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From 200 Dollars to 50 Dollars: The Political Economy of Nigerian Workers' Retrogressive Living Wage in Four Decades

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Abstract

Nigeria's minimum wage, which had its advent in 1981, seeks to set a wage floor at an amount considered sufficient to satisfy the basic necessities - food, clothing, housing, education, and recreation - of the worker. Since then, every minimum wage change in Nigeria has been preceded by agitations, and sometimes strike by the labour establishment. This paper examines the struggle of the labour movement as a crucial element within the democratization process in Nigeria and seeks to contribute to a better understanding of the root causes, effects and consequences of the retrogressive living wage in the country. It contends that more than half of the Nigerian population still grapples with extreme poverty while a small group of elites enjoys ever-growing wealth, leaving a glaring sense of inequality in the polity. Relying on available public data, the paper interrogates the deteriorating living conditions of Nigerian workers amidst the opulent lifestyle of the nation's political class and recommends policy options to the current narrative.

Key Words: Living Wage, Political Economy, Labour Movements, Minimum Wage

Introduction

One of the duties the government owes its citizens is to ensure the welfare of her citizens. In most countries of the world, it is the responsibility of the government to carter for the wellbeing of its citizens. Even in the capitalist states, governments still have a role to play towards the welfare of the workers apart from maintenance of law and order. Nigeria is no exception as captured in section 14(b) of the 1999 constitution which states that "the security and welfare of the people shall be the primary purpose of government". However, the history of Nigeria follows a shadow of inept leadership that has appropriated power for the furtherance of its agenda leaving out other stakeholders in governance (Ubeku, 1983).

All over the world, trade unions have become important agents of socio-economic transformation and class struggle always representing the working class interests against capitalist exploitations. From various contending issues, such as non-payment of salaries, increase in minimum wage, unilateral sack of workers, hike in cost of living and other issues that has to do with good governance and workers welfare, Labour has consistently been at loggerheads with government for four decades (Oche, 2017). Nigeria's minimum wage, which had its advent in 1981, seeks to set a wage floor at an amount considered sufficient to satisfy the basic necessities - food, clothing, housing, education, and recreation - of the worker (The BusinessPost, 2017). Since then, every minimum wage change in Nigeria has been preceded by agitations, and sometimes strike by the labour establishment.

This paper examines the struggle of the labour movement as a crucial element within the democratization process in Nigeria and seeks to contribute to a better understanding of the root causes, effects and consequences of the retrogressive living wage in the country. It contends that more than half of the Nigerian population still grapples with extreme poverty while a small group of elites enjoys ever-growing wealth, leaving a glaring sense of inequality in the polity. Relying on available public data, the paper interrogates the deteriorating living conditions of Nigerian workers amidst the opulent lifestyle of the nation's political class and recommends policy options to the current narrative.

The Interface of Wobbling Economy, High Cost of Governance and Slave Wage

Nigeria like all under-developed countries is an import-dependent nation and the foreign exchange rate plays a very significant role in its economy. In 1996 the exchange rate was 21.9 Naira to the dollar; later rising to 92.3 Naira to the dollar and presently it is as high as 360 Naira to the dollar. This has a direct impact on the rate of inflation which has significantly increased in the past period. Due to the effect of inflation, per capita GDP today remains lower than in 1960 when Nigeria declared independence. Industrial relations instability has always gripped the country in the last decades over non-fixing or non-payment of the National Minimum Wage.

In recent times, concern has been expressed by relevant institutions, experts and government itself, about the high cost of governance. The phenomenon is manifested in the undue bogus size of recurrent expenditure relative to capital expenditure, which is the part of public expenditure that funds development programmes and projects that impact on the people (Egbule, 2014). Nigeria's presidential democracy is said to be one of the most expensive in the world. This is justified by the country's soaring recurrent spending in its successive budgets and the raising debt profile prompting deep concerns and warnings about the high cost of governance and the health of the economy.

The practical result of this huge cost of governance is that only an average of 20 per cent of the nation's total financial resources is spent on capital projects. The capital projects are, thus, poorly funded. In most cases, they are abandoned, or uncompleted due to paucity of funds (The Point, 2017). Economists and social practitioners fear that the quick increase in corruption has made the population more insecure, since it leads to a situation in which a small group of people become very wealthy, while the rest of the population become more exposed to threats to their living conditions and human security.

Nigeria is no doubt richly endowed with human and natural resources particularly oil and gas as well as 34 solid mineral resources such as gold, coal and sulphur. Despite the plethora of development policies and programmes, Nigeria's level of economic development over the past five decades has been disappointing (Adamu and Rasheed, 2016). Like most developing countries, Nigeria is still grappling with the dilemma of corruption that has largely retarded social development, undermined economic growth, discouraged foreign investments and reduced the resources available for infrastructural development, public service, and poverty reduction programmes. Across the board, between 1960 and 2005, about $20 trillion was stolen from the treasury by public office holders, according to the Economic and Financial Crimes Commission (Oxfam International, 2017). This submission is reinforced by Nwaeze (2011) when he posits that a combination of poor economic management characterized by looting of national resources, exploitation and absence of a purposeful and patriotic leadership accounts for the rapid collapse of the national economy.

The sudden lexicon of non-payment of salaries in the Nigerian political- economic space appeared copiously in the third dispensation of the fourth republic, when the leadership laxity on the age-long monoculture economy of Nigeria became a major embarrassment by the unexpected glut of crude oil in the international market. Since over 95 per cent of Nigerian GDP comes from oil, the dwindle oil revenue accruing to the country due to oil glut in the international market threw an heavy spanner in the wheel of economic wellbeing of Nigerians, especially the civil servants (Olaniyi, 2017).

All over the world, salary increase in the public sector; underlined by the principle of equity and the need to bridge social inequality in the face of widening economic and social gaps amongst citizen of a country (Ochei, 2012) has always been a dominant issue in labour activism. The federal government has always set up ad-hoc commissions to commissions to study productivity, wages and prices in Nigeria with a view to determining, fixing, and recommending appropriate wages to be paid to workers during period of labour discontent (Onyeche and Edet, 2017).

On July 1, 2010, the Justice Alpha Belgore Committee submitted a bill on the national minimum wage amendment to the National Assembly. The committee, among other proposals, recommended that the wage be reviewed at least once every five years by a statutory tripartite committee that would be appointed from time to time by the president. This bill was passed into law by both chambers of the National Assembly with minor adjustments. On August 16, 2011, the two parties – federal government and labour – signed an agreement which revised the national minimum wage to N18, 900.

The present wage made Nigerian workers one of the worst paid among the United Nations' (UN) member countries. The Nigeria national minimum wage of N18,000, according to the UN, is equivalent to \$115, but with the devaluation, the national wage has drastically fallen to \$58 or \$38 per month using the parallel market. Other African countries and even countries in the West African sub-region where Nigeria is seen as a big brother pay better wages. Countries like Angola pay \$170, Republic of Congo, \$170, Ghana, about \$200, South Africa, \$155, Tunisia, \$140 and Mauritius, which is one of the least paid, recently increased its wage from \$26 to \$257, about N92,520 per month (Oyesola, 2018). Also, Argentina and Angola pay \$527 and \$90 per month respectively. Kenya's monthly minimum wage is \$98, South Africa \$185, Brazil \$298, Russia \$131, Indonesia \$100, and China \$145 (The BusinessPost, 2017).

The International Labour Organization (ILO) constitution of 1919 emphasized the provision of an adequate living wage as a major improvement in the labour market conditions (Starr, 1981). This was re-affirmed by the ILO 1944 Philadelphia Declaration, where it was reiterated that countries should adopt a minimum living wage to protect the poor employed workers. Conceived as vehicles for the articulation and protection of the collective interests of workers in wage employment, trade unions, all over the world, have a chequered history As noted by the International Labour Organization ILO, (see Vanguard, 2012), minimum wage must take a legal perspective that must have the backing of force by law and be enforceable under threat of penal or other sanctions. It is this aspect of the minimum wage saga that generates the heated battles between labour organizations and governments.

Without doubt, 2017 was one of the most difficult year for Nigerian workers. The rise in cost of living, non-payment of salaries and pension were among numerous challenges, workers had to grapple with. The situation was made worse as the statistics recently released by the National Bureau of Statistics (NBS) indicated that over 4 million Nigerians lost their jobs in 2017 (Leadership, 2018). Despite the huge revenue that the states received through the Federal Government intervention funds to clear arrears of unpaid salaries and pensions in many states of the federation, coupled with additional payment of three tranches of windfall, (Paris Club debt refunds), many states of the federation entered 2018 with huge arrears spanning up to ten (10) or more months of wages and pensions (Leadership, 2018). The federal government had to intervene by advancing some funds to enable governors offset the arrears of salaries and allowances. Even then, there were instances where the funds were diverted to areas other those for which they were meant (Omeihe, 2017).

Some governors and even agencies of the federal government arbitrarily worked out their own formulae of what to pay and how to pay in other to remain afloat. They resorted to paying workers certain percentage of their salaries. And faced with serious challenges of survival, those workers had no alternative than to accept whatever stipend the governments were prepared to pay. Since then, some governors have been paying below the minimum wage hiding under questionable agreements entered into with their workers. Yet, the issue of salary and pension arrears running into several months has remained a recurring decimal (Omeihe, 2017).

Organised Labour and the Unending Struggle Over Minimum Wage

Founded in 1975, Nigerian Labour Congress is the body that champions labour activism as well as wages industrial cause in order to improve the conditions of workers and to agitate for their rights. Indeed, the Nigeria Labour Congress, with seven million worker-members from more than 40 affiliate industrial unions, is the biggest independent free trade union movement in Africa. The organized labour in Nigeria has for a long time developed a reputation for radical and militant defense of workers‟ rights and advocacy in issues that concern the working population and ordinary Nigerians (Adesina 2000:143; Adesoji 2003). When the Nigeria Trade Union Congress (NTUC), Labour Unity Front (LUF), United Labour Congress (ULC) and Nigeria Workers Council (NWC) in 1978 decide to merge together to form the Nigeria Labour Congress (NLC), their major objective was to protect, defend and promote the rights, well-being and the interests of all workers, pensioners and the trade unions (Oche, 2017).

In its four decades of existence, the NLC has survived two attempts to dissolve its national organs under military juntas and a third from a civilian administration.

The objective of minimum wage fixing is to give wage-earners the necessary social protection in terms of minimum permissible levels of wages. The living wage obviously differs from the minimum wage. The living wage is a decent wage. It affords the earner and his family the most basic cost of living. It is thus instructive that a living wage is not just a wage, since minimum wage attempts to cover only the very basic necessities and do not even account for savings or emergencies: living wage goes beyond this. The International Labour Organization, ILO, defines "Minimum wage as a wage which provides a floor to the wage structure in order to protect workers at the bottom of the wage distribution." The ILO further points out that minimum wages are a nearly universal policy instrument that applies in more than 90 percent of International Labour Organization member states, including Nigeria.

The world's first minimum wage law was passed in 1894 in New Zealand. It would be 87 years later in 1981 that Nigeria would pass its first minimum wage law, giving birth to the National Minimum Wage Act of 1981 and the premier minimum wage of N125. Since then, Nigeria has had three minimum wage reviews, virtually every 10 years, triggered mostly by high inflation rates and the concomitant increasing costs of living. It was N250 in 1990, N6,500 in 2000, and N18,000 in 2011. Each review took years of prolonged negotiations and threats of strikes by organized labour unions before being enacted into law (The BusinessPost, 2017).

The history of Nigeria's pay structure predates her political sovereignty. In the course of evolving an enduring and sustainable pay structure and incomes policy in Nigeria, different commissions have been established, both in the colonial and past colonial periods. These ad hoc bodies set up by different governments to handle wage reviews were often influenced by labour unrests resulting from the desire for better salaries and conditions of service (Obasa, 2015). The history of struggle for minimum wage started as a struggle for enhanced "cost of living allowance" otherwise known as COLA. The first salvo of workers for this was in 1942, under the aegis of the *civil service workers federation* and was later taken up by the first Trade Union Congress which was formed in November 1942. The climax of the struggle for COLA was the historic 1945 General Strike led by the indomitable Michael Imoudu, Labour Leader Number 1. The workers won after a long drawn strike that lasted for 44 days.

In 1964, the second General Strike marked an implicit struggle for and beyond minimum wage, while the result of the Adebo Commission in 1971 could be considered as the first step by the Federal Government to institutionalise minimum wage in response to the struggles of Nigerian workers (Aye, 2011). Since the 1963 general strike which lasted till 13th June 1964, pent-up wage demands usually find expression in strike action, which is more often than not followed by the establishment of wage tribunals. What this means is that the establishment of wage tribunals only after major workers'; protest still characterizes the post–independence industrial relation in Nigeria (Salawu, 1995).

Before the coming of Hassan Sunmonu as first president of the Nigeria Labour Congress in 1978, there was no history of a structured minimum wage for workers. It must be said that the Udoji pay package of 1975 was not regarded as a structured minimum wage, because it was not negotiated by workers' representatives. The then president of the NLC was encouraged to begin agitation for a minimum wage following a pay rise for political leaders at the time (Olayinka, 2018).

It was not until 1981 that Nigeria had the first national minimum wage of N100 basic salary per month during the administration of then President Aliyu Usman Shehu Shagari. It was backed by law. This was after an 11 day strike of May 1 to May 11, 1981. Then in 1990, following organized agitation by the Nigeria Labour Congress after series of agitations and failed negotiations, the government of General Ibrahim Babangida raised it from from N100 to N250 per month (Komolafe, 2014).

An opportunity for another round of negotiation opened in 1998, during the administration of General Abdulsalami Abubakar. The minimum wage was moved to N3,000. The team was not an organised labour body but a committee of industrial unions, led by Sylvester Ejiofor (Olayinka, 2018). In 2000, the government of President Olusegun Obasanjo negotiated with the Nigeria Labour Congress under the leadership of Comrade Adams Oshiomhole and the Nigeria Employers Consultative Association, NECA, and agreed at N5, 500 per month national minimum wage.

The National Assembly backed it with a law which excludes any person employing five persons and below from paying the National Minimum Wage (Komolafe, 2014). The year 2000 national minimum wage was done in accordance with Convention 98 of the ILO for which Nigeria was commended. This commendation earned President Obasanjo an invitation to address the plenary session of the ILO the following year.

Nigerian Workers and Dwindling Living Standard: Four Decades Apart

Labour is generally regarded as the most dynamic of all the factors that are employed for the creation of wealth, having the potential to energise and serve as catalyst to all of the other resources (Yesufu, 2000). It is not in doubt that Nigeria is richly and extra-ordinarily endowed with all the three basic principal factors needed for enhancement of productivity, namely, capital, human and mineral resources, it has been unable to take advantage of these factors to obtain at least a corresponding level of outputs consequent to which the country, several years since it attained political independence, is yet poverty ridden.

The sacrifices made by the Nigerian working class from the colonial era till date are enormous, especially anchored in the stiff resistance against obnoxious colonial policies such as poor wages in the wake of global depression that resulted in the general strike of 1945 over the Cost of Living Allowance (Egbanubi, 2016). However, over the years, greed, corruption, bad management in various sectors have been responsible for the deterioration of working and living conditions for millions of workers and their families. The major issue of concern is the governments' frequently permissive, passive attitude towards employers who ignore health and safety laws, even when their negligence leads to the death of a worker (Ngwama, 2016). For several years now there has been a tidal wave of discontent over Nigeria's minimum wage. The workers have consistently said at agitation points that their take home pay cannot take them home.

Studies have shown that certain basic conditions of work are necessary for healthy and productive lives for individuals and families worldwide (Heymann & Earle, 2010; Lott, 2010). For instance, wages and salaries to be paid by organisations must be able to attract talented human resources, serves as legal requirements, help to retain and finally motivate employees on their job which will increase individual output and invariably, enhanced the organisational performance. It is paradoxical that with all the material resources available in Nigeria, its workers lack the necessary motivation to perform their job duties.

In Nigeria the scale of economic inequality has reached extreme levels, and it finds expression in the daily struggles of the majority of the population in the face of accumulation of obscene amounts of wealth by a small number of individuals. Poverty in Nigeria is particularly outrageous because it has been growing in the context of an expanding economy where the benefits have been reaped by a minority of people, and have bypassed the majority of the population (Oxfam International, 2017). While more than 112 million people were living in poverty in 2010, the richest Nigerian man will take 42 years to spend all of his wealth at 1 million per day (Oxfam International, 2017). According to Oxfam's calculations, the amount of money that the richest Nigerian man can earn annually from his wealth is sufficient to lift 2 million people out of poverty for one year.

In the advanced industrial and highly competitive societies, workers are the main tools for economic growth and social progress. Their demands are normally taken into serious consideration, because without a dedicated workforce an organization crumbles (Dike, 2000). Nigerian workers have endlessly lamented poor remuneration, welfare and working conditions in most organizations both in the public and private sectors. As observed by Ekpu (2017), since the Federal Government increased the price of petrol in May 2016 from ₦87 per litre to ₦145 per litre there has been a phenomenal increase in the prices of food, transportation and other services. Some of the companies have laid off their staff or cut their salaries or even closed down completely because of the escalating cost of running their businesses.

Indeed, workers are suffering deprivation as a result of backlog of salary arrears. The situation has become so worrisome that an average worker has become pauperized. With the current trend, families of average public servants have become disorganized due to harsh effects of want (Onike, 2016). With the current #360 exchange rate, a civil servant earning #18,000 would have an income of $50 per month and would have to live around $1.5 per day which is below the international poverty benchmark of $2. Taking this into consideration, then one could say that with #18,000 minimum wage, Nigeria is currently below international poverty benchmark and thus conclude as a poor nation with that wage.

Perhaps more than any other time in the history of Nigeria, the labour unions and workers alike are confronted with legion of uncertainties relating to unstable wage remuneration, acute job insecurity as well as progressively shrinking employment index in all sectors of the economy (Daily Independent, 2018). It is regrettable that Nigerian workers, over the years, have been forced to operate under harsh workplace environments while their wages remain abysmally poor compared to standard that obtains in other climes. It is rather unhelpful that workers in Nigeria have been left with no other option than to resort to frequent agitations aimed at drawing attention of government to their parlous welfare conditions.

The sharp decline in the standard of living of the average Nigerian and worker follows dramatic increases in the rate of inflation in 2016. In January 2017, inflation accelerated for the 12th straight month, reaching 18.72%, the highest since September 2005, though the inflation rate fell slightly afterwards in February and March to 17.78% and 17.26% respectively. Though the minimum wage was an equivalent of about $115 in 2011 when the bill was signed into law, it has fallen to $59 or $46 using the parallel market rate (The BusinessPost, 2018). Seen from this perspective, the labour market looks less robust. Indeed, it is more like a galley ship in which the wage slaves are strapped to oars and exhorted to work harder for less (Elliott, 2013).

Statistics revealed that as at May 1, 2016, exactly 26 states of the federation were owing their workers between 2 and 8 months, mostly in the 17 states of the South, in which South West tops the list, followed by South East. The awkward development is occurring even after receiving over N1 trillion as bailout from the Federal Government as well as recent refunds from Paris Club. Yet, the governors would rather pay contractors who are embarking on white elephant and ghost projects instead of paying workers' salaries because it is more profitable for them to pay their cronies who are contractors. In certain instances, paying contractors means certain percentage will come back to them as graft and kickbacks (Olusola, 2015).

It is however evident incessant agitations leading to frequent strikes by labour unions have impacted negatively on the Nigerian economy. The last two decades in particular have been characterised by agitations over failure of government to fulfil promises to workers. Unfortunately however, the frequency of the crises in the labour sector has not translated into considerable improvements in the welfare of workers (Daily Independent, 2018). Besides the extant law, which stipulates that minimum wage should be reviewed every five years, whether or not there is inflation, the sustained spiralling economic atmosphere is enough to compel government and employers in the private sector to raise wages of workers across board.

Between Politicians and Workers: The Nigerian Master-Slave Relationship

The gulf between the rich and the poor is getting wider every day in Nigeria because of wage discrimination. The worker is perpetually conditioned in wage situation that is only enough to multiply his/her race while political office holders continue to line their pockets with fat wages. The huge gap between the rich and the poor in Nigeria can be traced to inequality in income distribution of workers in Nigeria. As observed by Emejuiwe (2017), income inequality gives birth to corruption, insecurity, lack of efficiency and capacity in the work place. It retards growth and development of both the individual and the nation. With the exception of a few corporations, income inequality exists among large percentage of workforce in the private and public sector in Nigeria. In most advanced climes, the private sector pays more than the public sector because remuneration is based on productivity and the public sector is seen as a place to serve and make an impact not as a channel to become rich. In Nigeria, the reverse is the case (Akus, 2018). Emejuiwe notes further:

> For the private sector, the situation appears to be worse. The situation is heightened by the non-regulation of labour in the private sector. The Nigerian Labor Unions' agitation for employee benefits focuses largely on the public sector. Most workers in the private sector are subjected to harsh working conditions. Employees are sometimes paid commissions only when they attract income to the company and where this does not occur such workers go home with nothing at the end of the month.

Nigeria's problem may not be non-payment of this pittance of a minimum wage but payment of too much *estacode* to people who only go about upgrading their own importance and their businesses worldwide (Ladipo, 2010). In Nigeria, remuneration packages for most of the top officers include annual salaries, accommodation, vehicle maintenance and fuel, Personal Assistants, house maintenance, domestic staff, entertainment and utility allowances. Others allowances are constituency allowance, annual leave, hardship allowance, wardrobe, newspapers and responsibility allowances, etc.

According to investigation by Economic Confidential (See Nigerian Bulletin, 2016), at a time Nigerians were groaning under the yoke of recession, members of the National Assembly (NASS) comprising the Senators and Members of House of Representatives received a total sum of N6.78 billion as their official salaries and allowances in one year. The breakdown of the allowances are on: Vehicle fuelling/maintenance, Constituency, Domestic Staff, Personal Assistant, Entertainment, Recess, Utilities, Newspaper/Periodicals, Houses Maintenance, Wardrobe, Estacode, Duty Tour, which attract more money available to the lawmakers than their basic salaries (Daniel, 2015). A senator representing Kaduna Central, Shehu Sani, revealed that he and his colleagues receive N13.5 million monthly as “running cost”. He said that the running cost does not include a N700,000 monthly consolidated salary and allowances which they also receive (Busari, 2018). Mr. Sani’s revelation is the first by a lawmaker from the Senate since the clamour by Nigerians for transparency of lawmaker’s earnings.

Beyond that, the lawmakers earn special amount in every four-year period on Accommodation, vehicle loan, furniture, and severance allowance, which make every Senator to pocket N24,090,000.00 and a House of Representatives member to go home with N23,822,00.00 within the same period. Thus for every four year which a lawmaker stays in the NASS, the Federal Government spends N2,625, 810,000.00 on accommodation, vehicle loans, furniture and severance gratuity on the 109 senators and N8,575,920,000.00 on the 360 House of Representatives members (Daniel, 2015).

The members of the Revenue Mobilisation, Allocation and Fiscal Commission empowered by section 70 of the Constitution to approve the salaries and allowances of the legislators have always washed off their hands like Pontius Pilate while the Budget Office has never questioned the payment of unauthorized salaries and allowances to federal legislators (Channels Television, 2018). Based on the statistics of the Revenue Mobilisation, Allocation and Fiscal Commission (RMAFC), the breakdown of the list of the 17,474 beneficiaries includes Federal Executive (472); Federal Legislature (464); Federal Judiciary (142); State Executive (2,664); State Legislature (1,152); State Judiciary (792); LGA Executive (3,096); and LGA Legislature (8,692). The 17,774 beneficiaries include President, Vice President, Senate President, Deputy Senate President, the House of Representatives Speaker, Deputy Speaker, ministers, governors, senators, members of the House of Representatives, judges, principal officers and members of the state Houses of Assembly, commissioners and local government chairmen and their councillors. Salaries take N94.959 billion and allowances cost about N1, 031,654,689,033.18 (N1.031trillion) (The Herald, 2015). For a minister, the salary and allowances add up to N14, 705,164 while those of presidential aide add up to N14, 085,843.75. The Head of Service and the Secretary to the Government of the Federation are on the same salaries and allowances. There are 36 ministers and 15 presidential aides. Their annual emoluments add up to N770, 083,888.25 (Amaefule, 2016).

While workers are grumbling for being owed between six and 10 months in salary arrears in some states, retirees die daily without being paid their gratuities and pensions. The situation is so ridiculous that salaries are being paid in fractions in some states, while pensioners on as low as N2, 500 monthly stipend are compelled to receive just N1,500 (The Punch, 2017). With the national minimum salary of N18,000.00 per month and totalling N216,000.00 per annum, it will take an average Nigerian worker, 60 years and 44 years to earn the annual salary and allowances of a Nigerian senator and a member of the House of Representatives respectively.

It has been argued in some quarters as well that in spite of Nigeria's position as one of the world's poorest nations, with a meagre per capita income of $2,249.00 per annum as against $46,350.00 of the US, Nigeria federal lawmakers were the highest paid in the world, with each earning more than the American President (Ajayi, 2013). Arguably, the constant inability to successfully stretch depreciating incomes through each calendar month may, unfortunately, induce the temptation for workers to engage in corrupt enrichment. Sadly, in such circumstances, an otherwise upright citizen may begin to rationalise any opportunity for corrupt enrichment, in their establishment, as “divine” provision.

The New Agitation and Possible Scenarios

Labour unions have long demanded that the minimum wage be increased, citing inflationary reasons and a contracting economy. The inauguration of a 30-member tripartite National Minimum Wage Committee for the negotiation of a new National Minimum Wage for Nigerian workers elicited a lot of expectations and hope among Nigerians. The Nigeria Labour Congress and Trade Union Congress have, however called on the committee to conclude everything concerning the new wage on or before the end of the third quarter of 2018 (Vanguard, 2018).

The expected implementation is likely to put an end to one battle that has long been fought relentlessly by members of the organised labour and those bothered about the poor welfare of Nigerian workers.

The Minister of Labour and Employment, Chris Ngige, explained that by the tripartite nature of the 30-man committee, it is made up of persons from the public sector (federal and state governments); the private sector comprising the largest private employer group, the Nigeria Employers Consultative Association (NECA), Manufacturers Association of Nigeria (MAN), Nigerian Association of Chambers of Commerce, Industry, Mines and Agriculture (NACCIMA) and Nigerian Association of Small and Medium Enterprises (NASME); as well as representatives of the organised labour, the Nigeria Labour Congress (NLC) and the Trade Union Congress (TUC) (Oyesola, 2018). The five-year cycle of the current Minimum Wage Act legally backing the subsisting negotiated minimum wage of N18,000 signed by former President Goodluck Jonathan in 2010 was due for negotiation in 2015.

Improved welfare packages for workers should reflect incentives that make education, transportation, housing and health care facilities more accessible towards alleviating living conditions as well as improving the standard of living of the people. A living wage therefore implies the very minimum that should accrue to an average worker in addition to other buffers that guarantee their basic welfare needs as dictated by the prevailing pressure of the economy. Even as wage increase is desirable, the number of those in paid employment peters out in the face of the army of the unemployed and the self-employed. A wage increase that targets the few in paid employment cannot substantially address the rising poverty in the land. Ekpu (2017) posits that the committee must also worry about the possible effect of the minimum wage increase. Will it lead to downsizing, casualization of labour, outsourcing or closure by small companies currently struggling to survive? Ekpu (2017) observes further:

> This matter (minimum wage) is in the exclusive legislative list which means it is only the Federal Government that can legislate on it. But the problem is that the 36 states have varying financial capabilities especially in the generation of internal revenue. Secondly, the cost of living is higher in some states than in others because of either their population density, food production capacity and efficient transport service. This means that the utilisation of the minimum wage by a wage earner depends on where he or she works. A uniform wage rate does not therefore address these peculiarities.

Despite the assurance, there are, however, fears that the National Assembly might delay the process and possibly push it further into 2019. The apprehension stems from the fact that Buhari, while inaugurating the committee, had said that after the completion of the work of the committee, an executive bill would be sent to the National Assembly "to undergo scrutiny before being passed into law" (New Telegraph, 2018). Poor implementation of the extant minimum wage has been another thorny issue for the workforce. While it was fixed in order to prevent the exploitation of the vulnerable, the ill-informed or isolated group of individuals, the implementation of the minimum wage has been a challenge in Nigeria due to lax enforcement systems. The penalties for non-compliance with the minimum wage law have not had the desired dissuasive effects on account of weak penalties (The BusinessPost, 2018).

Recommendations and Conclusion

The struggle for a living wage and a better Nigeria has been on the forefront of all activities of labour movement in Nigeria (John, 2018). The pressure is on the labour leaders to ensure that they continue to pressure the government to meet the demands of the workers (Oche, 2018). It is however, clear that continued protest, strike, placards and banging of table by the organised labour can only yield but little result. It is argued that minimum wage has a strong social appeal, rooted in concerns about the ability of the state to provide for the least able members of the workforce. This has led some people to ask for the redefinition of the wage structure politically to achieve a socially preferable distribution of income (Ochei, 2012). Thus, every Nigerian worker deserves to live a decent life and so must earn a decent wage. In other words, workers need improved salary and wage administration to enable them face the challenges of the present economic realities in the country. But the government must also ensure that the economy becomes productive. A number of issues should be addressed by the government.

One, the federal government needs to bridge the relativity gaps among the divergent salary structures. While 80 per cent of government workers especially in the civil service earn a pittance, staffers in such agencies as Central Bank of Nigeria (CBN), Federal Inland Revenue Service (FIRS) and government parastatals in the country's oil and gas industry including Nigerian National Petroleum Corporation (NNPC), among others, are receiving humongous emoluments which are unjustifiable (Idris, 2011).

Two, the lingering challenge of 'ghost workers' in the civil service, should be permanently tackled. The phenomenon of 'ghost workers' in the civil service was responsible for the huge wage bill in the country's recurrent expenditure in periods preceding the fourth republic in 1999. This phenomenon entailed the injection of fictitious and non-existent persons in the personnel budgets of most government MDAs. It has been a recurring decimal too since the emergence of the present civil rule.

Three, the cost of running the Federal, State and Local Governments in Nigeria under the Presidential System of Government should be drastically reduced. The System should be reorganized to take care of our peculiar problems as a developing nation; i.e. our Legislators' tenures should be on part-time basis and their emoluments should be reduced to sitting allowances. Also, the President, Governors and the Local Government Chairmen should also reduce the cost of maintaining their personal staff and of running their various convoys (Umaru, 2014). Long term and short term plans must be fashioned to prevent a downward review of the insufficient N18, 000 minimum wage. In the interim, frivolous spending, bloated salaries of the executive and legislative arms must be scaled down. Those in government must make sacrifices to justify the change mantra (Ebije, 2015).

The point is that revenue sharing and expenditure assignment formula has been generally inadequate in addressing the needs and resource gaps in the three tiers of governments. Most states rely solely on allocations from the Federal Government and paying less attention to Internally Generated Revenue. Thus, diversifying the Nigerian economy necessary for states to enhance their internally generated revenue and creation of employment opportunities is a necessary requirement. Also, states have to live within their income. Governors should cut down drastically on the cost of running government: living in opulence, driving around in convoys, buying aircraft and keeping a bogus retinue of aides. For maximum impact, states ought to address their bloated workforce (The Punch, 2017).

Above all, an effectively restructured political system will allow states to develop alternative sources of revenues away from hydro-carbons. Our national psyche has since then been focused on the distribution of easy oil rents from the central government to the states. The preponderance of opinion is that the federal government needs to shed weight and return powers and resources to the states where most government functions can be more efficiently undertaken. The present structure of governance, where petrodollar money is shared every month encourages no state to develop its resources. Considering the fact that most economic decisions are taken in a political environment, there is thus, the need to restructure our constitution. Finally, there is the need for the government, at all levels, to be more serious about managing workers' expectations and devising inclusive institutional reform mechanism with a view to striking a balance between cost of governance and social welfare.

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