

**ISSN:** 0189-5958

**Website:** [www.arabianjbm.com/NGJSD\\_index.php](http://www.arabianjbm.com/NGJSD_index.php)

**Publisher:** ZARSMI Dubai, UAE and Centre for Social  
Science Research Enugu Nigeria

## **REMUNERATION CHALLENGES AND INDUSTRIAL CONFLICTS IN THE ANAMBRA STATE CIVIL SERVICE SYSTEM: A MITIGATION STRATEGY**

**Dennis C. Amobi, Ph.D**

*Department of Public Administration, Nnamdi Azikiwe University, Awka, Nigeria*

*E-mail: [amobidennis26@yahoo.com](mailto:amobidennis26@yahoo.com)*

### **Abstract**

*This research work is on “Remuneration Challenges and Industrial Conflicts in the Anambra State Civil Service system: A mitigation strategy”. The study was motivated by the frequent complaints made by the civil servants over their remuneration and the insensitivity of the Anambra State government in addressing the problem especially against the backdrop of severe economic hardship the country is experiencing. These complaints often snowball into industrial conflicts in the state. Arising from these complaints, the researcher among other issues investigated the relationship between the mode of determining remuneration and industrial conflicts in the Anambra State Civil Service. Survey research design was adopted in carrying out the research. Data for the study were collected from primary and secondary sources. Five Ministries were chosen out of the existing seventeen Ministries in the state from where a sample size of 163 respondents was drawn. The data generated were analyzed using descriptive and inferential statistics. The descriptive statistics used were mean and standard deviation for the research questions. The hypotheses were tested using chi-square contingency test which is an inferential statistical tool. The findings show that industrial conflicts in the Anambra State Civil Service are consequences of the unilateral mode of determining the remuneration of the workers by the state government. The study further revealed that delays or outright renegeing by the state government to implement negotiated remuneration agreements exacerbate industrial conflicts in the Anambra State Civil Service. The researcher therefore recommended a proactive approach to the problem which includes that the State government should embrace collective bargaining as a strategy for determining the wages of the civil servants. Secondly, that the Labour union, of necessity, should push for legislation making it binding for the government to honour negotiated agreement with labour*

**Key Words:** Remuneration, Industrial conflict, Collective Bargaining, Good Governance

## **INTRODUCTION**

Nigeria has over the years witnessed a huge increase in the number of industrial actions. What was once thought to be a 'British disease' (Honeyball & Bowers, 2004:389) seems to have become a Nigerian disease. In fact, strikes have become so endemic in Nigeria that even our courts would be prepared to take judicial notice of them (Oshio, 2004:171). The major issues canvassed or motivating the industrial unrest has been directly or indirectly related to workers remuneration in terms of inadequacy of what is paid or non-payment of negotiated increases in the remuneration. Indeed, available records indicate that 90% of strikes in Nigeria arose from wage related disputes (Kester: 2006).

The concept of remuneration based on available studies is closely associated with compensation. According to Onwuchekwa (1995), it represents the total payment that employees receive in exchange for services they perform for their employers. Typically, this consists of monetary rewards, also referred to as wages and salary. Bateman and Snell (1999) identified two components of remuneration to include *fixed remuneration* which relates to payment or benefit that are not dependent on performance and *variable remuneration* which relates to payments or benefits based on performance. Both fixed and variable remunerations includes monetary payments such as cash, shares, pension contribution or non-monetary benefit such as health insurance, fringe benefit, special allowances for cars, mobile phone.

It is however necessary to point out that in the core analysis of these concepts, wages refer to such daily or weekly payments that employers pay to their workers while salaries are monthly payments that workers receive for services they render. To that extent, the concept of salary would apply to career officers in employment while wages would be more appropriate term for casual or daily rated workers.

Salaried employment, no doubt, is a major source of income for most families in Nigeria today, and what is paid at the end of the month as salary is very vital to any employed person because their sustenance depends solely on it. Hence, workers are more concerned about their salary and the process of determining what they earn (Nwoko, 2009).

Collective bargaining constitutes an important means by which workers seek to resolve their salary issues and the Nigerian labour law provides for automatic recognition of trade unions for collective bargaining purposes. The duty to recognize a trade union is coterminous with the duty to negotiate with it and conclude agreements. Over the years, successive governments in Nigeria have monopolized the issue of salary determination contrary to their policy on voluntary negotiations and collective bargaining for the determination of salaries (Fashoyin, 2008).

In Anambra State, the administrative and service agencies that constitute the civil service system are categorized into ministries, departments, boards and commissions. The civil servants of the state function within these ministries and departments of the government and are paid salaries for their labour. Unfortunately, failure by the Anambra State government to convincingly address the remuneration challenges of civil servants in the state, continue to undermine the relationship between the labour and the Anambra State government and have thus led to increasing spate of industrial unrest in the Anambra State civil service. Almost every successive administration since the creation of Anambra State in 1991 recorded major industrial conflicts with the civil servants of the State. Chukwuemeka Ezeife's administration (1992-93), experienced one strike; Emmanuel Ukaegbu (1998-99): twice (warning & major strike); Chinwoke Mbadinuju (1999-2003) - three times. During his tenure, teachers embarked on strike action for over one year, while other civil servants and judiciary workers went on strike for several months over

salary related matters (Eberinwa, 2010:256-257). According to the former state NLC chairman, Comrade Charles Onyeagba, the civil servants for two years (From Dec. 1999-2001) did not receive their salaries. Under the administration of Peter Obi, three major strikes were embarked on by the civil servants. The latest in the series of the strikes was over non-implementation of the newly approved 18,000 naira minimum wage in Nigeria which President Jonathan signed into law in March, 2011.

The inability to properly determine salaries in accordance with prevailing economic challenges provides a veritable source of industrial disharmony. When there is disagreement between the labour and the Anambra State government over remuneration (and they occur often) it normally leads to strike. According to Fashoyin (2007), strike action is the most common manifestation of conflict of interest between workers and their employers. This development however, is not healthy as they destroy the desired growth and development of the economy.

To this end, the broad objective of the study is to examine the gamut of issues relating to remuneration and industrial conflicts in the Anambra State civil service from 1991-2013.

The specific objectives are to:

- i. ascertain the relationship between the mode of remuneration and industrial conflicts in the Anambra State civil Service.
- ii. determine other factors that generate industrial conflicts in the Anambra State civil service.
- iii. proffer plausible measures for resolving remuneration related issues in order to promote industrial harmony in the Anambra State civil service.

In order to fully appreciate the issues under consideration, the literature on remuneration and industrial conflicts in Nigeria is thematically organized under the following sub-themes and reviewed:

1. Concept and Characteristics of Salary/Remuneration
2. Concept of Industrial Conflict
3. Government and Salary Administration in Nigeria

### **Concept and Characteristics of salary/ Remuneration**

Bateman and Snell (1999), define salary as the money that employees receive every month for doing their job. According to Akinwale (1999:26), it is the outcome of a symbiotic relationship that exists between the employer and the employees. They are not charitable grants by the organization but a significant aspect of workers right in the production process. It is perhaps for this reason that Yesufu (1982) rightly contends that salaries and wages constitute the kernel of employment and therefore the central issue in industrial relation.

Salaries are important to the employees because they are the most significant rewards that determine the quality of their living standards. According to Yesufu (1984), the amount of salary determines for the employee, not only the standard of living of himself and his family, but to a large extent, his social status. People therefore seek salary employment so as to gain the respect, quality of life, and full citizenship that come from earning wages and contributing to the economy (Fajana, 2006).

In all sectors of the economy, salary is used as a motivational strategy. It is aimed at attracting, motivating and retaining skilled personnel. According to Eneanya (2009), good compensation policies serve as a strategic tool to motivate, retain and promote organizational effectiveness. On the link between salary/wages and motivation, Szilagyi and Wallace (1980)

offered a number of roles played by money in influencing the behavior of employees in organizations. First, salaries/wages could be viewed as an incentive or goal that is capable of reducing need deficiencies. The need for money serves as an incentive for motivated behavior, and its acquisition reduces the need deficiency. Second, money can be a hygiene factor which when absent, serves as a potential dissatisfier, but not as a satisfier when present in appropriate amounts. Third, money can be viewed as an instrument for gaining desired outcomes. If money is valued by the individual and he/she perceives a strong path from efforts to rewards, then efforts toward obtaining this outcome will be exerted. Fourth, money can be used as a point of comparison between two individuals. If any inequality exists in this relationship, it would serve as a motivator for action. Finally, money could be a conditioned re-enforcer if it were awarded to individuals contingent on their level of performance.

In summarizing the research investigating pay as a method of motivating individual performance, Lawler (1971) stated the conditions that are necessary for a pay to be an effective motivational tool:

- i. A strong belief must exist within employees that good performance will lead to high pay.
- ii. The perceived negative consequences of performing well should be minimized.
- iii. An environment should be created such that positive outcomes other than pay (e.g. praise, recognition and advancement) will be seen to be related to good performance.

Gallerman (1968) summed up this situation thus:

Money can motivate; that is, it can influence action and encourage extra effort, extra activity or any other kind of non-routine performance. But it can do this only when the increment of net gain for the employee is large enough.

In consequence, salaries are paid as reward for services rendered by labour, as motivation to employees, as determinant of employees' purchasing power and as a social status determination rather than a mere remuneration package. For this reason, there is hardly any issue more relevant and crucial to any employee than his financial remuneration. Although, it is a common saying that man does not live by bread alone, it is also important to add that man cannot live without it (Adamolekun, 2002). This is the reason why no item under collective bargaining gives rise to more difficult problems than wages and wage related issues (Nonyelu, 2004; Banjoko, 2009).

### **Concept of Industrial Conflict**

Fajana (1997) defines industrial conflict "as a breakdown in the standard mechanism of decision making which leads an individual or group to experience difficulty in selecting a mutually acceptable alternative. According to the author, "modern industrial conflicts seem inevitable since the domination of management is to maximize profit while labor's concern is to secure and maintain the highest level of wages with the best conditions of their service. In this process, conflicts emerged between the social partners in an effort of each partner to obtain maximum benefits of the industry.

Industrial conflicts do arise within the rank and file of all the actors in the organization including all the constituents in the role set of individuals. Such conflicts are referred to as inter-personal. It also involves an organized group of individuals acting concertedly. There is hardly any gainsaying the fact that industrial conflicts are realities of any economic system where

workers and management or employers interact. Such conflicts, argues Anugwom, (1997) goes a long way in shaping the industrial relations system of any nation. Hence, Njoku, (2000) suggests that “one of the qualities of a good trade union leader is his ability to resolve conflicts and settle grievances without hullabaloo”.

Labor conflict seems to be more pronounced in public sector organizations. Anugwom and Ukaegbu (1998) argue that public unions have substantial market power and are usually in a position to play a key role in the political process. It is this unique positioning that make them conflict prone. Most of the public sector organization conflicts are personal – organizational in nature. According to Ferrel, and Fraedrick, (1994), this occurs when a worker’s industrial philosophies and methods for reaching a desired goal differ from those of the government or a group within the organization. For example, suppose a local government chairman has strong views against using the local government workers in revenue collection, while the policy of the government is contrary. In this case, the chairman’s philosophy conflicts directly with the workers (individual) personal philosophy.

Today, the Marxist interpretation of the nature of relationship between the employers and the employees in industrial organization (especially in capitalist countries) appears to be diluted by modern day realities. In most developed nations both the employers and the employees have developed, through mutual cooperation, strategies for conflict resolution.

Kornblum, and Smith, (1988) observed that in capitalist societies there is no persuasive evidence that division between workers and capitalists has heightened class conflict.

In the United States of America, for instance, most of the existing trade unions are said to be conservative in nature. They maintain co-operative relationships with their employers and use state legislation and agreements to protect their interests and improve working conditions of their members (Eshleman and Cashion, 1993).

### **Government and Salary Administration in Nigeria**

The post- colonial government of the Late Sir AbubakarTafawaBalewa adopted the principle of voluntarism as guide in its industrial relation policy. Through this principle, the government sought to encourage the use of collective bargaining as a vehicle for settling wages and other conditions of employment in preference to an outright state intervention. The reason for adopting this voluntarism was based on the contention that the long term interest of government employees/employers as well as trade unions rested on the process of mutual consultation and discussion, which was the foundation of industrial democracy.

Collective Bargaining took a new turn when the military came to power in 1966.The government initiated a series of decrees that virtually upheld the institution of wages commissions and also wages tribunals as a means of fixing salaries and a means of settling industrial disputes respectively, thereby abrogating the principle of collective bargaining based on voluntarism. The government banned strikes and lockouts in both the private and public sectors of the economy and promulgated the Trade Disputes Emergency Provision Decree (1968) to facilitate this. Fashoyin (1987) notes that the Trade Disputes Emergency Provision (Amendment) decree No.53 was promulgated to tighten the loose ends of degree No. 21 of 1968. He further observes that in May 1976, the Trade Union Dispute (Essential Service) Decree was promulgated, empowering the government to proscribe any trade union whose members are employed in essential services and are found to be involved in acts capable of disrupting the smooth running of any essential service.

The increasing unilateral role of government has thus greatly restricted the application of collective bargaining process in salary determination in the public sector. It was confirmed from

a research conducted by Kester (2006) that the adoption of emergency legislation in an effort to mitigate the effects of economic recessions has made government to exert more control over the application of collective bargaining or limit its scope in wage determination in the public sector compared to what operates in the Nigerian Private Sector.

Perhaps, it was these contradictions in government declared policy of voluntarism to salary determination and its practical adoption of unilateralism that informed the ILO (1989:7) report, that “a clear-cut policy on salary determination was virtually non-existent in Nigeria”. The experiences of Nigeria in fixing wages reveal a clear reluctance by successive governments to adhere to the principle of voluntarism.

The government of Nigeria has over time used the instrumentality of salaries and wages review commissions, and these days the National Salaries and Wages Commission, to fix salaries of public servants, and, importantly, the national minimum wage. Through these means, government has exerted some kind of influence on the pattern of income distribution in the country. Starting with the Hunt Committee in 1934 up to Udoji Review Commission in 1972-74 and later, salary reviews of the administration of Gen. Abdulsalami Abubakar and Gen. Olusegun Obasanjo government’s “living wage” concept, salaries, wages and other conditions of service of public servants have been reviewed upwards. The National Council on Establishments has periodically reviewed grading of cadres in the Nigerian Public Service, after job study and evaluation exercises. The Civil Service (Re-organization) Decree No. 43 of 1988, though it badly jolted the public service, still had one or two things to commend it. It restructured the internal structure of ministries and non-ministerial departments horizontally and vertically, streamlined the grading of cadres and created the Directorate class of senior officers with terminal point at salary Grade level 17/16 for federal and state services, respectively.

It is noteworthy that though the Nigerian government has mainly resorted to the use of salary tribunals or independent commissions in salary administration with respect to the Nigerian Public Service, it has also in certain times utilized two other mechanisms: collective bargaining and regulatory agencies of government (Fashoyin, 1978). The earliest evidence of joint negotiation or consultation in the nation took place in 1937 when the colonial government established the Provincial Wage Committees everywhere to undertake periodic wage reviews for daily paid employees in the public service (Yesufu, 1982). The committees were originally composed of government officials and therefore wage determination was unilateral. However, because of workers’ dissatisfaction, the committees were expanded to include workers’ representatives. The political leaders at the time eventually used this inchoate collective bargaining machinery as a tool for advancing their political interests by granting unrealistic wage concessions to win workers’ votes.

Following growing disenchantment of trade unions, compounded by the general strike of 1945, it became clear that the Provincial Wage Committees were grossly inadequate, for they excluded the established staff from salaries and wages determination (Fashoyin, 1978). For these reasons, the Whitley Council system which had been in use in Britain was introduced in Nigeria in 1948. Basically these were three councils catering respectively for senior, junior and technical staff. Each council functioned as a negotiating as well as a dispute settling machinery in the public service.

Just like the preceding machinery, Whitleyism failed in many government establishments. This was because, first, the councils failed to fulfill the purpose for which they were established. Instead of serving as a mechanism for negotiating wages, they served merely as consultative machineries. Second, the Whitley councils were afflicted by red tapism,

indecisiveness and lack of real government support. Third, they were rendered useless as government had usual recourse to wage tribunals for determination of wages and conditions of employment.

Following the failure of Whitleyism, the Udoji Public Service Review Commission supported earlier recommendation by Morgan Commission for the establishment of the Public Service Negotiating Council whose mandate includes matters relating to wages, arbitration, and centralization of the machinery for negotiation. This organ later became moribund during the military administration but has been resuscitated during the present democratic dispensation in Nigeria, operating at both national and state levels. Their impact has not really been felt, and despite their names, they only concentrate on civil service matters, neglecting other arms of the Nigerian Public Service.

Also the government has used regulatory agencies from time to time either to regulate or determine wages in the country. The government in 1942 established eight Labour Advisory Boards, later reconstituted into the Federal Labour Advisory Council, to advise it on all labour issues and make special investigations on employment conditions in specific trades or industries. By the sixties, the boards had become so inactive partly because of the nature of partisan politics and government's penchant for wage tribunals.

In 1965 the National Labour Advisory Council and the National Wages Advisory Council were established, following the recommendation of the Morgan Commission, to counsel the government on labour matters. The National Labour Advisory Council is a tripartite body comprising representatives of government, management and labour. The National Wages Advisory Council co-ordinates and advises government on all aspects of the National Wages Policy. Unfortunately, the organs have not achieved much however; compelling Fashoyin (1978) to observe that government appeared to be "engaged in a desperate search for methods of prompting industrial peace but it has failed to analyze the inherent pitfalls in its approaches to wage determination".

As already mentioned, government has preferred the use of salary tribunals and commissions to the collective bargaining system in determining public service pay. This is mainly borne out of political expediency (Abudu, 1987:37). Thus, in 1959 and again in 1964, in order to avoid the risk of being voted out of office at the election, the political leadership decided to accede to the demands of labour union, though knowing full well that the demands were not in the economic and social interests of the nation. The Newns (1956); Mbanefo (1959); and Morgan (1963) Commissions were set up to review and award wage increase to appease workers. The Morgan Commission (1964) specifically confessed that:

*The present Commission was set up in an atmosphere charged with tension and threat of a general strike. In fact it is freely admitted by every side to the present inquiry that our terms of reference represent a compromise, that they were drawn up by the representative of labor and that the governments agreed to pay.*

The military administrations in Nigeria also needed the support of the trade unions to gain political popularity and legitimacy and achieve industrial peace. They were acutely aware of the fact that the trade union movement is an easy vehicle for the mobilization of people's sentiments. The quest of the military government for workers' support is exemplified by the setting up of the Adebo Commission in 1970 after the end of the civil war, and the Udoji

Commission in 1974. Even the government of Gen. Sani Abacha made efforts to review workers' pay to gain support, which was eventually realized by succeeding administration of General Abdul salami Abubakar.

Critical analysis of salaries and wages review exercises by wages tribunals and commissions has shown that they have never provided a proper and rational review of public service salaries and wages. The use of the wage commission has instead obfuscated issues and at times led to trade disputes associated with their awards. It represents a clear governmental interference in the process of collective bargaining and salary/wage determination. The awards are made without an in-depth study of the economic circumstances of the nation, productivity trends, and other necessary data. Many of the wage increment recommendations are therefore based on emotional and political considerations. Adebo Commission's justification of its interim award, for example, was based on the argument of "intolerable suffering at the bottom of the income scale because of the rise in the cost of living" and "manifestations of affluence and wasteful expenditure which cannot be explained on the basis of visible and legitimate means of income" (Adebo Commission, 1970).

Udoji salary awards, apart from the political undertones, arose from the sudden oil boom of 1973-74 and the petrodollars that swept into Nigeria. During the implementation of the Udoji Report, the top bureaucrats selfishly concentrated attention on the enhanced salary package while neglecting the more fundamental recommendations aimed at reforming the institutional and operational system in place since the 1920's. Gulf oil boom and hike in oil prices in year 2000 also impacted on the politics of wages and salaries in Nigeria.

The workers appear to be entrapped in a vicious cycle as a result of these awards. The awards were greeted with jubilation but almost immediately inflation sets in, wiping out the gains of the awards or salary increases. Leba (2005) describes the predicament of the Nigerian worker in the present times thus:

Indeed with the exception of workers in the banking, oil and gas industries, it is fair to say that the current salary packages of the workers in all other sectors of the economy are insufficient and inadequate to sustain their loyalty to the social contract with the Nigerian nation.

Adamolekan and Gboyega (1979) however caution:

*The government should be more committed to strengthening the economy. Ultimately, individuals are worse off because they have to pay higher prices for goods and services. In the light of these, it may be better to embark on massive provision of social service like education and healthcare rather than awarding wage increases.*

### **Theoretical Framework for this Study**

The Conflict theory is used as the theoretical foundation for this study. Conflict theory derives from the ideas of the German theorist, Karl Marx. According to him, the ownership of the means of production (including land) leads to exploitation of the peasants and workers by the owners, which is tantamount to an irreconcilable and antagonistic conflict of interests, regardless of whether the two sides are aware of its presence (Marx, 1975:414). Conflict theory underlines the competition in society for scarce resources, more specifically power and wealth. It suggests that

human behavior in social contexts results from conflicts between competing groups (Knauff, 1991). For the conflict theorists, power is the core of all social relations (Gleditsch, 2002). Subsequent thinkers (Oberschall, 1996; Galtung, 1973; Bae, 1993; Gagliani, 1987) have described different versions of conflict theory; a common theme is that different social groups have unequal power, though all groups struggle for the same limited resources.

The analysis of issues of remuneration and industrial conflicts which translates to Government and the Labor power play/relations requires an objective assessment. According to Krapivin (1985:162) “all phenomena and social process have two sides: thesis and antithesis”. The reality of any given social phenomena should as a matter of fact reflect its two dialectical sides. Therefore, we consider the Conflict Theory as the theoretical framework that would best illuminate the realities of the issues.

The conflict theory clearly shows the place of the state in industrial conflict in any capitalist system. It also shows the interest of the state and how it interferes with industrial harmony. The government, which is a constituent or an institution of the state, is an instrument of the ruling capitalist class. It therefore means that an understanding of the role the government has been playing in the industrial process in the country requires a dialectical approach.

It is instructive to note the existence of two classes or groups and their divergent interests in the Anambra State industrial relations system. The State Government as the dominant class and employer of labor constitute one group while the dominated Civil servants employed in the government ministries and departments form the second group. The Government will always try to oppress and coerce the civil servants into producing surpluses for them for very low and pitiable wages. This is why the civil servants always look deprived, dejected and marginalized. Consequently, the civil servants will naturally rise up through their unions to protest against this injustice, inequity, and deprivation in the distribution of the State wealth. This may lead to industrial disharmony. So the theory will help to explain salary determination struggle between the State Government and their civil servants and the attendant industrial actions that marks the industrial relation system. In addition, the often adopted unilateral salary determination by the government typifies the class domination strategy of the bourgeoisie over the proletariats. This theory therefore helps to explain these issues in the context of industrial relations practice in Anambra state, Nigeria. Consequently, the following hypotheses will serve as guide to this study:

- (I) Industrial conflicts in Anambra State are not consequences of unilateral determination of the remuneration of workers by the state government.
- (II) Delays or outright renegeing by the State government to implement negotiated remuneration agreements does not exacerbate industrial conflicts in the Anambra State civil service.

### **Research Methodology**

The study adopted the survey research approach. This methodology consisted of identification and classification of the research population, sourcing primary data through the use of interview and questionnaire techniques on the research population and secondary data through literature review, and the presentation and analysis of data gathered using descriptive and inferential statistical technique.

The Anambra State civil service has a total of seventeen ministries. It will however be very tasking to study all the seventeen ministries. Consequently, the researcher adopted the simple random sampling technique to select the five ministries to be studied. These ministries are: Economic Planning, Finance, Information, Local Government and Chieftaincy Affairs and Works. They have a total population of 815 staff. A sample size of 163 staff was used based on

the application of Yaro Yamani sample size determination formula at 7% error margin. By further application of the stratified random sampling, the staffs of these ministries were classified into senior and junior cadres and from each ministry, the respondents were selected from both the senior and junior civil servants cadres based on simple random sampling technique. The researcher further adopts the use of purposive sampling technique to capture the Permanent Secretaries and Directors in each of the chosen ministry, the Presidents and Secretaries of the Trade Union Congress (TUC) and Nigeria Labour Congress (NLC) in Anambra State for in-depth interview. The questionnaire was designed based on the main indications of the hypotheses to get the required information for the study and also for better data analysis.

The primary sources of data collection for the research are interviews and administration of questionnaires. Personal oral interviews were conducted with career civil servants, officials of the various trade/labour unions, and government officials. The researcher also administered questionnaires to the same officers. The questionnaire was formulated based on the Likert-scale standard. However part of the questionnaire was in open-ended form to enable the respondents give adequate information where necessary. The questionnaire not only served as supplementary sources of data, but also a means of validating the consistency of the result of the oral interviews.

The information in the questionnaire is put in a weighted scale with numerical values attached to them as follows: Strongly Agree (SA) = 5; Agree (A) = 4; Disagree (D) = 3; Strongly Disagree (SD) = 2; Undecided = 1.

The study adopted both descriptive and inferential statistical tools for data analysis. The descriptive statistics involve computation of means and standards deviations from the responses of the respondents to the questionnaire items. The computed mean scores were used in answering the research questions. The decision rule was to accept any item that has a mean score 2.60 and above. The hypotheses are tested using inferential statistical tool, the Chi-square contingency test. Chi-square is appropriate in testing relationship between two variables in one group. The responses to questions on the questionnaire will be presented and analyzed with the use of frequency table, showing the response in their corresponding percentages. The SPSS software was used for the analysis.

## **ANALYSIS OF RESEARCH QUESTIONS**

### **Research Question 1**

What is the relationship between the mode of determining workers remuneration and industrial conflicts in Anambra state civil service?

Table 1: Mean ratings of Respondents on the relationship between the mode of determining workers remuneration and industrial conflicts in Anambra state civil service.

S/N	ITEM	SA	A	UN	D	SD	$\bar{X}$	SD	Total Agreed	Total Dis	Remark
1	The Anambra State Government fully consults with the state labour unions before fixing their remuneration	9	39	18	53	44	2.48	0.30	48	97	Disagree
2	Such consultations by the State Government usually respect the submissions	3	36	14	74	33	2.34	0.39	39	107	Disagree

	made by the labour on what the remuneration of civil servants in the State should be.											
3	The remuneration awarded to the civil servants are usually a product of negotiations between the State Government and the Labour Unions.	9	40	16	67	31	2.56	0.36	49	98	Disagree	
4	The State Government usually insists on what to pay the workers despite what the workers may have demanded from the State Government.	76	68	5	4	10	4.20	1.08	144	14	Agree	
5	There is an established collective bargaining platform through which the remuneration of workers in the Anambra State Civil Service is regularly reviewed.	19	38	26	58	22	2.84	0.30	57	80	Agree	
6	The State Government usually follow this collective bargaining platform in determining the remuneration of Civil Servants	12	22	17	76	36	2.37	0.28	34	112	Disagree	
7	Successive administrations in the State followed collective bargaining in determining the remuneration of Civil Servants	21	37	29	60	16	2.92	0.30	58	76	Agree	
8	Even when the State Government has consulted with the labour union, they still go ahead to pay whatever they (the Government) want to the Civil Servants	52	77	9	12	12	3.87	0.89	129	24	Agree	

9	The inability of the State Governments to properly consult with the labour Unions over the remuneration of Civil servants has always generated industrial conflicts in the State.	72	66	8	13	4	4.16	1.01	138	17	Agree
10	Workers displeasure over their remuneration is a dominant factor in the industrial conflicts experienced in the state	61	79	8	10	4	4.10	0.99	140	14	Agree
11	The Civil Servants are satisfied with the manner their remuneration is determined	11	5	7	54	86	1.78	0.24	16	140	Disagree
12	It is safe to conclude that the State Government adopts unilateral approach in determining the remuneration of workers.	28	56	36	30	13	3.34	0.49	84	43	Agree

Source: Field work 2012

Table 1 shows the mean ratings of Respondents on the relationship between the mode of determining workers remuneration and industrial conflicts in the Anambra state civil service. The variables of the relationship were rated and the mean for each variable obtained. Using 2.6 as the baseline for agreement on the provisions of each item, it would be observed that the respondents agreed to items 4, 5, 7, 8, 9, 10, and 12 whereas they disagreed to items 1, 2, 3, 6 and 11. This indicates that majority of the respondents are of the opinion that the Anambra state government unilaterally determine the remuneration of civil servants irrespective of the opinion of Labour union. Meanwhile, the respondents agreed that unilateral determination of workers remuneration by the state government results in industrial conflicts in the Anambra state civil service (using question 9, 10 and 12 as a yardstick).

### **Research Question 2**

What are the consequences of the State government delaying or outright renegeing to honour negotiated remuneration package with Labour?

Table 2: Mean ratings of Respondents on the consequences of the State government delaying or outright renegeing to honour negotiated remuneration package with Labour.

S/N	ITEM	SA	A	UN	D	SD	X	SD	Total Agreed	Total Dis	Remark
25	The inability of the State Government to pay the Federal Government	87	53	5	10	6	4.22	1.15	140	16	Agree

	approved minimum wage is a source of industrial conflict in the State Civil Service.										
26	Workers cannot really challenge the State Government over non-implementation of negotiated agreements	26	60	34	31	12	3.35	0.52	86	43	Agree
27	A number of industrial conflicts in the state is associated to the inability of the State Government to honour her agreements over workers' remuneration	52	81	11	13	6	3.98	0.92	133	19	Agree
28	The remuneration the workers receive reflects the existing minimum wage approved by the Federal Government.	12	15	9	35	90	1.88	0.14	27	125	Disagree
29	Remuneration induced industrial conflicts in the State can really be averted.	46	78	17	17	4	3.87	0.84	124	21	Agree

Source: Field work, 2012

Figure 1 shows the responses of Respondents on the consequences of the State government delaying or outrightly renegeing to honour negotiated remuneration package with Labour. The variables on the consequences were rated and the mean for each variable obtained. The respondents agreed to items 25, 26, 27, and 29 using 2.6 as the baseline for agreement whereas they disagreed to item 28. This implies that the respondents are of the opinion that industrial conflicts are consequences of delaying or outright renegeing by the State government to honour negotiated remuneration package with labour.

**ANALYSIS OF DATA RELATED TO HYPOTHESES**

Two hypotheses were formulated and tested at 0.05 level of significance using Chi-square contingency test and the test was conducted using Statistical software (SPSS) in order to provide useful information about the study.

**HYPOTHESIS I**

Ho: Industrial conflicts in Anambra state are not consequences of unilateral determination of the remuneration of workers by the state government.

H<sub>1</sub>: Industrial conflicts in Anambra state are consequences of unilateral determination of the remuneration of workers by the state government.

Hypothesis I was tested at 5% significance level using Chi-squared contingency test on questions 9, 11 and 12 of the research questionnaire.

Table 3: Contingency table for Hypothesis 1

Unilateral Determination	Industrial Conflicts					Total
	SA	A	UN	D	SD	
9	72	66	8	13	4	163
11	11	5	7	54	86	163
12	28	56	36	30	13	163
<b>Total</b>	111	127	51	97	103	489

Source: Field Data, 2012

The result of the test is shown in table 4

Table 4: Chi-square test for Hypothesis I

<b>Chi-squared</b>	280.07
<b>Degree of Freedom</b>	8
<b>Probability</b>	0.000

### Decision Rule

Reject  $H_0$  if P-value is less than 0.05 otherwise do not reject.

### Conclusion

Since the P-value, 0.000, is less than 0.05,  $H_0$  is rejected. Hence accept  $H_1$  and conclude that Industrial conflicts in Anambra state are consequences of the mode of determination of the remuneration of workers by the state government.

### HYPOTHESIS II

$H_0$ : Delays or outright renegeing by the state government to implement negotiated salary agreements does not exacerbate industrial conflicts in the Anambra state civil service.

$H_1$ : Delays or outright renegeing by the state government to implement negotiated salary agreements exacerbate industrial conflicts in the Anambra state civil service.

Hypothesis II was tested at 5% significance level using Chi-squared contingency test on questions 24 and 26 of the research questionnaire.

Table 5: Contingency table for Hypothesis II

Delay/Renegeing	Industrial Conflict					Total
	SA	A	UN	D	SD	
24	43	72	21	21	6	163
26	26	60	34	31	12	163
<b>Total</b>	69	132	55	52	18	326

Source: Field Data, 2012

The result of the Chi-square test is shown on table 6:

Table 6: Chi-square test for Hypothesis II

<b>Chi-square</b>	12.28
<b>Degree of Freedom</b>	4
<b>Probability</b>	0.02

**Decision Rule**

Reject  $H_0$  if P-value is less than 0.05 otherwise do not reject.

**Conclusion**

Since the P-value, 0.02, is less than 0.05,  $H_0$  is rejected. Hence accept  $H_1$  and conclude that delays or outright renegeing by the state government to implement negotiated salary agreements exacerbate industrial conflicts in the Anambra state civil service.

**Relationship between the Mode of Determining Remuneration and Industrial Conflicts in the Anambra State Civil Service**

The hypothesis one which stated that “Industrial conflicts in Anambra state are not consequences of unilateral determination of the remuneration of workers by the state government” was tested at 5% significance level using the Chi-square contingency test on questions 9, 11, and 12 of the research questionnaire. The result of the test at P-value, 0.000 which is less than 0.05 showed that industrial conflicts in Anambra state are consequences of the unilateral mode of determining the remuneration of workers by the State government.

A summary of the mean ratings of the responses also showed that workers are not happy that they are not properly consulted through their various unions before arriving at any remuneration package they eventually receive from the government. Adinuba (2011) aptly characterizes this mind-set thus:

There is a determined effort at what OkeyNdibe, the famous writer and columnist, calls systematic North Koreanisation of Anambra State. The government wants to turn the people into robots, that is, elements grossly incapable of independent thought and action, as they rely thoughtlessly and wholly on government relentless and energetic propaganda, the type well bereft of verisimilitude.

Though a semblance of negotiation with the labour unions is occasionally initiated by the State government over remuneration matters at the end, the State government usually hijacks the process and awards labour whatever the State government wishes. In some cases, the government completely frustrates the smooth conclusion of the wage negotiation process. In separate interviews with the leadership of the Nigerian Labour Congress (NLC) and Trade Union Congress (TUC) in Awka on the mode of determining workers remuneration in the state, they stated that the State Government, after persuasion by the labour unions, usually set up joint wage negotiating committees to negotiate workers remuneration but regretted that the State Government usually attempts to frustrate the smooth conclusion of such negotiations and where they fail, easily backs out from such agreements and ends up paying what they (the Government) feel like paying the civil servants thereby generating strike actions by labour unions. In the opinion of a Permanent Secretary in the state who craves anonymity, “the State Government is freely disposed to negotiate workers remuneration with the state labour unions” but regretted that “the labour leaders usually come to the negotiation table with an unwavering mind-set thereby making it difficult for the government to amicably achieve a workable consensus”. The former

Secretary of TUC however disagreed that the labour unions enter into negotiations over workers remuneration with an unwavering mind-set. According to him, “the State Government has not demonstrated strong interest or commitment to the collective bargaining process as they always wish to lord issues over labour any time that labour unions call for negotiation of workers remuneration”.

During the latest agitation for wage increase by Labour in the state, following the approval of #18,000.00 new minimum wage in the country by President Jonathan on March 15, 2011, the State Government after much persuasion set up a State Government-Labour Joint Negotiating Committee to work out details on how to adapt this new increase to the existing salary structure of the workers. Before the Labour unions realized what was happening, the State government unilaterally made an award of eighteen thousand naira minimum wage to officers on GL.01-06, a ten thousand naira flat increase to officers on GL.07-10 and five thousand naira flat increase to civil servants on GL.12-16. However, the state government has since reverted to the old pay structure for officers on GL.07 and above. The labour unions are still asking and hoping that the State government will revisit the issue and come back to the negotiation table.

This attitude of the State Government, according to the views of some Labour leaders in Anambra State interviewed in Awka, negated the basic tenets of collective bargaining which is an admirable mechanism for forestalling industrial conflicts. In the opinion of the former Anambra State Secretary of NLC, in an interview with him in Awka, “the State Government always develop cold feet and goose pimples any time the labour unions approach them to negotiate increases in the remuneration of workers”. He attributed this to the State Government insensitivity to the plight of workers and the siege mentality inherited from the past military administrations. In a similar vein, the chairman of the Joint Negotiating Council, frowned at the lackadaisical attitude of the State Government during negotiation of workers remuneration which invariably translates to the State Government eventually determining workers remuneration and therefore called for “a change of heart by the government by allowing for collective bargaining to prevail”. Collective bargaining, ordinarily, denotes negotiations on conditions of service and terms of employment between employers and workers or between employers’ associations and trade unions. It covers all arrangements in which workers do not negotiate with employers by themselves but do so collectively through their representatives. The issues covered by such collective bargaining are always very extensive and they include wages, hours of work, increments, promotions, job grading and classification, annual leave etc. In fact in the present dispensation, any matter which is capable of causing a trade dispute is negotiable.

The obvious implications of unilateral determination of workers remuneration by the State government is that it prepares the ground for renewed industrial conflicts in the state as the matter stands unresolved to the satisfaction of the workers. This development further translates to workers low morale and low productivity performance as reasonable man hour is lost in industrial conflicts.

### **Consequences of Government Delaying or Reneging to Honour Negotiated Remuneration Agreements with Labour**

The second hypothesis of the study stated that “delays or outright reneging by the State government to implement negotiated salary agreements does not exacerbate industrial conflicts in the Anambra state civil service”. This hypothesis was also tested at 5% level of significance using Chi-square contingency test on questions 24 and 26 of the research questionnaire. Given the P-value at 0.02 which is less than 0.05, it was safe to conclude that delays or outright

renegeing by the state government to implement negotiated salary agreements exacerbate industrial conflicts in the Anambra state civil service.

There was a general consensus among the respondents that a recurring decimal in the issue of industrial conflicts in the Anambra state civil service is the inability of the State Government to keep faith with remuneration related agreements entered with the labour. For example, during the tenure of Chinwoke Mbadinuju as the Executive Governor of Anambra State, he entered into agreement with the State labour unions to pay ₦6,500.00 minimum wages to the civil servants. However, and to the total consternation of the civil servants, when they received their pay the following month, it was calculated based on a minimum wage of ₦5,000.00. This development fuelled more industrial conflicts in the state civil service and created a climate of doubt and distrust in the State Government-Labour relationship.

A much more worrisome development particularly with Gov. Peter Obi's administration was his determined refusal to enter into any written agreement over remuneration with the labour. According to the Anambra State Secretary of NLC in an interview in Awka, "Governor Peter Obi never consents to sign any negotiated agreement on workers remuneration. This disposition offers him leeway to unilaterally decide what to pay the civil servants as he absolves himself from any binding written agreement with the labour unions over their remuneration". There is no doubt that the consequences of this outrage will be increased agitation by the labour unions and exacerbation of conflicts. This attests to the view point of Anyim (2009) that institutional machineries for settling disputes, voluntarily evolved and established or imposed by labour law are thus much a part of the dispute-stimulating process as well as obviously being a means for sorting out disputes. This then suggests that the frequency of disputes at work is traceable equally not only to the conduct of the parties, but also to the disputes settlement process or mechanisms devised by them or imposed by regulatory authorities or both. The foregoing no doubt accounts for difference in the perception of the parties.

In the course of this study, the following findings were made and are summarized as follows:

- a. Industrial conflicts in the Anambra State Civil Service are consequences of the unilateral mode of determining the remuneration of workers by the state government.
- b. Delays or outright renegeing by the state government to implement negotiated remuneration agreements (and in the case of Peter Obi's administration, refusal to enter into agreements with the labour over negotiated remunerations and renegeing to honour same) are not only essential product of the nature of collective bargaining in Nigeria but also actions that exacerbate industrial conflicts in the Anambra State Civil Service. According to Nwogu (2010:183) "from Nigerian case law or otherwise the decisions of our courts, it is now settled that collective agreement is not legally enforceable". The Court of Appeal, Port Harcourt Division also in *A.C.B Plc V. Nbasike* (1995) 8 NWLR (Pt. 416), 725 held thus: "that collective agreements ... are not generally intended to create legal relations. They are at best a gentleman's agreement, an extra-legal document totally devoid of sanctions... In other words, collective agreements are binding in honour only and their enforcement must depend on industrial and political pressure".

### **Conclusion**

It is generally believed that an industrial relations system is derived from the particular political, economic, legal or other contexts within which it exists. These contextual factors play prominent roles in shaping the direction of industrial relations. In many industrialized and developing countries of the world, their industrial relations practice emerged from the British

model. However, with time each country continues to fashion its system to meet its specific needs.

Based on the findings of the study, the following conclusions were drawn:

1. The current spate of remuneration induced industrial conflicts in the Anambra State Civil Service is an avoidable development and can be remedied.
2. A more proactive approach in addressing remuneration induced industrial conflicts in the Anambra State Civil Service will require a review of the current approach adopted by the state government in matters relating to remuneration determination for the civil servants in the Anambra State Civil Service for better job satisfaction and enhanced productivity performance of the Anambra State Civil Service.
3. The weak economic power of the civil servants is the root-cause of frequent complaints and demand for upward review of the remuneration of workers. There is therefore the need to address the hyper inflationary trends in the country.

### **Recommendations**

1. On the issue of the mode of determining the remuneration of the civil servants, the current practice of unilateral determination (and enforcement) of remuneration of workers by the state government is no longer fashionable and must be jettisoned. Collective bargaining approach, no doubt, offers a healthy perspective to resolving remuneration related issues as both parties are encouraged to sit down and discuss the issue each offering proposals on how best the matter can be resolved. This perspective is also cost saving and at the end puts the regulation of work productivity equally on the shoulders of labour. This perspective is further supported by the wise saying that all wars are eventually resolved in a round table discussion.
2. On the failure of the State Government to honour remuneration agreements, the researcher noted the opinion of Adeogun (1972), that “the freedom to strike and lock out is a concomitant of the collective bargaining process in that the system succeeds only to the extent that the two ‘collective’ parties are unmistakably aware of the strength of either party to organize successful industrial action to make the other party negotiate or to compel observance of the agreements reached” but however recommends that the labour union should push and secure the enactment of a law that makes it a criminal wrong for any government to renege on the implementation of any agreement they reached with the labour Union. It is therefore imperative that the Labour union takes urgent steps to reverse this position by bringing a Bill on the issue to the legislature and ensure that the Bill is passed into law. Alternatively, Labour should ensure that every collective bargaining agreement they enter into with the Government has a provision that the parties intend to be legally bound by the agreement. Presently, the laws of Nigeria view collective bargaining agreements as social or gentleman’s agreements and thus not enforceable in law courts because it lacked the basic qualification of a contract. This initiative will give the labour right to prosecute the Government over failure to implement negotiated agreements.

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