

## Challenges of National Minimum Wage Implementation in Nigeria: The Kwara State Civil Service Experience

AbdulRasheed Hamza Bamidele<sup>1\*</sup>, Adedibu Abayomi Adegoroye<sup>2</sup>, Salahu  
Moshood Olayinka<sup>3</sup>

<sup>1</sup> Department of Politics and Governance, Kwara State University, Malete, Kwara State, Nigeria

<sup>2</sup> Department of Management and Accounting, Ladoke Akintola University of Technology Ogbomosho, Oyo State, Nigeria.

<sup>3</sup> Department of Politics and Governance, Kwara State University, Malete, Kwara State, Nigeria

---

Corresponding Email: [hamza.abdulrasheed19@kwasu.edu.ng](mailto:hamza.abdulrasheed19@kwasu.edu.ng)

---

### Abstract

National minimum wage implementation across the Nigerian civil service has always been problematic and filled with different challenges resulting in industrial conflict. The research work explored the main thrusts of challenges of national minimum wage implementation in Kwara State Civil Service. The research used mixed methods (quantitative and qualitative) and data were generated both from primary and secondary sources. While the population of civil servants in the MDAs in Kwara state was 40347 and the sample size for the study was 400 using Taro Yamane formulae, and a simple percentage was utilised for the quantitative data analysis. Findings revealed that insufficient funds and among others were never a constraint to the implementation of the national minimum wage as claimed by the state government. Aside from federal government allocation to the state, the Kwara state government generated ₦9.5 billion in the first quarter of 2021, also Kwara state benefitted from value-added tax (VAT) that was increased from 5% to 7.5%. The Paper concluded that the unwillingness and insincerity of political officeholders usher barriers to the implementation of the national minimum wage. The paper recommended that the punishment in Nigeria's extant minimum wage law was immaterial and ought to be reviewed.

**Keywords:** Challenges, Civil Service, Minimum Wage, Implementation,,

---

### INTRODUCTION

Received: 10 January 2023

Accepted: 19 May 2023

Published: 30 June 2023

One of the fundamental justifications for the establishment of a state is the need to guarantee the socioeconomic well-being of the citizen. In many nations of the world, the government has to cater to the well-being of its citizens. Even in some capitalist states like the United States of America, governments play a social role in the welfare of the workers, apart from the maintenance of law and order (Suleiman, 2012). This duty of government towards citizens' socio-economic well-being was captured by section 14 sub-Section 2 (b) of the 1999 constitution of the Federal

Republic of Nigeria which stated that “*the security and welfare of the people shall be the primary purpose of government*”.

In Nigeria, the historical backdrop of minimum wage can't be separated from the history of public service wage negotiations and increments. It dates back to the colonial era and the setting up of the Hunts Commission in 1934 but the study covered the period from 1999 to 2019 which represents the democratic era that gives room for the rule of law. It is noteworthy to note that the first minimum wage was passed into law in 1981 (N125) and revised in 1990 to ₦3,000. Former Head of State, Abdulsalami Abubakar promised a wage increase in 1998. Astonishingly, in 1999, the decision was countermanded following an excuse that the oil revenue dwindled.

In 2000, the Nigeria Labour Congress demanded a minimum wage of N20,000 while the negotiation ended on ₦7, 500 per month for federal staff while ₦5, 700 for the states. The 2000 Wage Review Agreement provided for a further 25% wage increase for workers with effect from May 1, 2001, and a 15% wage increase with effect from May 1, 2002, was not implemented. As a result of the industrial dispute over the non-implementation, a 12.5% increase rather than the 35% agreement in 2000, was signed in 2003. Yet in the end, only an increase of between 4% and 12.5% was implemented by the Federal Government. Subsequently, the Shonekan Committee was set up which recommended a 25% increase in salaries, and Obasanjo's Administration unilaterally implemented a 15% increase in 2007 (Asodike and Jaja 2012). In 2010, the Nigeria Labour Congress (NLC) clamoured for an upward review of the National Minimum Wage and had just suspended another strike which started on May 3, 2010, on the plea of the acting president Goodluck Jonathan. Subsequently, a new National Minimum Wage Act was signed into law in 2011; its ordinance for employers in Nigeria to pay their workers nothing less than ₦18,000 Naira. Again, in 2011, NLC went on strike to protest the refusal of some states to implement the National Minimum Wage Act while the state government decided to implement the minimum wage of civil servants in the lower-wage bracket (Grade Level 01-06) and deferred the payment of other categories (Grade Levels 07-17) to January 2012.

More recently, Nigerian Labour Congress advocated ₦50, 000 new minimum wage but later settled to ₦30,000 (\$78.84) after a series of meetings between the minister of labour and employment with leaders of the labour union (Urama, 2019). President Muhammadu Buhari assented to another new minimum wage of ₦30,000 (\$78.84) for

federal and state workers, which represents 67% increments to the previous ₦18,000 national minimum wage, repealed the old one and Enactment Act 2019. However, many state governments turned around to say that the demand for civil servants was most unrealistic given the peculiar financial position of the state. The non-implementation of the legislation ₦30,000 national minimum wage has led to disharmony between the state government and labour unions (Umar, 2021).

## STATEMENT OF THE PROBLEM

Constitutionally, Nigeria operates a federal structure in which the states constitute the federal units. On issues of salaries and wages, the minimum wage is on the exclusive list of the federal government, the implication is that when the federal government fixes the minimum wage, the federating states are expected to take a queue from that and do likewise for the state civil servants (Nwokolo, 2011). In Kwara State, following the agreement reached on 26<sup>th</sup> April 1999 between government representatives and the Trade Union side of the Public Service Negotiation Council (Joint Trade Union in the State and Local Government representing the public workers in Kwara State). In Kwara State, when President Olusegun Obasanjo announced the minimum wage increase of ₦7,500 for Federal and ₦5,700 for State civil servants, the then Administrative of Governor Mohammed Alabi Lawal 2000 adopted a minimum wage of ₦6,000 (allowance inclusive) in the Kwara State Public Service. But the implementation was marred by irregularities and could not subdue agitations for a better welfare package by the Civil Servants and one salient point about minimum wage generally was the aim of improving citizens' standard of living.

Alabi (2000) posited that Kwara State under the erstwhile dispensation of the Late Governor Muhammad Lawal was among the states that agreed to pay ₦6,000 (allowance inclusive) in the year 2000. The wage Review Agreement provided for a further 25% wage increase for workers with effect from May 1, 2001, and a 15% wage increase with effect from May 1, 2002, was not implemented by the Kwara state government which led to an industrial dispute. Furthermore, the Kwara state government agreed to 12.5% and it was signed in 2003 instead of the agreed (25% + 15%) 35% agreement with labour unions in the year 2000; in the end, only an increase between 4% and 12.5% were implemented by the Kwara state government. Hence, taking into cognizance the prevailing economic

situation, as well as the perpetually weakening purchasing power of the average worker, the need for an upward review of the minimum wage cannot be over-emphasized. In 2010, after several agitations, the Nigerian Labour Congress having considered the economic situation consented to a lower figure of ₦18,000 minimum wage approved by the Federal government for Nigerian workers through an Act of the National Assembly and signed into law by President Good Luck Jonathan in 2011 (i.e. National Minimum Wage 2011 Act). Hence all the state governors were calling for a review of the revenue formula. Some of the states which include the Kwara state government refused to properly implement the grade levels 7 – 17. Olaitan (2021) states that it was illegitimate for any state government to say that it could not pay the minimum wage, because there are not enough resources available to each state government.

Going by the constant high level of increments in the price of goods and services across the states of the federation, the concept of the minimum wage has failed because it hasn't kept pace with the rising cost of living and this gave rise to another agitation of national minimum wage by organised labour. After agitations, accusations, and countered-accusations between the organised labour and the Minister of Labour and Employment, Senator Chris Ngige, that culminated in strike actions and threats of an indefinite nationwide strike, President Muhammed Buhari assented to another new minimum wage of ₦30,000 for federal workers as well as state worker which represents 66% increase in the minimum wage and first time of having the same salary with both federal and state, these repealing the old one and Enactment Act 2019. But the state government failed to heed the positions of labour unions which makes Kwara state labour unions proceed with industrial action over disagreement on signing and implementation of consequential adjustment in the state but the National Industrial Court (Suit No NICNAK/53/2020) in Akure restraining labour unions from proceeding on industrial action. After a lot of discord between labour unions and the state government, on the 13<sup>th</sup> Dec. 2021 resolved the issues of payment of the ₦30,000 minimum wage to the state workers as both parties (Unions and government representatives) signed the consequential adjustment for senior civil servants in the state which 15% increment for GL 8 – 10 also 10.5% increment for GL 12 – 14 and 8% increment for GL 15 – 17 (15<sup>th</sup> December 2021; Punch Newspaper). National minimum wages in Kwara state for GL 1 – 6 were properly graduated to ₦30,000 while GL 7 – 17 were not properly graduated as expected by the organised labour. On that premise, an attempt was made to provide answers to the research question:

i. What are the problems militating against the implementation of the National Minimum Wage Acts in Kwara state civil service?

## OBJECTIVES OF THE STUDY

The paper aims to assess Nigeria's plethora of challenges in the implementation of the National Minimum Wage: Kwara State Civil Service in focus. The specific objective of the study is to:

i. investigate the problems militating against the implementation of the National Minimum Wage Acts and its effect on industrial harmony in Kwara state.

## MINIMUM WAGE IN KWARA STATE (1999-2023)

The major struggle about the minimum wage happened at the national level while labour unions at the state level swung into action after the agreement between the federal government and national labour unions. In Kwara State, following the agreement reached on 26<sup>th</sup> April 1999 between government representatives and the Trade Union side of the Public Service Negotiation Council (Joint Trade Union in the State and Local Government representing the public workers in Kwara State) on the implementation of the new harmonised public service salary structure (HAPSS) for state and local government employees, as contained in the National Salaries, Income and Wages Commission letter No. SWC.04/812 of 29<sup>th</sup> March 1999. The government approved the new harmonized public service salary structure (HAPSS) on ₦3,000 minimum wages for state and local government workers in the state while the new remuneration package is as follows:

S/N	Component	Grade Level	Amount
a.	Rent Subsidy	GL. 01 – 17	50% Monthly Basic Salary
b.	Transport	GL. 01 – 06	₦600.00P.M
		GL. 07 – 13	₦690.00P.M
		GL. 14 – 17	₦940.00P.M
c.	Meal Subsidy	GL. 01 – 06	₦300.00P.M
		GL. 07 – 13	₦350.00P.M
		GL. 14 – 17	₦400.00P.M
d.	Utility	GL. 01 – 06	₦150.00P.M
		GL. 07 – 13	₦240.00P.M

		GL. 14 – 17	₹390.00P.M
e.	Entertainment	GL. 15 GL. 16 – 17	₹250.00P.M ₹350.00P.M

**Source:** Kwara State Head of Service (Establishment and Training) 2023.

### Harmonised Allowances for the Public Service of State and Local Governments effective: 1<sup>st</sup> January 1999

S/N	Type of Allowance	Grade Level	Rate Per Month
1	Rent	01 – 17	50% of the monthly basic salary
2	Transport	01 – 06	600
		07 – 13	690
		14 – 17	940
3	Meal Subsidy	01 – 06	300
		07 – 13	3500
		14 – 17	400
4	Utility	01 – 06	150
		07 – 13	240
		14 – 17	390
5	Entertainment	15	250
		16 – 17	350

**Source:** Kwara State Head of Service (Establishment and Training) 2023.

### Harmonised Salary Structure of Top Local Government Public Office Holders Effective: 1<sup>st</sup> January 1999

Category	Office	Salary Per Annum	
		Old N	Now N
1	Councillor	₹15,000	₹60,000
2	Majority and Minority Leader, Chief Whips	₹18,000	₹67,200
3	Supervisor	₹21,000	₹77,700
4	Leader Legislature Arm, Deputy Chairman, Secretary	₹27,000	₹100,200
5	Chairman	₹27,000	₹100,200

**Source:** Kwara State Head of Service (Establishment and Training) 2023.

### Harmonised Allowances for Top Local Government Public Office Holders Effective: 1<sup>st</sup> January 1999

Category	Allowance	Rate Per Annum	
		Category 1 – 3	Category 4 – 5
1	Rent Subsidy	50% of Annual Basic Salary	50% of Annual Basic Salary
2	Transport	₹16,800	₹18,800

3	Meal	₦6,000	₦7,200
4	Utility	₦6,600	₦8,400
5	Entertainment	₦8,700	₦10,800
6	Leave Grant	10% of Annual Basic Salary	10% of Annual Basic Salary

**Source:** Kwara State Head of Service (Establishment and Training) 2023.

In Kwara State, when President Olusegun Obasanjo announced the minimum wage increase of ₦7,500 for Federal and ₦5,700 for State civil servants, the then Administrative of Governor Mohammed Alabi Lawal 2000 adopted a minimum wage of ₦6,000 (allowance inclusive) in the Kwara State Public Service. But the implementation was marred by irregularities and could not subdue agitations for a better welfare package by the Civil Servants and one salient point about minimum wage generally was the aim of improving citizens' standard of living.

Alabi (2019) posited that Kwara State under the erstwhile dispensation of Late Governor Muhammad Lawal was among the states that agreed to pay ₦ 6,000 (allowance inclusive) in the year 2000. The wage Review Agreement provided for a further 25% wage increase for workers with effect from May 1, 2001, and a 15% wage increase with effect from May 1, 2002, was not implemented by the Kwara state government which led to an industrial dispute. Furthermore, the Kwara state government agreed to 12.5% and it was signed in 2003 instead of the agreed (25% + 15%) 35% agreement with labour unions in the year 2000; in the end, only an increase between 4% and 12.5% were implemented by the Kwara state government.

### **Harmonised Allowances for Kwara State Public Service Effective date: 1<sup>st</sup> May 2000 (For New One)**

S/ N	Type of Allowance	Old		New	
		Grade Level	Rate Per Month	Grade Level	Rate Per Month
1	Rent	01 – 17	50% of the monthly basic salary	01 – 17	30% of the monthly basic salary
2	Transport	01 – 06 07 – 13 14 – 17	₦600 ₦690 ₦940	01 – 06 07 – 10 12 – 14 15 – 17	₦800 (20% of the Basic Salary of GL 01-1) ₦1017 (12% of the Basic Salary of GL 07-1) ₦1271 (8% of the Basic Salary of GL 12-1) ₦1507 (6% of the Basic Salary of GL 15-1)
3	Meal Subsidy	01 – 06 07 – 13 14 – 17	₦300 ₦3500 ₦400	01 – 06 07 – 10 12 – 14	₦300 (Former Rate) ₦3500 (Former Rate) ₦400 (Former Rate)

				15 – 17	₹450 (Former Rate)
4	Utility	01 – 06 07 – 13 14 – 17	₹150 ₹240 ₹390	01 – 06 07 – 10 12 – 14 15 – 17	₹200 (5% of the Basic Salary of GL 01-1) ₹339 (4% of the Basic Salary of GL 07-1) ₹545 (3% of the Basic Salary of GL 12-1) ₹602 (2% of the Basic Salary of GL 15-1)
5	Entrainment	15 16 – 17	₹250 ₹350	12 16 – 17	₹500 ₹700
6	Domestic Servant	15 16 – 17	- -	12 16 – 17	1 Domestic Staff on GL 02/8 2 Domestic Staff on GL 02/8
7	1. Rent subsidy is payable only to qualified staff at the rate of 30% of the annual basic salary 2. Leave grant is payable at the rate of 10% annual basic salary 3. All professional allowances not mentioned above remain at the current rate.				

**Source:** Kwara State Head of Service (Establishment and Training) 2023

Furthermore, in January 2007. Governor Bukola Saraki led an administrative review upward the Minimum Wage for State Civil Servants to ₹7,500.00 as part of the pact he had with Civil Servants of the State. Wages were further reviewed by 20% in 2009 bringing take-home pay to ₹9,050.00

### Allowances

S/N	Type of allowances	Grade Level	Rate per Month
1	Rent	01 – 16	40% of the Basic Salary
2	Transport	01 – 06	₹1,100.00
		07 – 10	₹1,450.00
		12 – 14	₹1,700.00
		15 – 16	₹2,000.00
3	Meal subsidy	01 – 06	₹500.00
		07 – 10	₹700.00
		12 – 14	₹800.00
		15 – 16	₹900.00
4	Utility	01 – 06	₹300.00
		07 – 10	₹500.00
		12 – 14	₹650.00
		15 – 16	₹800.00
5	Entrainment	15	₹700.00
		16	₹900.00
6	Domestic Servant	15	1 domestic staff on GL. 03 step 8
		16	2 domestic staff on GL. 03 step 8
7	Leave grant is payable at the rate of 10% annual basic salary.		

**Source:** Kwara State Head of Service (Establishment and Training) 2023.



The ₦18,000.00 National Minimum Wage passed in August 2011 by the National Assembly was accordingly implemented by Governor AbdulFatai Ahmed's administration. The consolidated medical salary structure (CONMES) as well as the consolidated Health Salary Structure (CONHESS) for Medical Health/Dental and other Health Officers respectively in the year 2012. The Kwara State Government was among the first few states in the Federation that implemented the ₦18,000 National Minimum Wage as conveyed by an enabling circular from the National Salaries, Incomes and Wages Commission No.SWC.04/VOL.IX/517 dated 18th August 2011. Though the Salary Scale implemented in the State had since been an issue of contention between the Government and Organized Labour as the Labour union expresses its discontent that the Salary Template was amputated (Kwara State Head of Service, 2021).

However, Governor AbdulRasaq Abdulrahman led's administration adopted a national minimum wage of ₦30,000 after it was passed on the 19<sup>th</sup> March 2019 by the National Assembly and was signed (Assents) by President Muhammadu Buhari on 18<sup>th</sup> April 2019 while Kwara state labour unions swung into actions after the assents of Mr President to the new national minimum wage for the government to set-up committee i.e. tripartite committee for the minimum wage implementation. Nonetheless, the Committee's findings and observation about the overall effect of the various circumstances and agitation for the ₦30,000 minimum wage revealed a situation of rising expectations of workers for a better welfare package and a living wage.

The current pay package enjoyed by civil servants is inadequate to have a significant impact on their standards of living. Considering the peculiarities of Kwara State in this regard, statistics have shown that the economy of the state has improved in recent times compared to the past years in terms of income accruing to the state through the Federal Account Allocation Committee and Internal Generated Revenue. The last time the wages of workers were reviewed was in 2011, and as part of the agreement reached then, there was an understanding between labour and government that when the finances of the state improve, there will be a consideration for a wage increase. Hence, taking into cognizance the prevailing economic situation, as well as the perpetually weakening purchasing power of the average worker, the need for an upward review of the minimum wage cannot be over-emphasized. but the state government failed to heed the positions of labour unions which makes Kwara state labour unions proceed with industrial action over disagreement on signing and implementation of consequential adjustment in the state but the National Industrial Court (Suit No NICNAK/53/2020) in

Akure restraining labour unions from proceeding on industrial action (13<sup>th</sup> October 2020; Premium times newspaper). After a lot of discord between labour unions and the state government, on the 13<sup>th</sup>. Dec. 2021 resolved the issues of payment of the ₦30,000 minimum wage to the state workers as both parties (Unions and government representatives) signed the consequential adjustment for senior civil servants in the state which 15% increment for GL 8 – 10 also 10.5% increment for GL 12 – 14 and 8% increment for GL 15 – 17 (15<sup>th</sup> December 2021; Punch Newspaper). National minimum wages in Kwara state for GL 1 – 6 were properly graduated to ₦30,000 while GL 7 – 17 were not properly graduated as expected by the organised labour. The state government claimed that the current revenue-sharing formula among the three- tiers of government cannot support the full implementation of the 66% increment from the old ₦18,000 National Minimum wage 2011 Act to the new National Minimum Wage 2019 Act ₦30,000 across the board.

## METHODOLOGY AND DATA PRESENTATION

A descriptive survey approach was adopted by drawing data from both primary (Questionnaire and Interview) and secondary (Textbooks, Journals, Government Documents, Newspapers, and Internets) sources. The target population of the study consists of staff in the ministries, departments, and agencies (MDAs) in Ilorin, Kwara State. Hence, the sample size chosen is determined by the Taro Yamane (1976) techniques/methods; and this is expressed as thus:

$$n = \frac{N}{K + N(e)^2}$$

Where: n = Sample size

N = total population of selected Ministries, Departments, and Agencies (MDAs) in Kwara state

$$k = 1$$

$$e = 0.05\%$$

$$n = 40347$$

$$n = 40347$$

$$1 + \frac{40347}{40348 * 0.0025} (0.05)^2$$

$$n = \frac{40347}{100.87}$$

n = **399.99**      Approximately, n = **400**

Therefore, the sample size for the study is 400. A total of 400 copies of the questionnaire were distributed to the selected MDAs.

Based on the above formulae, simple percentages were used to allot questionnaires to each selected Ministries, Department and Agency (MDAs) in Kwara state, presented in the table below.

### Number of staff and Allotted Questionnaire to the selected MDAs

S/ N	MDAs	Population	Allotted Questionnaire
<b>Kwara State</b>			
1	Kwara State Universal Basic Education Board (SUBEB), Ilorin	21012	208
2	Kwara State Ministry of Finance, Ilorin	482	4
3	The head of Service, Office of the Head of Service, Ilorin	352	4
4	Kwara State Council for Arts and Culture, Ilorin	388	4
5	Kwara State Teaching Service Commission (TESCOM), Ilorin	9123	90
6	Kwara State Local Government Service Commission (LG STAFF), Ilorin	8601	85
7	Kwara State Ministry of Tertiary Education, Science, and Technology, Ilorin	389	5
<b>Total Questionnaire for MDAs in Kwara State</b>		<b>40347</b>	<b>400</b>

**Source:** Research Field Work, 2023

### Respondents Rate

	Items	Number	%
<b>1</b>	Number of samples	<b>400</b>	
<b>2</b>	Number of returned and dully filled	340	85%

<b>3</b>	Number of returned but wrongly filled	21	5.25%
<b>4</b>	Number of unreached respondents	39	9.75%
<b>Total</b>			<b>100%</b>

**Source:** Fieldwork, 2023

A total number of four hundred questionnaires were administered; a total number of thirty-nine (39) respondents could not be reached while three hundred and sixty-one (361) were retrieved from employees in the Ministries, Departments, and Agencies (MDAs) in Kwara State. Out of the total number of three hundred and sixty-one (361) retrieved, only three hundred and forty (340) questionnaires were duly filled without any errors.

### Bio Data of Respondents

<b>Sex</b>	<b>Frequency</b>	<b>Percentage</b>
Male	266	78.2%
Female	74	21.8%
<b>Total</b>	<b>340</b>	<b>100%</b>
<b>Ages</b>	<b>Frequency</b>	<b>Percentage</b>
30-40	97	28.5%
41-50	145	42.7%
51-60Above	98	28.8%
<b>Total</b>	<b>340</b>	<b>100%</b>
<b>Education</b>	<b>Frequency</b>	<b>Percentage</b>
SSCE	10	3%
ND/NCE	60	17.6%
HND/B.Sc.	196	57.6%
Master	52	15.3%
PhD	22	6.5%
<b>Total</b>	<b>340</b>	<b>100%</b>
<b>Marital Status</b>	<b>Frequency</b>	<b>Percentage</b>
Married	295	86.8%
Single	22	6.5%
Divorced	23	6.7%
<b>Total</b>	<b>340</b>	<b>100%</b>

**Source:** Survey data collected from fieldwork, 2023

As earlier presented, four hundred (400) questionnaires were administered; three hundred and sixty-one (361) were retrieved, but only three hundred and forty (340) questionnaires were dully filled without any errors.

The above table indicated that there is an overwhelming preponderance of male respondents. The table shows seventy-eight point two percent (78.2%) of males and twenty-one point eight per cent (21.8%) of females. It is equally indicated on the table, the age group of the respondents: the figure indicates that individuals between the ages of 30 - 40 years widely represent with a response of twenty-eight point five percent (28.5%). An individual between the age of 41 - 50 years constitutes most of the responses in this survey with forty-two point seven percent (42.7%) while twenty-eight point eight per cent (28.8%) represents individuals between the ages of 51-60 years and above. The table also displays educational qualification of the respondents; most of the respondents have qualifications up to the university and polytechnic level which represents fifty-seven point six percent (57.6%) while fifteen point three per cent (15.3%) respondents hold Master; seventeen point six per cent (17.6%) respondents holds NCE/ND; three percent (3%) respondents hold SSCE while six point five percent (6.5%) holds Ph.D. among the respondents. All educational levels were duly represented in this questionnaire because the questionnaire was administered to all staff from grade levels 03 - 17 in the selected MDAs. Grade levels 03 - 17 were chosen because of experiences and it's expected that the respondents provide information concerning the problem associated with national minimum wage implementation.

Additionally, the table also displays marital status which eighty-sixes point eight percent (86.8%) respondents have married; six-point five per cent (6.5%) respondents are yet to marry while six-point seven per cent (6.7%) respondents recorded as a divorcee.

## **PROBLEMS OF NATIONAL MINIMUM WAGE IMPLEMENTATION IN KWARA STATE CIVIL SERVICE**

Regarding the problems militating against the implementation of the Minimum Wage Act in Kwara state Civil Service; Seven (7) statements were tailored to seek information regarding the respondents' opinions on the issues associated with minimum wage implementation.

Responses on the problems militating against the implementation of the minimum wage in Kwara State Civil Service

**Key: SA (Strongly Agreed), A (Agreed), U (Undecided), D (Disagreed), SD (Strongly Disagreed)**

S/N	Statements	SA 5	A 4	U 3	D 2	SD 1	Total	Aggregate Response
1.	Insufficient fund	13 (3.9%)	15 (4.5%)	19 (5.5%)	145 (42.6%)	<b>148</b> <b>(43.5%)</b>	340 100%	<b>Strongly Disagreed</b>
2.	Inadequate statistics	35 (10.3%)	72 (21.1%)	21 (6.1%)	<b>147</b> <b>(43.3%)</b>	65 (19.2%)	340 100%	<b>Disagreed</b>
3.	Non-enforcement	99 (29.1%)	<b>147</b> <b>(43.2%)</b>	20 (5.9%)	52 (15.2%)	22 (6.6%)	340 100%	<b>Agreed</b>
4.	Inflation	32 (9.4%)	64 (19%)	31 (9.1%)	<b>157</b> <b>(46.1%)</b>	56 (16.4%)	340 100%	<b>Disagreed</b>
5.	Incessant/ Differential wage review	46 (13.5%)	86 (25.3%)	32 (9.4%)	<b>109</b> <b>(32.1%)</b>	67 (19.7%)	340 100%	<b>Disagreed</b>
6.	Lack of awareness	15 (4.5%)	24 (7.1%)	29 (8.5%)	<b>173</b> <b>(50.8%)</b>	99 (29.1%)	340 100%	<b>Disagreed</b>
7.	non-unionised workers	36 (10.6%)	44 (12.9%)	33 (9.8%)	120 (35.3%)	<b>107</b> <b>(31.4%)</b>	340 100%	<b>Strongly Disagreed</b>

**Source:** Survey data collected from fieldwork, 2023

The above table shows the respondents in the Ministries, Departments, and Agencies (MDAs) in Kwara state. However, the above table showed the first statement that 3.9% + 4.5% = **8.4%** agreed while 42.6% + 43.5% = **82.5%** disagreed with the statement which interprets that insufficient is never a problem for the minimum wage implementation in Kwara state. Most State Governors saw the implementation of minimum wage as ill-considered. This was traced to certain factors like insufficient revenue over the year had been a major setback to the implementation of minimum wage in the State. Some governors indicated their readiness to pay while others screamed about their inability to pay the minimum wage. Insufficient funds are claimed as challenges any time issues of the minimum wage are raised. However, the study revealed that it was not just insufficient funds as they claimed but the insincerity of political office holders. Following were the responses of the respondent interviews about the insufficient fund claimed by some governors.

However, a relevant response to the above question was encapsulated by the respondent; National Union of Teachers (NUT), Kwara State Chapter argued that:

“Kwara State Internal Revenue Service (KW-IRS) was created and the state government generated billions of naira. In 2019, the state generated 30.7 billion and was reported by the Kwara state government that ₦9.5 billion was generated in the first quarter of 2021. I do wonder when the state government said they don’t have money to implement a national minimum wage across the board. Kwara state government was not getting it right, they only implemented levels 1 – 6 while adding a useless per cent to grade levels 7 – 17; in Kwara state it’s unfortunate.” (Fieldwork Interview, 2023)

In light of the above controversy about insufficient fund, it was sufficiently demonstrated that it was not just insufficient funds as claimed by the government but the unwillingness and insincerity of political officeholders. This finding correlates with the position of Olaitan (2021) which states that it was illegitimate for any state government to say that it could not pay the minimum wage, because there are not enough resources available to each state government.

**Inadequate statistics:** Inadequate statistics was another challenge: The shreds of evidence from quantitative information in the above table indicate affirmation responses regarding the opinion of respondents. The table shows in Kwara state that  $43.3\% + 19.2\% = 62.5\%$  disagreed while  $3.9\% + 4.5\% = 8.4\%$  agreed with the statement which means Kwara state government does staff verification from time to time and not only peculiar to the minimum wage era, staff verifications in Kwara state has always been practised by the state government to ascertain the true position of personnel cost before the implementation of national minimum wage. and it’s a never a problem for the implementation of national minimum wage. Haliru (2021) posited that staff verifications it’s an exercise in that the state will verify the date of birth, rank, salary, qualification, date of the first appointment, and last promotion among other things. From that, ghost workers who earned without working were discovered; fake certificate holders were also discovered and disengaged by states, by doing state will know the total number of staff and the financial implications of wages in the state.

**Non-enforcement:** The third statement in the above table demonstrated affirmation responses regarding the opinion of respondents on the non-enforcement of national minimum wage implementation. The table shows in Kwara state that  $15.2\% + 6.6\% = 21.8\%$  disagreed while  $29.1\% + 43.2\% = 72.3\%$  agreed with the statement which means no proper and credible enforcement mechanism in Kwara state. The implementation of the national minimum wage was confronted with the constraints of the non-enforcement capacity of the Government. No appropriate and dependable authorization system had sufficient legitimate backing to deter non-compliance with the implementation of the national minimum wage in the State. Government organizations and other powerful non-state entities were usually the employers of labour. That made the imposition of sanctions and other legal processes not to be fruitful in the effective implementation of minimum wage in the states (Ameen, 2021). The State Government did not keep to the rules and terms of the agreement with the Federal Government. That simply indicated that the Federal Government did not have sufficient qualified personnel for ensuring that the provisions of the labour laws including the national minimum wage were effectively and adequately observed by employers of labour including the various States and Local Governments (Nwobi, 2017).

**Inflation:** The above table demonstrated affirmation responses regarding the opinion of respondents on maybe the rate of inflation affects the implementation of the national minimum wage. The table shows that  $46.1\% + 16.4\% = 62.5\%$  disagreed while  $9.4\% + 19\% = 28.4\%$  agreed with the statement which means inflation does not affect or as anything to do with the implementation of a national minimum wage but the economy has been highly inflationary even before the last remuneration package came into effect. From 1999, the rise of inflation was only 6.6%; it rose to 15.4% in 2021, inflation abrades the purchasing power and made minimum wage less valuable, and the purchasing power of civil servants became eroded by inflation hence the standard of living was low, as such, civil servants could not afford their basic needs. Inflation is moving at a rate faster than the minimum wage. The respondent; Trade Union Congress (TUC), Kwara state councils say that:

How much is the dollar to naira when the president assented to the New Minimum Wage Act 2019? And how much is the dollar to naira now? So, workers are on the negative side, if workers should be treated fairly based on the economic situation, the minimum wage should be two hundred and sixty-five thousand naira (₦265,000) now. (Fieldwork Interview, 2021)



With the economic situation, thirty thousand (₦30,000) minimum take-home pay is below the equilibrium for every Nigerian worker.

**The Incessant/Differential wage review:** The inability to pay minimum wage was linked to differential wage but a quantitative study proved it to be wrong. The above table demonstrated affirmation responses regarding the opinion of respondents on the incessant or differential wage review. The table shows that  $32.1\% + 19.7\% = 51.8\%$  disagreed while  $13.5\% + 25.3\% = 38.8\%$  agreed with the statement which means the incessant or differential wage has nothing to do with the implementation of national minimum wage. There is no justification for a constant wage review below five years stipulated by the law. This is because it will lead to a general and persistent rise in the prices of goods and services and a reduction in the number of jobs available. It will also lead to inflation. Once there is any attempt made to increase the minimum wage, the mouth of traders will start salivating on how to increase the prices of items in the market. Truly, government ministries, departments, and agencies (MDAs) pay differently but quantitative results proved that salary differential does not militate against the implementation of a national minimum wage. However, Ameen (2021) posited that wage differential between ministries, departments and agencies (MDAs) staff, and political office holders accounted for industrial disharmony in the state civil service.

**The Lack of Awareness:** In the above table demonstrated affirmation responses regarding the opinion of respondents on the lack of awareness affecting the implementation of the national minimum wage in Kwara state. The table shows that  $4.5\% + 7.1\% = 11.6\%$  agreed while  $50.8\% + 29.1\% = 79.9\%$  disagreed with the statement which means lack of awareness has nothing to do with the implementation of the national minimum wage in Kwara state. Reinhardt and Drachsler (2012) see awareness as a state wherein a person is cognizant of some information when that information is directly available. In response to the questions of awareness, the respondent; National Union of Teachers (NUT), Kwara State Chapter says that:

Many civil servants do not know what should be their actual wages. They just take home whatever they are given. Even when they know or are aware, the challenging economic situation does not allow them to quit their job for other establishments. (Fieldwork Interview, 2023)

**Non-unionised Workers:** The seventh and last statement in the above table demonstrated affirmation responses regarding the opinion of respondents on the non-unionised workers

hindering the implementation of national minimum wage in Kwara state. The table shows in Kwara state that  $10.6\% + 12.9\% = 23.5\%$  agreed while  $35.3\% + 31.4\% = 66.7\%$  disagreed with the statement. It was imparted from quantitative results that non-unionised workers were not militating against the implementation of the national minimum wage. Workers are always the greatest victims of unfair labour practices. But if labour unions fail to work together, workers will always be the greatest victims of unfair treatment from state governments.

## Discussion of Major Findings

Most State Governors saw the implementation of minimum wage as ill-considered. This was traced to certain factors like insufficient revenue over the year had been a major setback to the implementation of minimum wage in the State. Some governors indicated their readiness to pay while others screamed about their inability to pay the minimum wage (Dayo, 2000). However, the study in Kwara state revealed that it was not insufficient funds as claimed by the government. Aside from the fact that other social amenities most provided, but insincerity of political office holders because the Kwara state government generated ₦9.5 billion in the first quarter of 2021 while Kwara state benefitted from value-added tax (VAT) that was increased from 5% to 7.5% but insincerity of political office holders bring barriers to the implementation of the national minimum wage which does result to industrial disputes.

Kwara state government does staff verification from time to time which is not only peculiar to the time of minimum wage era and this allowed the state to know the total number of staff on its payroll at a particular time. Inadequate statistics do not directly affect the implementation and there was no formula (backed by the law) used in the implementation of minimum wage rather the State Government paid what suits them. It was also discovered that no proper and credible enforcement mechanism had adequate legal backing to discourage non-compliance with the implementation of the national minimum wage in the State.

Inflation does not militate against the implementation of a national minimum wage but as soon as the minimum wage was taken/paid, all other benefits were wiped off. The inflation in the nation is moving at a rate faster than the minimum wage. It was also found that staff in the ministries, departments, and agencies (MDAs) pay differently but

findings proved that salary differential does not militate against the implementation. However, the wage differential between ministries, departments, and agencies (MDAs) staff, and huge salary and jamboree allowances to political office holders accounted for industrial disharmony in the state civil service.

Many civil servants do not know what should be their actual wages. They just take home whatever they are given. Even when they know or are aware, the challenging economic situation does not allow them to quit their job for other establishments. The simple reason is that when they quit the job, they will start afresh given the rate of unemployment in the State. More so, the pensionable nature of the job does not allow workers to change their job despite the exploitation. It was imparted that non-unionised workers were not militating against the implementation of the national minimum wage.

## CONCLUSION

It is an undisputed fact that the economy has a way of influencing the determination of wages of workers. When the economy is in good shape (boom), it is expected that Government should graciously increase the wages of the workers so that they can also benefit from the boom. When the economy is not in good shape, government motivation is usually reduced in terms of providing adequate incentives for workers, and the workers are expected to understand the situation and therefore exert less pressure on the government in terms of wage demands. This is, however, not the situation in public service in Nigeria, especially in recent times. This is because successive governments in Nigeria have been very deceitful in their dealings with workers and their unions to the extent that even when it is obvious that the resources are available, the government still talks about the paucity of funds, inadequate statistics etc. Wages and salaries of workers are not reviewed unless they embark on strike action, so strike in Nigeria is now a way of reminding the government of its obligations to the workers.

The study would help in examining and pushing further the academic frontiers as it is related to the challenges of national minimum wage implementation in Nigeria. The study proffers solutions to the problems of minimum wage implementation in Kwara State Civil Service and Nigeria in general. It also helps to expose those factors that hinder the effective implementation of the minimum wage in Kwara State. That would help to

reduce industrial disharmony within the civil service. It would also assist policy analysts, policymakers, bureaucrats, administrators, and political leaders, among others, in taking decisions on matters that have to do with minimum wage setting, adjustment, and implementation.

## **RECOMMENDATIONS**

Based on the findings from the research, the following recommendations were made.

To curb the challenges of insufficient funds, corruption should be controlled by the federal government and state government must not be left out. The rule of law must be enthroned by the government. The rule of law must be respected by the government and citizens and be allowed to take its course. Cases of corrupt practices should be promptly and properly investigated and culprits commensurably punished in line with the provisions of the Anti-corruption Act 2000 and the 1999 Constitution, to serve as a deterrent to others. There should be effective sanctions against erring states and organizations. The penalties in Nigeria's extant minimum wage law were insignificant and should be reviewed. Section 8 had a fine not exceeding N500 or imprisonment for a term not exceeding three months or both should be amended to a fine not exceeding N200,000 or imprisonment not exceeding one year or both fine and imprisonment. This will help discourage non-compliance with national minimum wage implementation.

## ***Acknowledgments***

Our appreciation goes to God Almighty who made this possible, despite all odds within and outside the system. We just cannot thank HIM enough for sparing our life to this moment. The completion of this study is not without the support of several persons. We would like to express deep feelings of gratitude to our respondents, to mention a few: The Kwara State Civil Servants (Establishment and Training); National Union of Teachers (NUT), Kwara State Chapter; Trade Union Congress (TUC) & Joint Negotiating Council (JNC), Kwara state. Also, we appreciate all scholars whose works have been cited in this study. We say thanks to you all!.

## References

- Alabi, O. (2019) National minimum wage of 2019 and labour market situation in Nigeria. *International Journal of Basic and Applied Sciences*, 1(2), 257-268
- Ameen, S. (2021). The Nigeria civil service and promotion of Sustainable human development: A critical analysis. *Arabian Journal of Business Management Review*, 1(7), 12-21.
- An oral interview was conducted on the problems militating against the implementation of the National Minimum Wage Acts in Kwara state civil service on April 24<sup>th</sup>, 2023, Ilorin, Kwara State
- Asodike, and Jaja (2012) Minimum wage policy via collective bargaining: The Swiss Trade Union Minimum Wage Campaign. *Global Journal of Human Social Science*, 12(9), 18-28.
- Dayo, C. (2000) The politics of minimum wage: Unresolved issues. *Asian Journal of Empirical Research*, 3(2), 477-482.
- Haliru, B. (2021) Determinants of inflation in Nigeria: An empirical analysis. *International Journal of Humanities and Social Science*, 1(15), 260-271. Kwara State Government Archives.
- Nwobi, U. A. (2017) “*Effects of Minimum Wage Implementation on Workers in the Imo State Civil Service of Nigeria, 1999-2012*”. University of Nigeria, Nsukka
- Nwokolo, J. I. (2011). Minimum Wage Strike in Anambra State: *The Real Story the Nation, Lagos: Vintage Press Ltd*
- Olaitan, L. (2021). Minimum wage implementation and management in a post-recession economy: The Nigerian Experience. *European Scientific Journal*, 8(7)
- Suleiman, S. (2012) Why the public sector is inefficient. *Niger Delta standard newspaper*, 2-3. 33

Umar, A. (2020). National Minimum Wage of 2019 and Labour Market Situation in Nigeria

[www.premiumtimesng.com](http://www.premiumtimesng.com) (13<sup>th</sup> October 2020; Premium Times Newspaper)

[www.punchng.com](http://www.punchng.com) (15<sup>th</sup> December 2021; Punch Newspaper).