the degree of regulatory protection; and income level (Richardson and Allen, 2001; Gebel, 2010; Durbin and Tomlinson, 2010). One of the common nonstandard employment relations evident in Nigeria is the use of casual, contract and outsourced workers.

Nonstandard employment relationship is a worldwide phenomenon. Studies done in various countries such as in the United States (CUPE, 1999; CUPE, 2000; Kalleberg, 2000; Kalleberg et al, 2000); Canada (Tilly, 1991; Friss,
1994; Baumann and Underwood, 2002; Baumann and Blythe, 2003; Germany and United Kingdom (Gebel 2010; Durbin and Timlinson, 2010); South Africa (Mosoetsa, 2001; Altman, 2003; Bhorat, 2003; Bramble and Barchiesi, 2003; Barchiesi, 2007) and others showed that nonstandard employment relationship is a world-wide phenomenon that cuts across various gender and professions.

In Nigeria, the problem of nonstandard employment is very common in many establishments whether in indigenous, transnational or multi-national firms, either public or private industry, including telecommunications sector, oil and gas sector, power sector, banking sector (both old and new generations banks), education sector, and so on (Okougbo, 2004; Onyeonoru, 2004; Okafor, 2007; Idowu, 2010; Aduba, 2012). Specifically, this has been a long outstanding issue in the oil/gas industry and multinational corporations. In some foreign firms in Nigeria, it is possible for one to get as many as over one thousand five hundred workers in an industry out of two thousand on contract appointments. In some indigenous industries in the informal sector, it is possible to get situation whereby virtually all the employees are either casual or contract staff. This category of staff has either profession or administrative skills (Adenugba, 2003).

It is on record that since 2000, trade unions in Nigeria led by the Nigeria Labour Congress (NLC) have continued to oppose nonstandard employment relations against the employers disregard for the dignity, integrity and rights of workers which are protected by the nations labour laws, constitution and International Labour Organisation’s (ILO’s) conventions. Due to persistent pressure from central labour body, a meeting was facilitated by ILO, the NLC and Nigeria Employers Consultative Association (NECA) which reached an agreement on May 2, 2000. The agreement in part specified that:

Employers who still have casuals will regularize their employment; in regularizing their employment, the rates to be paid will be in accordance with prevailing procedural and substantive collective agreements in the industry, which will also be taken into account in protecting the rights of the workers. It is expected that any current arrangement in respect of the regularization, which does not conform with the above, will also be regularized with immediate effect” (Odu, 2011:18).
The above agreement led to little respite for workers in nonstandard employment as some multinational companies regularized the appointments of their casual staff. For instance, *Paterson Zochonis* (PZ) Industries regularized the appointment of 247 out of the 495 casual workers, *Wahum Groups of companies* regularized 278 out of its 556 casual workers while *Wempco Groups of Companies* regularized 654 of the 1,004 workers. As a matter of fact the company regularized 350 casual workers within two weeks of the NLC picketing the organisation. Also, *Sona Breweries* confirmed 136 of its 227 workers on May 20, 2002, while 91 others were regularized later. The *Drugfields Pharmaceutical*, *Sunplast Industries* and *May Farm Agro-Allied Nigeria Limited* allowed workers to unionize on May 20, June 28, and August 15, 2002 respectively. Moreover, at *Ai Liquid Nigeria Plc*, nine out of 11 casual workers were regularized on August 2, 2002 (Odu, 2011). Despite this modest achievement, the 2005 new labour Act tinkered with section 42 of the former Trade Union Act. This new Act legalized nonstandard employment relations through casualisation, contract labour, abuse of occupational health and safety, and other anti-labour actions in Nigeria. Some sections the labour Act not only specify what constitutes casual labour but locations and persons who engage in it, including duration. For example, section 74 subsection 3, CAP 198 of the Act specifically restricted casual jobs to a village or town for the purpose of the “construction of and maintenance of building used for communal purposes including markets, but excluding...places of worship” However, the Nigerian employers engage casuals for periods ranging from five to 10 years not in villages or towns but cities like Lagos, Abuja, Ibadan Kano, Kaduna, Port Harcourt and so on without regularizing their appointments. This clearly violates section 7(1) of the Act which stipulates that:

…not later than three months after the beginning of a worker’s period of employment with an employer, the employer shall give to the worker a written statement specifying, the name of the employers or group of employers, and where appropriate, of the undertaking by which the worker if employed, the name and address of the worker and place and date of his engagement; the nature of the employment, if the contract is for a fixed term, the date when the contract expires; the appropriate period of notice to be given by the party wishing to terminate the contract, the rates of wages and method of calculation thereof and the manner and periodicity of payment of wages.
Hence since 2005 Labour Act, the dehumanization of Nigerian workers has continued unabated in clear violation of extant labour law, constitution and ILO conventions through nonstandard employment relations (Okougbo, 2007; Mokwenye, 2008; Okafor, 2010). To buttress the precarious experiences of casual workers in some multinational companies, a male staff who joined a company that produces confectionaries located in Ilepuju, Lagos in January 2001 as a Store Helper and got his appointment regularized in March 2003 but resigned in January, 2011 said:

The working conditions in the company are very poor. They are not safety conscious as workers work under life-threatening conditions. Workers are forced to work extra hours, including public holidays or risk losing their jobs or put on probation. Any mistake would mean an outright termination of his/her job no matter the reason…. Workers wash their plates before they are served in the company canteen which is flooded whenever it rained….It is indeed funny because the higher the amount made for extra work hours, the higher the tax deducted from one’s salary at the end of the month. This applies to both casual and contract staffers….Both the casual and contract workers work the year round including Saturdays and Sundays without leave. They are between N400 and N800 daily without benefits when their jobs have been terminated. From this paltry sum, we have to pay for our safety boots, nose masks and customized T-Shirt’s because the company does not provide any of these. Only those at the management cadet reap the fruit of the labour of the casual and contract workers and dictate the work hours and their working conditions. The welfare and health of the workers do not bother the management (Odu, 2011: 20-22).

From the above postulations, it is evident that the working condition of workers in nonstandard employment relations in Nigeria is very precarious and dangerous. This view is further amplified by the experience of another male casual worker with a Metal Industry owned by Indians in Ikeja Lagos who sustained injury in the course of working for the company. He related:

I am a factory worker. I was employed as a casual worker since 2008. Factory work is generally a tedious job. Here we work from 6 am to 6 pm and from 6 pm to 6 am. Our salary as casual workers for a month is just N15, 000. Atimes they pay us N16,000 and we do two shifts, day and night duties….The management is harsh. If one
comes to the factory late any day or absents oneself from work for any reason, money will be deducted from the person’s salary. And even when I sustained industrial accident while working in the company, there was no compensation for me and my salary for the period I was receiving treatment were not paid. When the factory machine cut off my fingers the company then took me to hospital which is their retainership medical centre. They took responsibility for the hospital bill but nothing more. No other compensation, no feeding allowance while in hospital and up till now, I am still wallowing in self pity. Any time I look at my hand I feel sad. It is a pity that I sacrificed my fingers for a meager salary of N15, 000. The company has no mercy as I have been pressing for compensation since June this year when the accident occurred but all to no avail. hundred of us have been working without being staffed. Our situation is so pathetic that these firms hire and fire us at will. Many casual workers cannot speak out because they are afraid of being sacked (Abideen and Osuji, 2011: 20 -21).

To challenge such scenario as mentioned above, the organised labour has chosen to utilize to the fullest section 42 of the old Trade Union Act to massively picket those companies (both indigenous and foreign) operating in Nigeria where it is found that their workers do not have any kind protection as enshrined in the Labour Act despite their long years of service.

Theoretical context of nonstandard employment relations
In this study, the emerging nonstandard employment relationship is anchored on the neo-liberal theory. Conceptually, neoliberalism refers to the desire to intensify and expand the market, by increasing the number, frequency, repeatability, and formalisation of transactions. Neoliberalism seeks to transfer part of the control of the economy from 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. In this context a firm is selling itself as an investment location, rather than simply selling export goods. A neo-liberal organisation pursues policies designed to make it reduce cost and maximize benefits in the competitive socio-economic environment. These policies are generally pro-business.

The main features of neoliberalism at the national include: the rule of the market; cutting public expenditure for social services; deregulation;
privatization; eliminating the concept of "the public good" or "community". Neoliberalism 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 (Martínez and García, 2000). At the organisational or individual level, neoliberalism believes staunchly on the freedom of individual contract. Freedom of contract is the right to choose a person’s contracting parties and to trade or work with them on any terms and conditions the person sees fit. Contracts permit organisation and prospective workers to create their own enforceable legal rules and adapt to their unique situations (Hall, 1988; Roper, Ganesh and Inkson, 2010). Organisations operating in a typical neoliberal economic environment may prefer nonstandard employment which in effect grants them the flexibility to review the terms of engagement depending on the dynamism of labour market and competitive nature of socio-economic environment. This kind of flexibilisation reduces cost of production, boosts profit but at the same time minimizes or cheapens workers quality of working lives (Friedman, 1988; Roper et al, 2010). In essence globalisation and the spread of information technology have created new kind of rational organisations that emphasize flexibility in the labour market and in employment relationships (Porter, 1990; Stiglitz, 2002). In most countries these influences have resulted in the prevalence of nonstandard employment relations and by extension rise in precarious work.

Implications for decent work deficits
Decent work can be defined as the availability of employment in conditions of freedom, equity, human security and dignity. According to the International Labour Organisation ILO decent work involves opportunities for work that is productive and delivers a fair income, security in the workplace and social protection for families, better prospects for personal development and social integration, freedom for people to express their concerns, organize and participate in the decisions that affect their lives and equality of opportunity for all women and men (Levin, 2003). In essence, decent work sums up what people hope for in their working lives: opportunity and income; rights, voice and recognition; family stability and personal development; public health and wellbeing; and fairness, gender and racial equality. By extension, decent work implies access to employment in conditions of freedom, the recognition of basic rights at work which guarantee the absence of discrimination or harassment, an income enabling one to satisfy basic economic, social and family needs and responsibilities, an
adequate level of social protection for the worker and family members, and the exercise of voice and participation at work, directly or indirectly through self-chosen representative Organisations (ILO, 2005).

Promoting decent work has been the main thrust of the agenda of Juan Somavia when he assumed office as the Director-General of the ILO in 1999. This is borne out of the fact that there is decent work deficit across the globe, both in developed and developing countries. Decent work is captured in four strategic objectives enunciated by the ILO. These are the fundamental principles and rights at work and international labour standards and they include; employment and income opportunities; social protection and social security; social dialogue and tripartism (Adewumi, 2008). However, Barrientos (2007: 1-2) has identified some challenges that associated with these objectives which of course are applicable to the Nigerian situation in connection with nonstandard employment relations.

The first objective is creating jobs. This objective states that economy should generate opportunities for investment, entrepreneurship, skills development, job creation and sustainable livelihoods. According to Barrientos (2007) the employment challenge arises from the diversity of employment generated by global production systems. For a job to be decent it should be permanent, regular and secure in order to guarantee continuous income for a worker. However, even within the same firm there may be employment that is flexible, insecure and informal. Relating this within the context of Nigerian situation evidently the Nigerian economy as presently structured and run is incapable of generating jobs for millions of able-bodies men and women willing to work. The main implication of this is that people desperately searching for means of survival even if it means picking up any kind job offered to them. Against this background, most employers, both local and expatriate, usually capitalize on this desperate situation of the people exploit, oppress and dehumanize this category of people who are in nonstandard employment (Mokwenye, 2008; Abiden and Osuji, 2011). The point here is that when concerted effort is not made by the government to create jobs or provide conducive environment for the people to create their own jobs, nonstandard employment relations will continue to flourish to the delights of the employers driven by profit motives. With this the decent job as advocated by the ILO will simply remain a mirage in relation to nonstandard employment relations in Nigeria.
The second relates to guaranteeing rights at work. This objective attempts to promote recognition and respect for the rights of workers. All workers, and in particular disadvantaged or poor workers, need representation, participation, and laws that work for their interests. For Barrientos (2007) the rights challenge relates to the difficulty of organisation or representation amongst such workers. Without collective power to negotiate with employers, workers are not in a position to access or secure other rights. In Nigeria, workers in nonstandard employment are denied of several rights. The Nigeria labour law does not empower this category of workers to join a trade union. When workers are not allowed to join trade unions in their place of work so many of their rights could be denied. In such situation, the employers dictate terms and conditions of work with little or resistance from the workers. Also, because of inability to unionize, the nonstandard workers cannot negotiate or bargain collectively with their employers especially as it relates pay, hours of work, health and safety measures and such related issues. In a nutshell any employment relations that does not afford workers the unionize or participate in decisions that affect their work and advance their right in the place of work is far from being a decent work (Uvieghara, 2000; Okougbo, 2004; Adewumi, 2008; Okafor, 2010).

The third centres on extending social protection. This objective seeks to promote both inclusion and productivity by ensuring that women and men enjoy working conditions that are safe, allow adequate free time and rest, take into account family and social values, provide for adequate compensation in case of lost or reduced income and permit access to adequate healthcare. From the point of view of Barrientos (2007), the social protection implication relates to the lack of access many flexible and informal workers have to a contract of employment and legal employment benefits. They are therefore often denied access to other forms of protection and social assistance by the state. Within the Nigerian context, nonstandard workers do not enjoy any form of social protect either from their employers or the state. For example, these workers are not included in pension scheme by their employers neither do not enjoy any form unemployment benefits from the state even though the state can afford this. This leaves many workers in this category very vulnerable to economic shocks both in their places of work and in the large society. The implication here is that this category of employees in relation to social security are despised by their employers and rejected by the state. This hardly promotes decent job as advocated by the ILO which Nigeria is a signatory.
And the fourth is *promoting social dialogue*. This objective maintains that involvement of strong and independent workers’ and employers’ Organisations is central to increasing productivity, avoiding disputes at work, and building cohesive societies. For Barrientos (2007) the social dialogue challenge arises from the lack of effective voice or independent representation of such workers in a process of dialogue with employers, government or other stakeholders. Relating this objective to the pervasive nature of nonstandard employment relations in Nigeria, this category of workers lack a very strong voice both within and outside the place of work due to their inability to unionize. Hence, their chances of engaging in social dialogue of whatever type with their employees and other stakeholders are very limited (Odu, 2011). When the employers exploit and oppress their workers because the workers do not have real choice or alternative, the dedication, commitment and behaviour of such workers to their work, the organisation and the state will be questionable. This has a very serious implication for productivity in both in the workplace and in the large society.

**Conclusion**

Decent work as advocated by the ILO may be an ideal but not a reality for most workers in nonstandard employment relations. In a country like Nigeria with capitalist social formation driven profit motives, and where labour market is highly saturated, indigenous and foreign employers capitalize on this, decent work will be very difficult of to achieve. Nonstandard employment relations is a worldwide phenomenon, however, in some countries, it be driven by choice not by compulsion to survive. Paradoxically, in the case of Nigeria, the practice is driven largely by compulsion to survive and not by choice. Of course decent work may be a journey, not a destination; it is a standard which each country strives to attain. However, to make decent work a reality in a country like Nigeria, there is the need for total review of not only the labour law but also the practice of industrial relations to protect this category of workers from the greedy and lawless indigenous and multinational employers who take delight in violating labour standards to their own selfish advantage.
References


