

IMPLICATION OF LABOIR MARKET ANALYSIS IN NIGERIA

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ABSTRACT

The Nigerian labour market has experienced changes in the last two decades following the dictates of globalisation. These changes manifested in the sectoral composition of employment, growth in the service and informal sectors, unemployment and underemployment, increased self-employment, and growth in female labour participation. This paper examined the emerging structural changes in the labour market and their consequences for employment relations in Nigeria. Nigeria has witnessed increased youth unemployment and underemployment, the decline in full-time permanent jobs, rise in casual/contract and part-time work, rise in female labour participation, rise in outsourcing and increase in labour shedding in the last two decades. The observed implications of these developments for employment relations include a decline in union density and bargaining power; a gradual increase in non-union representation; a shift in skill requirement; emphasis on employee loyalty and commitment; emphasis on work-life balance and flexible working hours. The paper, therefore, concludes that structural changes in the Nigerian labour market have affected traditional institutionalised employment relations, which are gradually being replaced by flexible and individualised employment relations.

Keywords: Labour Market Analysis, Implication, Unemployment

INTRODUCTION

Aside series of persistent obstacles, shortcomings and problems, Nigeria, like every other developing country, is driving towards a stage where it could accommodate a good number of people from the domestic and foreign market just like some advanced countries of the world like France and America. Naturally in the labor market, one would always see series of labor market behaviors such as demand for labor, supply of labor, job search, incomes and wages, unemployment, wage determination, inflation, migration and collective bargaining.

In the Nigerian scene, there are peculiar problems that deters the Nigerian labor market from functioning properly and these problems should be put into consideration. one major problem is the increasing rate of the labor force not marched with a corresponding increase in job opportunities. The total number of youths or graduate who are willing and ready to participate in the labor market cannot find places to work. The effect is that supply of labor increases while it demands falls drastically and at the end of the day, the problem compounds into low wage payments. Nigeria has a population of 152.5 million, of which 33 percent constitute the labour force (Population Reference Bureau, 2009). The labour force is an asset in its capability to enhance productivity and growth (Nigeria Vision, 2020).

The challenges facing governments in developing countries in creating efficient labour markets that can guarantee decent work agenda and increase social inclusion cannot longer be ignored and treated with cold gloves. As promotion of decent work agenda now serves as a universal principle which drives the modern economic system, organisations have seen the need to increase the quality of work through improved working conditions, better occupational safety and health, and higher incomes so as to guarantee a more environmentally sustainable economy (ILO, 2013). This has made workers to be seen as adding value to the organisation and also as most valuable asset for organisational development and growth rather than been seen as capital and treated like fixed cost (ILO 2011; Torrington, Hall and Taylor 2008; Stiglitz, 2009; Armstrong, 2011). The African Nations' economy has not yet attained the stage for sufficient economic growth to absorb into the ever

changing stream of manpower. Unemployment rate is still seen as at its high rate in the Nigerian labour market as compared to Nigerian considered as the largest economic State in Africa. This rate is not unconnected to the perverse economic crimes in the labour market leaving little space for employment opportunity for the actively abled labour; and employment creation; transfer of skills. Growing informalization of the economy, mismatch of skills, geographical mismatch. Inadequate dissimulation of information, political bias or interference and regional crisis are problems that need urgent attention. This paper aims to explore labour market analysis implication.

Concepts of the Nigerian Labour Market Analysis

Generally in the labour market, various economic behaviours are noticeable. These include demand for labour, supply of labour, job search, determination of incomes and wages, unemployment and termination of employment, among others.

The high cost of doing business in Nigeria has been a major challenge to the manufacturing sector. Some manufacturing companies have closed shops due to their inability to cope with the high cost of doing business, while others have moved their businesses out of Nigeria to neighbouring countries due to lack of sustainable energy. The decline in the employment generation capacity of the manufacturing sector has exacerbated the problem of youth unemployment. As a panacea to the rising rate of unemployment, self-employment has become the available option for the unemployed. Hence, the last two decades have seen remarkable growth in the informal sector as well as the number of workers that are absorbed in that sector. Thus, based on trends observed in recent years, the informal sector continues to absorb the largest proportion of Nigeria's workforce, accounting for 73.7% of jobs created in 2016, up from 54.0% in 2013 (National Bureau of Statistics, 2016). This sharp increase in new jobs created in the informal sector was associated with a decline in the share of jobs created in the formal and public sectors from 37.2% and 8.8% in 2013 to 29.9% and 0.0% respectively in 2016 (PricewaterCoopers, 2018).

The agricultural sector which used to be the major employer of labour in the 1960s, 1970s and the 1980s has witnessed a declining employment generation rate. The percentage contribution of total employment by the agricultural sector from 1991 to 2019 had an average value of 44.15% with a minimum of 35.1% in 2019 and a maximum of 50.25% in 1991 (World Bank, 2020). Thus, the composition of sectoral employment within the Nigerian economy shows that the agricultural sector and the manufacturing sector have continued to decline with an observed resultant increase in the services sector. Figure 2 below shows the composition of employment by sector in 1991, 2004 and 2017.

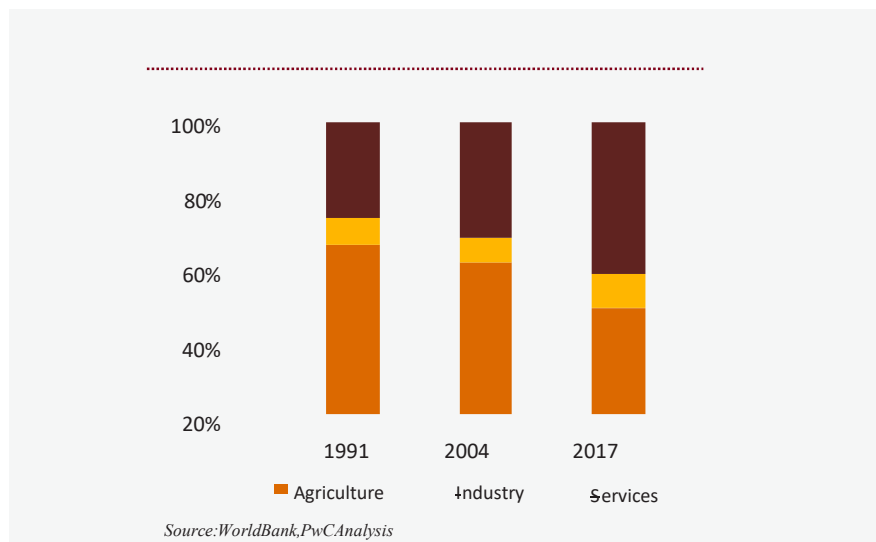


Fig 2 - Composition of employment by sector

Traditionally, the service industry was dominated by services such as wholesale and retail trade, public administration, accommodation and food services and transportation with low employment potential (PricewaterCoopers, 2018). However, this situation has changed especially with the growth in the small and medium scale businesses in Nigeria - the majority of which provide different kinds of services. Although these small and medium scale enterprises operate within the informal labour market, however, they provide services to the formal sector of the Nigerian economy. "The high rate of unemployment which has left many graduates in Nigeria with no job in the formal economy has necessitated these graduates to establish small businesses in order to provide a particular service or another to the corporate organisations" (Ikeije, Lekan-Akomolafe & Onuba, 2016). The current business model whereby many corporate organisations in the formal sector are outsourcing and contracting out most of their functions have provided the impetus for the growth in employment generation in the service sector. As part of its effort to create employment, the government has mandated the integration of entrepreneurial programmes into the academic curriculum of tertiary education. As such, the emphasis has shifted to self-employment, where small and medium scale enterprises now provide a kind of safety-net for many job seekers in the labour market. Thus, in terms of employment composition, the service sector absorbs those who could not find a place in the manufacturing sector and those who have been released from the agricultural and the mining sectors.

Using the Barry (1996) System of Industrial Classification to analyse the Nigerian labour market, the Nigerian industries are grouped under the "Economic Activities" as a sub group for clearer analysis:

1. **The Nigerian Primary Industries:** are grouped as Agricultural; fishery; mining and quarrying industry. Barry (1996) opined that the primary industry employs 31% of the total industrial employment in Nigeria. Within this sector, agriculture; fishery; and forestry industry employs 99% while mining and quarrying industry employs 1%.
2. **The Nigerian Secondary Industry:** grouped as Manufacturing; and Construction industries. According to Barry, the secondary industry employs 13% of the total industrial employment in Nigeria. Within this sector, the manufacturing industry employed 82% while the construction industry employed 18%.
3. **The Tertiary Industries:** grouped as wholesale/retail trade, repair of motor vehicle and motor cycles; transport and storage; electric, gas steam and air condition supply; water, sewage, waste management and remediation. The tertiary industry employs 30% of the total industrial employment in Nigeria. Within this sector, wholesale/retail trade; repair of motorcycle and motor vehicle industries employ 84%; transportation and storage employ 14%, electricity; gas and air supply employ 1% while the water; sewage; waste management and remediation employed 1%.
4. **Quaternary Industry:** comprising of Nigerian ICT companies, financial and insurance companies; real estate; and professional, scientific and technical research. The quaternary industry employs 3% of the total industrial employment in Nigeria. Within this industrial sector, information and communication employ 33%; financial and insurance employ 12%; real estate employ 5% while professional, science, and technological research employ 50%.
5. **Quinary Industry:** accommodational, food service activities in Nigerian; administrative and support services; public administration; defence and security; education; human health and social work; arts, entertainments, and recreations; other service activities; household services; extraterrestrial activities. According to Barry, the quinary industry employs 23% of the total industrial employment in Nigeria. Within this sector, accommodation and food services activity employ 24%; administrative support services 9%; public administration, defence and security employ 7%; education employed 14%; human health and social work employed 7%; entertainment recreation and arts employed 3% other services employed 31%; household 5%; while extraterrestrial activity employed 1%.

Following the structural adjustment programmes, the Nigerian labour market underwent problems of unemployment, public sector down-sizing, low employment generation capacity, government contradictory discretionary policies and a sort of mismatch between labour demand and supply. The demand for labour is derived from production and distribution activities in the goods and services sectors. As a result, its size and shape are sensitive to what happens in the national economy [Bloom and Humair (2010)]. However, available data on the Nigerian labour market indicates that the demand for labour has been poor and volatile at best. As a result, majority of workers are engaged in the informal economy [Iwayemi and Jerome (1995)]. An analysis of the Nigerian labour force by sector shows that the service sector accounted for an estimated 24.4 percent of gross domestic product and employed 20 percent of labour in 2007. While industry accounted for 48.8 percent of gross domestic product and employed only 10 percent of the labour force, agriculture employed 70 percent of the labour force and contributed only 26.8 percent to GDP (Table 2). Recently, the Nigerian labour force is estimated to be 50.13million [CIA World Fact Book (2009)]. This seemingly qualifies it as the largest workforce in Africa. However, most of the Nigerian labour force is lost to brain drain as the country ranked 112 out of a total of 134 in the just concluded global brain drain analysis (Table 3).

Table 1: Percentage Distributions of the Nigerian Labour Force and GDP Composition by Sector, 2007

Sectors	Labour Composition (%)	Force by Sector	GDP Composition by Sector (%)
Agriculture	70		26.8
Service	20		24.4
Industry	10		48.8

Source: CIA World Fact Book (2010)

Table 2: Global Competitiveness Index: Nigerian Labour Market Efficiency

Labour Market Efficiency	Score	Rank/134
Pay and Productivity	4.0	86
Brain Drain	2.5	112
Non-Wage Labour Costs (% Workers Salary)	9.0	28
Flexibility of Wage Determination	5.5	37
Co-operation in Labour-Employer Relations	4.5	67
Rigidity of Employment Index	7.0	8
Female-to-Male Participation Ratio in Labour Force	0.5	112

Source: EIU, CIA World Fact Book, UN, Transparency International (2010)

In a comparative analysis of the growth rates of the working-age and non-working-age population, UN World Population Prospects (2008) observed that the unemployment problem has escalated the age-dependency ratio to 2.6 percent dependants per worker higher than the world average of 1.1 percent for the period, 1970-2010. The UN projected a lower percentage of 0.7 percent that should be lower than the sub-Saharan average of 1.1 percent for the period, 2010-2050

Core Problems Besetting the Nigerian Labour Market

The current state of the Nigerian labour market manifests several problems that depict the changing structure of the market. Emerging structural changes mirror issues such as increasing unemployment and under-employment, growth in informal sector employment, the declining rate of full-time employment, growth in casual/contract and part-time employment, growth in female

labour market participation, outsourcing and off-shoring of organisational functions, and increasing rate of labour shedding (retrenchment and downsizing).

1. Unemployment and Underemployment

The terms unemployment and underemployment do not necessarily suggest the same thing. While unemployment is a situation where qualified and willing men and women within the working-age are "actively looking for a job, but unable to find paid employment under prevailing economic conditions" (Fajana, 2000), underemployment is a situation where people are employed in a job they are over-qualified or below their qualification thereby making optimal utilization of labour capability unattainable.

In the Nigerian scene, there are peculiar problems that deter the Nigerian labour market from being in a state of perfect equilibrium. Apart from the effects of inflation and other associated problems, one major problem is the increasing rate of labour force not being marched with a corresponding increase in job opportunities. One worrisome trend in the Nigerian labour market has been the growing incidence of unemployment among s. This growing incidence of graduate unemployment in the face of acute skill shortages presents a paradox which further complicates labour market distortions and imperfections in Nigeria (Basse & Atan, 2012).

Moreover, the inability to find a new job, the psychic and costs of unemployment are significant (Oettel, et. al., 2011). Those who argue that the employee has the choice to decide whether or not the job is satisfactory, and that he can find another suitable job, are not being realistic. The market is not perfect and does not automatically soak up the excess of workers or fired workers. Labour market has significant peculiarities; its supply and demand schedule is inherently complex because of the nature of the supply – human labour. Hence, when goods cannot clear a market, businesses face costs for storage so that the goods are sold at discount or are destroyed. And when businesses can no longer profitably serve a market, they decline or go out of business. However, unemployed workers don't disappear. Even if a new job is found it may be difficult to command the same wages and conditions. The neoclassical economic theory is based upon the inaccurate assumption that employees and employers have relatively equal power to inflict damage on each other. In fact, the harm to the employee is much greater than that to the manager or even shareholder who may merely shift the risk round his other investments.

Table 3: Comparing Growth Rates of the Working-Age and Non-Working-Age Population (1970-2050)

Regions	Annual Average Growth Rate			
	1970-2010		2010-2050	
	Dependent Population (%)	Working-age Population (%)	Dependent Population (%)	Working-age Population (%)
Nigeria	2.6	2.7	0.7	2.0
Indonesia	0.9	2.3	0.8	0.4
Pakistan	2.5	3.0	1.0	2.3
Sub-Saharan Africa	2.6	2.8	1.1	2.3
World	1.1	1.9	0.8	0.7

Source: UN, World Population Prospects (2008)

To a large extent unutilized and under-utilized labour abounds in Nigeria. All these indicate that unemployment in the country has become tenacious. The severity of the unemployment problem in the Nigerian labour market varies across regions (USAID, 2009). Soludo (2007) quoted 5.3 percent as the official Nigerian unemployment rate for 2006. Akinyosoye (2007) estimated that barely 25 percent of the working population considered wage earners was employed in regular jobs whilst the

remainder (75%) was self-employed. Recently, the World Bank reported the unemployment in Nigeria to be 40 million which in percentage is quoted to be 28.57 percent (World Bank, 2009). According to Babalola (2007), the reality of world-wide mass-unemployment has already dawn upon Nigeria and is increasing year by year. In Norris's view, abundance has replaced scarcity in the classical labour supply-side equation [Norris (2008)]. Indeed, there is a mismatch between the supply of skilled labour and the absorptive capacity of the labour market in Nigeria. Such a mismatch has culminated into brain drain, increase in social vices and crimes (especially kidnapping), high dependency ratio, and decline in national output and/or fall in productivity especially when Okun's law is brought into focus such that a 1 percent fall in employment (increase in unemployment) implies 3 percent decline in output.

The unemployment problem in Nigeria is largely an outcome of the labour market mal-adjustment. For example, the country's labour force rose steadily from 32.2million in 1980 to 42.9 million in 1992, recording a growth rate of 33 percent. Thereafter, the labour force fell to 30.6 million in 1993 before recovering to 31.3 million in 2000 (Akinyosoye, 2007). Although, friction and labour market mal-adjustments constitute the highly fluctuating trend in employment rates in Nigeria, Koshoni (2006) blamed the unemployment problem on bad economic planning which has adversely affected the construction of labour-intensive industries. This situation is now aggravated by the recent global economic downturn when far more than 80 percent of the country's total revenue witnessed a parallel shrink. An indication of the scale and complexity of the unemployment problem in Nigeria can be seen by reference to Table 4 which presents a snapshot of the projected Nigerian working age population, unemployment and volume of jobs needed if the economy is to break loose from her present predicament of declining productivity and slow growth trap. These statistics are illustrative in terms of providing a realistic guide as to the state of unemployment and job requirements in Nigeria between 2010 and 2030.

Table 4: Projected Nigerian Working age Population, Unemployment and Volume of Jobs Needed

Year	Working Age Population	Unemployment (%)	Jobs Needed	Between Years	Jobs to be Added
2010	85,525,401	20	52,358,719		
2015	97,731,223	15	63,570,579	2010-2015	11,211,860
2020	111,088,8501	10	76,509,768	2015-2020	12,939,189
2025	125,325,513	8	88,233,036	2020-2025	11,723,268
2030	140,036,212	7	99,661,452	2025-2030	11,428,415

Source: Bloom and Humair (2010)

Female Labour Market Participation

There has been a rising consciousness among researchers and world leaders that recognises that economically empowering women is not only essential to achieve women's rights but to also achieve the broader sustainable development goals (SDGs). Researchers assert that gender inequality, whichever gender is affected, incapacitates the disadvantaged individuals and excludes them from development gains (IMF, 2018).

Researchers strongly argue that this apparent non-inclusion of women is economically inefficient and national economies lose out when a substantial part of the population cannot participate equitably within the economy or realize its full potential (National Bureau of Statistics, 2010). Not only is female labour force participation lower, but women who are paid for their work are disproportionately employed in the informal sector- especially in developing economies- where employers are subject to fewer regulations, leaving workers more vulnerable to lower wages and job losses. Even within the formal sector, women doing the same work and having the same level of education earn less than their male counterparts and because women generally spend less time

in the paid labour market, they usually have lower pensions and face a higher risk of poverty in old age (National Bureau of Statistics, 2018).

Growth in Informal Sector

Employment As a result of the high rate of unemployment, job seekers are being encouraged to seek an alternative in establishing small and medium scale enterprises. Government through the establishment of micro-finance banks provided the support for young unemployed graduates to assess soft loans to establish small scale businesses instead of relying on the formal sector for employment. Thus, informal sector employment is currently part of the features of the Nigerian labour market. Although the informal labour market operates within an unregulated environment, however, the market play host to many job seekers or provides a cushioning effect for those who could not find a job in the formal labour market. Most of these small scale enterprises are into various kinds of trading activities and service provisions. Such services like cleaning services, laundry services, courier services, consultancy services, business centres, printing, barbing saloon, transport services among others are labour services that are provided by the operators in the informal sector. With the growing in-formalization of the Nigerian economy, there is also an increasing employment generation capacity being observed in this sector over the last two decades.

According to the International Labour Organization Report in 2015 cited in Ajuwon, Ikhida & Akotey (2017) "small businesses net share of job creation stood at 54% while that of larger firms stood at 46% in the low-middleincome countries of which Nigeria belong." A survey conducted by the Small and Medium Enterprise Development Agency of Nigeria (SMEDAN) in 2013 revealed that informal micro-businesses dominated Nigeria enterprise with a 98% share of the entire enterprise in Nigeria. In terms of employment generation, the report indicated that small businesses employed 57,836,391 in Nigeria. Table 2 shows the employment generation by different categories of small and medium scale businesses in Nigeria according to the SMEDAN survey.

Table 5 - Small business share of employment in Nigeria in 2013

Enterprise Size by Employment	Employment Generation	In Percentage
Micro (0-9)	57,836,391	96.81
Small (10-49)	1,863,749	3.12
Medium (50-199)	40,071	0.07

Source: SMEDAN Survey (2013) cited in Ajuwon, Ikhida & Akotey (2017)

The above data is an indication that "small businesses are the net job provider in the Nigerian economy accounting for over 80% of employment in the economy, in absolute term, 59,740,211 representing 84.02% of the total labour force in 2013" (SMEDAN, 2013). In other words, the data also points to the fact that the growing employment generation capacity of the informal sector is contributing significantly to labour market restructuring as being witnessed in recent years in Nigeria.

Declining Rate of Full-Time Employment, Growth in Casual/Contract and Part-Time Employment

In line with the recommendations of the International Monetary Fund (IMF) and World Bank, the Nigerian government over the years has implemented various economic reforms ranging from structural adjustment programme to privatisation and commercialisation programmes. These programmes, which are elements of globalisation are regarded as the panacea to the problem of unemployment and the part to economic development for Nigeria. However, privatisation and commercialisation programmes have contributed to labour market restructuring as being observed currently in Nigeria. In order to comply with the requirements of the global labour market and survive global competition traditional full-time employment are being replaced by casual/contract

and part-time employment arrangements. This current labour market phenomenon can be observed in every sector but to a varying degree. Oil and gas industry, banking industry and telecommunication industry are the major industries that have a high percentage of the incidence of casual/contract and part-time workers in Nigeria. At average, 60% of the employees in the oil and gas industry are contract employees supplied by labour contractors and employment agencies (Fapohunda, 2012). Fapohunda (2012) further observed that at the level of the organisation the number is much higher with some organisations such as Mobil having over 90%. In relation to the banking industry, the average rate of the incidence of casual/contract employees was 79%, although some individual banks have a higher percentage. Telecommunication industry appears to be worst hit as the majority of the organisations in the industry has over 95% of their workers as contract staff (Fapohunda, 2012).

The energy sector and the manufacturing sector also have a fair share of their workers as casuals/contract workers. In the manufacturing sector, many workers at the production floor as well as supply chain staff are either on a casual or contract basis. The story is not different from the energy sector especially with the implementation of the privatisation and commercialisation programmes. Prior to this development, these industries were known to be engaging their workers on a permanent full-time basis. The service sector, on its part, has adopted flexible labour arrangements as many of the workers in this sector are on a part-time basis. As it is, the decline of permanent full-time employment is apparent across all industries but is pronounced in those with traditionally high levels of permanent full-time employment. This equally suggests that the Nigerian labour market is fast becoming volatile to the extent that jobs that appear permanent may likely vanish overnight.

Rate of Outsourcing and Off-shoring of Organizational Functions

Outsourcing which originated in the USA in the 1970s and later spread to Europe, Australia and Asia (Quinlan, 1998) is fast becoming part of the Nigerian labour market. Outsourcing is the practice whereby organisations use external service providers to carry out some of their jobs or functions. It becomes off-shoring (international) when it involves service provider in another country. Organisations today distinguish between core and peripheral or non-core functions and tend to outsource their non-core jobs while concentrating on their core functions. Generally, all the sectors in Nigeria are involved in the practice of outsourcing; however, the degree varies from organisation to organisation. Although there is no comprehensive data on the incidence of outsourcing in Nigeria, the observed pattern shows that the telecommunication industry is currently at the top in outsourcing their functions. The banking industry, oil and gas industry and the manufacturing industry have a fair share of outsourcing in Nigeria.

Unlike outsourcing which has become a part of the Nigerian labour market, off-shoring is not much pronounced. However, certain industries such as oil and gas and telecommunication have off-shored some of their technical functions to service providers abroad. This phenomenon is challenging the traditional full-time and direct employment arrangement of many organisations who have seen outsourcing as a strategic choice in achieving organisational goals and objectives. Put differently; outsourcing has introduced a different employment arrangement that has implications for the labour market structure.

Increase in Labour Shedding

Economic recession as witnessed in the 1990s and 2000s and more recently 2016 and 2017 together with Covid-19 induced recession has affected adversely many organisations. Thus, the Nigerian Labour market has witnessed a rise in the rate of labour shedding which manifested in the form of retrenchment, mass lay-offs and labour downsizing. Some organisations adopt these approaches as business strategies for survival amid unfavourable business environment. The victims of various forms of labour shedding often find themselves back in the labour market and add to the already saturated labour market. Many workers who lost their jobs as a result of the

recession and the Covid-19 pandemic have also joined the army of the unemployed, thereby increasing the unemployment rate. In some occasions, the retrenched workers may be re-absorbed as a contract or casual workers which automatically changed their employment status and the rights they used to enjoy as full-time permanent employees.

Implication of Labour Market Analysis

The structure and operations of the labour market shape the nature of employment relations within the system. Thus, the shift from a conservative labour market structure to a liberal labour market as currently being witnessed in Nigeria has implications for employment relations within the industry and organisations. One of the direct consequences of labour market restructuring relates to trade union membership. The decline in full-time permanent employment and the increasing adoption of non-standard employment arrangement such as casual/contract workers part-time and temporary workers have affected union density and their bargaining power. Again, the growing service sector has equally affected union membership since this sector has traditionally not been highly unionised (Peetz, 2020). As a consequence, traditional institutional-based employment relations characterised by trade unions and collective bargaining is fast losing its place in the Nigerian labour market and is gradually being replaced by non-union employee representation and individualized employment relations following the human resource management model. In other words, collective bargaining as a mechanism for reaching agreement on the terms and conditions of employment between the employees and their employers is diminishing in value and is being replaced by an individual contract of employment. Even where collective bargaining is still allowed, there is a growing preference for enterprise level bargaining as is currently the practice in the oil and gas industry and the banking and finance industry.

The stark economic reality in the country portrays a dismal picture of massive unemployment and the few who are either employed or underemployed are subjected to a nightmare of insecurity of tenure in their respective employment. This lack of security of tenure damages the sense of self-worth and dignity of the employee thereby making him vulnerable in the hands of his employer. The high rate of unemployment and underemployment in the Nigerian labour market is equally challenging the bargaining powers of trade unions. The employers see the army of the unemployed as a quick replacement for recalcitrant trade unionists who may refuse the offers of the employers in negotiation. The ability of trade union to negotiate a fair deal for its members is often jeopardised due to excess supply of labour, which tends to push down the market rate of labour. In addition, unemployment provides a fertile ground for the growth of non-standard work arrangement. When employers consider the ease at which they secure workers on contract terms, part-time and temporary terms, they tend to resent standard employment arrangement. The reasons are obvious: the non-standard workers hardly join trade unions and they are not entitled to all the benefits that workers under standard arrangement enjoy – benefits that employers consider as a cost on the organisation. Thus, Wooden (2002) stated that “casual employees, for example, are less likely to receive structured training provided by the employer, typically do not have much influence over organizational decision-making processes, and are less likely to report dealing with a variety of tasks at work.” On the other part, the employers’ desire to making use of part-time labour is frequently aimed at lowering running hours via scheduling work around top durations and minimising wage value through the abolition of additional time. (Bray, Deery, Walsh & Waring, 2011).

Outsourcing and off-shoring remove the organisation from a direct employment relationship with the workers. The workers of the service providers are not under the direct employment of the organisation and therefore cannot enter into a negotiation with the organisation. The service provider recruits, trains and rewards their workers thereby taking away the burden and cost of recruitment, and training of the workers from the organisation. Thus, the employment relations model often adopted by organisations that operate with third-party service providers is akin to the

neo-unitary approach which emphasises individualism and employee's loyalty and commitment to organisational goals.

Furthermore, the growing service sector has equally created a shift in the skill requirements. As observed by Wooden (2002), the shift from goods manufacturing to services would ordinarily lead to an increase in the relative significance of inter-personal abilities and discount in the importance of motor abilities (i.e., work-related to bodily strength, guide dexterity and motor coordination). The emerging service industry parades a growing number of knowledge workers which presents a challenge to managers. These knowledge workers rely more on the diffusion of information and communication technology and require a dynamic and sophisticated employment relations approach in their labour-management relations. Part of the challenge is in the recruitment and retention of these knowledge workers as the recruitment techniques require a certain degree of sophistication and reliance on information and communication technology such as electronic recruitment. This is also accompanied by a flexible reward system that recognises the contribution of individual workers to the achievement of the organisational goal such as a performance-based reward system. The increase in female participation in labour market activities suggests "that women have far greater access to employment opportunities than ever before, and in large part, this is a direct result of the declining standard employment model, linked as it is to the concept of male breadwinner family units" (Wooden, 2002). As such, this development has resulted to issues such as work-life balance and flexible working hours. Many women who are caregivers prefer to take up employment arrangement that would enable them to attend to the demands of their private lives or family needs while at the same meeting up with their job demands. Therefore, in order to conform to the requirement of work-life balance, employers are designing jobs that may require less face-time and provide flexible working hours. In such an arrangement, the employment relations may require setting targets and timelines for the affected employees to complete the assignment but with the leeway to choose the most convenient time to carry out the assignment.

CONCLUSION

Labour market issues is a problem in developing economics especially in Nigeria; unemployment, gender inequality, strike actions, Problem of minimum wage e.t.c and this affects the growth of an economy. Government should look into these problems for the betterment of the economy and society as a whole.

RECOMMENDATIONS

1. There is need for governments in Nigeria at all levels to improve its personnel capacity in order to have the tenacity to enforce labour market regulations that will promote decent work agenda.
2. It is therefore necessary for policy makers to address the problems of unemployment and gender inequality in employment.

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