

## CASUALIZATION AND LABOUR UTILIZATION IN NIGERIA

**RASAK Bamidele Ph.D**

*Department of Sociology and psychology*

*College of Management and Social Sciences*

*Fountain University Osogbo, Osun State*

*E-mail: [delerasak@yahoo.co.uk](mailto:delerasak@yahoo.co.uk), [delerasak@gmail.com](mailto:delerasak@gmail.com)*

*+2348034955615, +2347052087979*

### ABSTRACT

*Casualization in the Nigerian labour market is a subject of great concern. Increase casual employees are filling positions that are permanent in nature; in line with employee vulnerability in Nigeria is the high level of unemployment and accompanying poverty. The world economic meltdown has bred a dangerous work environment where many desperate job seekers in the labour force are willing to take any job for survival purposes rather than dignity. Labour exploitation is pervasive in many organizations in Nigeria. It manifests itself in one form or the other including poor salary, wages and salary arrears system, training, promotion, motivation, sense of belonging, job satisfaction and dehumanization of work and workers. Casualization is the other name for a temporary employment, which is manifest in industries, whether in transnational, multinational, public or private and in the informal sector. Definitions of casual employment are often a site of confusion and controversy, marked by tensions between vernacular, regulatory and contractual meanings. Therefore, this paper is to examine casualization and labour utilization in Nigeria. The paper was guided by the neo-liberal theory and the social action theory. The choice of these theories is informed by the fact that no one single theory can explain in totality the relationship between casualization and labour utilization in Nigeria.*

**Key words: Dehumanization, Labour Exploitation, Job Satisfaction, Temporary Employment, Privatization and Commercialization**

### INTRODUCTION

Casualization in the Nigerian labour market is a subject of great concern. Increase casual employees are filling positions that are permanent in nature; in line with employee vulnerability in Nigeria is the high level of unemployment and accompanying poverty (Anugwon, 2007). The world economic meltdown has bred a dangerous work environment where many desperate job seekers in the labour force are willing to take any job for survival purposes rather than dignity.

Labour exploitation is pervasive in many organizations in Nigeria (Kazeem, 2004). It manifests itself in one form or the other including poor salary, wages and salary arrears system, training, promotion, motivation, sense of belonging, job satisfaction and dehumanization of work and workers. Casualization is the other name for a temporary employment, which is manifest in industries, whether in transnational, multinational, public or private and in the informal sector. As Campbell, (2004) aptly notes, definitions of casual employment are often a site of confusion and controversy, marked by tensions between vernacular, regulatory and contractual meanings.

Casualization can be define as work occupations in which the demand for employment is highly variable such as port work, farm migratory work and other jobs of unskilled intermittent nature. Also, Casualization is a form of involuntary servitude for a period of time. Casualization is making work less secure: the changing of working practices so that workers are employed on a freelance and occasional basis instead of being offered full time contracts.

As more technology is introduced into the work place, the unskilled workers become more disadvantaged (Campbell and Brosnan 1999). However, this technology impact cannot totally or adequately explain the existence of this situation, especially in developing countries where the level of technological development and adoption is low relative to the developed world. Apart from this, investigation into Nigerian construction firms indicates that the so-called skilled workers function mainly in administrative and supervisory capacities with the exception of a few engineers and technicians in the field (Anugwon, 2004). This situation is a product of the fact, as Adesina (2000) mentioned, that credentialism is still a big factor in labour classification in Nigeria.

The expression 'labour' as used here may more appropriately refer to the working population, which is the number of people in work, i.e. the employed. The fate of the labour class in Nigeria has been the focus of externally sponsored economic initiative since the mid-1980s. (Anugwon, 2004). Nigeria contact with the post-adjustment economic measures today has been nothing short of the same macroeconomic policies, namely trade liberalization, floating exchange value (market driven), privatization and commercialization, government withdrawal from social provisioning, decreased public sector spending and investment (retrenchments and rationalization of the civil service) (Anugwom, 2001). Therefore, in an attempt to maximize profit and keep up with competition, some work organizations have resorted to unethical business practices like casualization of workers thereby hurting workers interest and violating some fundamental labour laws (Okafor, 2007).

Casualization is therefore, part of a new era of the management of labour. It is an era which fits many workers into the needs of production and service provision by offering only very limited choices to workers. Shorter hours are usually associated with lower pay and lower skilled work. It is primarily undertaken by those with other commitments (e.g. careers for children and the

elderly and students) or with no other choice (e.g. blue collar workers seeking any kind of alternative to unemployment) (Buchanan, 2004).

According to Kazeem (2004) casualization is a contemporary and controversial issue in the modern Nigerian industrial relations system. Casualization in some ways as a phenomenon in Nigeria, has not been well accepted, this is not unconnected with the way it is practiced in the country. Therefore, the large proportion of Nigeria's labour force which falls into this category may be confronted by labour realities determined by globalization. Hence this study intends to empirically examine casualization and labour utilization in selected construction industries in Lagos state, Nigeria.

The study is seen as an attempt to add to the existing empirical literature on the relationship between casualization and labour. See, Anugwon, (2007), Bodibe, (2006), Campbell and Brosnan (1999), Munn, (2004), and Okafor, (2007). It is believed that labour studies have become more infrequent in Africa in spite of the tremendous changes witnessed in the labour process on the continent. Moreover, most empirical studies on the construction industry in Nigeria were carried out prior to the era of neo-liberal globalization. Thus, this study is an attempt to bridge this critical gap in labour studies in the country. In order to concretize the influence of casualization on labour utilization, a study of the construction sector in Nigeria using two firms as case study will be undertaken.

'Construction' in this context refers specifically to the road construction (civil engineering) sector. The choice of the construction industry is a product of the fact that Nigerians are demanding for more roads and better and safer transportation system following the virtual death of the railway system and the expensive cost of air transport and its vulnerability to climatic changes.

The road transportation system is preferred, due to the fact that it is cheaper to maintain; it offers door to door services; it is more flexible as it does not travel on time schedule; it can help to easily collect goods from the interior and it is available in varieties. Since road transport is prone to accident due to poor or bad road network, the construction industries that are saddled with the responsibility of constructing better and safer roads for the benefit of all Nigerians should be a matter of concern to all (Alonge, 2008).

## **LITERATURE REVIEW:**

### **WHAT IS CASUALIZATION?**

Bhorat and Hinks (2006), articulate the difficulty of defining casualization by pointing out that “defining casualization in a labour market is problematic. Issues of hours of worked, type of employment contract, who pays the employee, non pecuniary benefits and whether working in the formal or informal sector mean several definitions can be adopted.” The traditional model of employment (permanent full time employment with one employer until retirement) is steadily giving way to less stable (and often vulnerable) forms of employment (Cheadle, 2006). In this regard casual worker is defined as anybody that works in the informal sector (employee or self employed) or a formal sector employee with a casual, temporary or seasonal employment contract or a part-time formal sector employee.

In a word, casualization captures the phenomenal growth on non standard employment globally. A plethora of terms have been deployed to define and account for the growth of this type of irregular employment contract. For example Theron (2005) notes that the ILO has used terms like disguised employment or triangular employment relationship to defined the emergence of sub-contractors, independent contractors, home based ‘workers all manner of ‘informalised’ work. Based on the literature on the subject the following are the distinctions within the whole rubric of casual employment.

First, are the workers directly employed by a firm on a casual, season fixed term or temporary basis. Historically these contracts were used to supplement the work force during period of peak demand like holidays and so forth. However in the current context, casual employment is steadily replacing permanent employment.

The second type of casual labour is of the triangular employment relationship in which a labour broker supply labour to a firm. The definition of employer in this relationship is tenuous and demand new forms of regulation. For instance, if a firm contracts labour broker to provide workers does it then assume the responsibility of employer or are these workers employed by the subcontractor or labour broker? Workers often identify with a firm in which they have been deployed even though they are employed by the labour broker; especially in cases were

deployment is for an extended period of time. In this case what constitutes a workplace is a vexed question for regulators and for workers.

The third type of casualised labour is one characterized by dependent economy relations disguised and treated as commercial contracts. Independent contractors and home based workers fall into this category of atypical worker. Earlier it was noted that casualization is not new. However, the utilization of workers on short term contract to avoid a standard employment relationship (SER) is new (Theron, 2005). It is further important to distinguish between three types of casual labour. That is those employed directly by the firm or company, second those that are supplied by a labour broker; and third those that are ostensibly defined as independent contractors.

The notion of temporary employment may suggest intermittent contract, yet anecdotal evidence suggests that there are cases of people employed on a continuous temporary basis in worse cases for 20 years. It is obvious in such a case that the labour is required but the employer is not willing to pay the cost of permanent employment.

In the study of Buchanan and Considine (2002), they noted that the topic casual employment is riddled with ambiguity and paradoxes. These problems they argued will be overcome with more research. Making sense of them is the key to understanding the significance, especially for labour productivity, and casualization. Definitional ambiguity reflects changes in the form rather than substance of long term employment relations in the workplace. The characteristics of most casuals indicate that this form of employment has more to do with limited choices available to young people, women and low skill workers than any flourishing of choices for people at work. Brenner, (2002). Cost savings associated with casuals are not achieved by cutting their hourly wage rates, rather it appears to arise from casuals weakened ability to obtain standard rights, traditionally associated with ongoing employment and an inability to fulfill their own working time preferences as they meet the needs of production or service provision (Tracy, 1991). The demise of standard employment need not necessarily undermine standards in the labour market; indeed, new standards and arrangements, designed around the fairer sharing of risk, are necessary to ensure sustainable bases for labour productivity growth nurtured in future.

In the finding of (Hall, 2002), it indicated that the key challenge in casual employment is not simply to rectify problem experienced by individual casual workers, rather he highlighted that the problem is the processes of casualization itself. The significance of casualization according to

Hall is that it is integral to labour management strategies that achieve the better deployment, not development, of labour. Such an approach to labour productivity improvement cannot continue forever. Any long run growth in labour productivity can only be sustained if the capacity for labour to undertake a broader range of activities is increased. This challenge cannot be solved off-site. Highly skilled, innovative individuals cannot be created by the education system alone. It has long been recognized that ‘learning by doing’ is essential for the development of well rounded skills (Arrow, 1962, Elam, 1993, Cartier, 1994).

Indeed, for many people not suited to classroom based learning situations it is often a superior setting within which to learn. In addition, it has also been recognized that long term employment relations are of benefit to employers as well as workers. The continuity of association provides the basis for innovation as well as continuity of production and service provision (Rubbery and Williamson, 1994).

Many employers intuitively understand the benefits of on-the-job training and long term employment relations. Today, however, they operate in circumstances which limits their ability to provide proper training and encourages them to minimize the obligations associated with (but not the incidence of) long term attachments in the workplace. Amongst larger firms in particular the pressures to maximize shareholder value in the short-run and to survive in a world of excess capacity are immense (Brenner, 2002, Froud and William, 2002). In responding to the current situation it is simply not possible-nor is it necessarily desirable – to promote ‘permanent jobs’ of the kind that once prevail as recently as 30 years ago. Equally, it is unhelpful to celebrate or passively accept the recent growth in ‘casual’ employment as an inevitable part of Working life in today’s ‘globalised’ and ‘competitive’ world (Buchanan, 2004).

The growth in the casual workforce has been the result of both demand and supply factors. On the supply side, casual work has been a popular form of employment as it allows employees to combine work with study or family responsibilities. It can also enable people to get a ‘foot in door’ if they are seeking permanent employment, or it can provide an alternative to unemployment, for people with limited training and work experience who are unable to find a permanent job. While the supply side has played a part, the growth in casual employment has largely been driven by the demand side, that is, the employers. Amid globalization and increased competition, employers are increasingly seeking to run their operations as efficiently as possible. As a result, employers have sought a more flexible workforce. Casual employment provides this

flexibility, as employee numbers can be increased or decreased in line with the needs of the business with minimum hassle (Munn, 2004).

In addition, while casual workers are paid a penalty above normal rates of pay, it is considered cheaper to hire casuals than permanent staff. This is because casuals are not entitled to non-wage benefits and dismissal can be achieved without severance payments. A variety of positives and negatives have been raised in relation to the growth of casual workforce. On the positive side, as mentioned earlier, casual employment offers workers the chance to combine paid work with other activities such as education, and to employers, it offers a means of obtaining a more flexible workforce. However, where casualization is imposed on workers, this form of employment has been associated with discontent, low wages and lack of career opportunities. Casual workers often also face difficulty borrowing money due to the uncertainty of tenure. (Munn, 2004). It has also been suggested that an over-reliance on casual employment could pose a serious risk to productivity.

This is because employers may be less likely to invest in training for their casual employees and as a result could lead to deterioration in skills development (Von Otter, 1995). Neo-liberal market restructuring globally is the driving force behind the sharp increase in casualization. Neo-liberalism seeks to deregulate markets including the labour market to increase 'labour flexibility' (Bodibe, 2006). Cheadle (2006) suggest that there are three kinds of flexibility: employment flexibility (the freedom to determine employment levels quickly and cheaply.), wage flexibility (the freedom to alter wage level without restraint), functional flexibility (the freedom to alter work processes, terms and conditions of employment, etc and cheaply). In short employers want the freedom to pay low wages, change the number of workers and how and when work is conducted.

## **CASUALIZATION AND LABOUR UTILIZATION: ANALYSIS OF SOME SOCIETIES IN THE WORLD**

### **Trends in casual employment in Australia**

Labour restructuring can take different forms in different countries. One prominent aspect in Australia in the last two decades has been a process of casualization, in the sense of an increase in the proportion of employees classified as 'casual' (Campbell and Brosnan 1999; Watson et al. 2003).

Casual jobs are Australia's fastest growing form of employment, with Australia now having the second largest casual workforce in the world after Spain; this has triggered considerable debate as

to whether government intervention should be used to improve job security for the growing number of casual workers (Munn, 2004). The number of casual employees has increased steadily over the past 15 years from 18.9% of all wage and salary earners in 1988 to 27.6% in 2003. Recent years have seen a slowing in the growth of casual employment. In the 5 years between 1993 and 1998, the number of casual positions increased by 35.6%, however in the last 5 years, the number of casual positions has only increased by 15.1 % (Munn, 2004).

In the 10 years to 1998, 69.9% of the net jobs created were casual positions, whereas over the last 5 years, only 33.8% of net jobs created have been casual positions. This is a significant slowing in the rate of growth of casual positions (Munn, 2004). Most casual workers are part-time, with casual workers currently representing 13.8% of all full-time employees and 60.4% of all part-time employees. A significant percentage (35.0%) of casual employees is aged between 15 and 24. This is to be expected as this age group is typically studying and not looking for a long-term commitment to the labour market (Munn, 2004). Most casual workers are concentrated in just a few occupations, and tend to be relatively low skilled. Retail trade is the main employer of casuals, with 44.2% of all employment in the industry being casual.

The growth in property and business services has seen this industry become the next most significant employer of casuals, with 30.3% of all employment in the industry being casual (Munn, 2004). With full-time casual employment having grown by 40% under the Howard Government, the trend towards a more casual workforce has now become a political issue. The Australian Labour Party recently announced its Casual Employment Policy, stating it would legislate to ensure that the Australian Industrial Relations Commission takes into account the need to prevent the misuse of casual employment. Award provisions would be instated to allow casuals employed regularly for a set period of time (probably six months) to be entitled to convert to permanent employment, with employers unable to unreasonably refuse (Munn, 2004)

In 2001, 57% of casuals had been in their current job more than a year, and the average duration of employment was 2.6 years. Under Labour's policy, if these casuals chose to convert to permanent employment, they would gain entitlements like sick leave and annual leave but would forego their casual loading (Munn, 2004). In some industries, conversion rights already exist, but have rarely been used. For example, more than 98% of casual employees in the manufacturing industry have chosen to maintain their status as casual. It is understood that more than 70% of casual employees want to remain in casual work. In fact in an October 2003 JOB



Future/Saulwick Employee Sentiment Survey, it was found that 83% of casual employees are either 'very' or 'reasonably' satisfied with their current job and 78% of casuals felt secure or very secure about their job (Munn, 2004).

### **The Extent and Effects of Casualization in Lesotho**

Casualization of labour in Lesotho manifests itself in a number of forms and practices as pertaining to acceptable conditions of employment which run contrary to internationally recognized standards regarding protection of workers' right both individually and collectively at the workplace. Several factors may be blamed for the prevalence of casualization of labour despite labour law's provisions intended to curb the incidence. Topping the list is high unemployment and underemployment rates which result in workers earning incomes below the internationally stipulated poverty level of at least one US dollars a day.

Poor law enforcement by the Labour Administration through under-resourced labour inspectorate in both human and material terms raises some concern. Weak and fragmented trade unions lacking capacity to engage government and employers in meaningful negotiations through social dialogue at both tripartite and bipartite levels contribute to the scenario. Another contributory factor is HIV and AIDS pandemic which causes spouses (especially household bread winners) to die forcing the remaining family members to look for work and take any job at whatever cost in order to survive, thus contributing to the prevalence of triangular employment relationship.

### **Casual labour in the Construction and Building Subsector in Lesotho**

The Lesotho Highlands Water Project (LHWP) a US \$ 4 billion mega project had a significant impact on Lesotho economy. The construction subsector has through spillover effect benefited enormously from LHWP and has become unusually large, accounting for 23% of GDP (2004) as opposed to a share of less than 10% in most countries. In 2004 there were 225 enterprises in construction subsector employing 8300 workers (Bodibe, 2006). The Lesotho Highlands Development Authority is one of the promoters of disguised employment in the form of independent contractors. The employees on the payroll of LHDA dealing with rehabilitation of Mohale Dam were assigned the status of independent contractors and a separate regulatory instrument in the form of terms of Reference was developed for their control.

On being denied annual remuneration increments enjoyed by other LHDA employees, the affected workers (so called independent contractors) referred their claim to the Directorate of Dispute Prevention and Resolution (DDPR). These practices reflect an element of unclear terms of employment, which borders on casualization of labour. Emergence of disguised employment

and unclear terms of employment fuels casualization of labour prevalent in the construction subsector which by its very nature is prone to workers being laid off at each stage of construction (Bobibe, 2006).

### **Casualization in the Mozambican Economy**

Casual work in the Mozambican context encompasses a type of employment whether related by written or verbal contract, in which the employment relationship is not durable but for a defined period of work (Bobibe, 2006). Ordinarily, the contract is used to accomplish defined tasks for a defined period. The main signifier of casual work is the duration of the employment relationship and the type of tasks to be performed. Thus casual work can be defined as work for a fixed duration and defined tasks to be performed. The concept should be understood in its wider context. For example employment of worker to load and offload ships has no lasting scope of service yet legislation allows a work contract to last a maximum period of 2 years, subject to one renewal.

Implicitly an employment contract can last for 4 years, even though work is not performed on a continuous basis. This means that the duration of a casual contract can be for a short or long duration. Thus, it is possible to find casual employment whose tasks last for days, months, or even long periods of up to two years. In the extreme a casual contract can last up to an interpolated period 15-20 years. Before economic liberalization through the Economy Reform Programme, casual work was found in pre-determined sectors. In those days the extent of casual employment was very low because fixed permanent employment was protected by law.

A substantial number of workers lost their jobs due to economic liberalization and privatization of state assets. Economic stagnation and obsolete equipment fuelled retrenchments as companies sought to curb or contain labour cost. It is also during this time that casualization was intensified in the economy (Bobibe, 2006). Casualization is concentrated in agriculture, international cargo terminals, manufacturing, construction, transport, domestic service and informal sector. Seasonality of production, and work and demand patterns, drive companies to rely on temporary and casual work. For example, soda and beverage manufacturing peaks during summer. When there is increased demand accordingly employment also increases during these peak periods.

The informal sector also has a large degree of casual employment. People making a living in the informal sector are those who have lost employment (Bobibe, 2006). They are 'employed' as employees of counter huts, bars, driver, collectors and other tasks. Private sector employment is low as a proportion of total employment-around. The uncertainty of business constitutes the

strong reason to hire casual workers. To foreign companies the uncertainty is of a double nature. First, they share the same uncertainty faced by national companies. In the second instance they have to adapt to culture, economy and laws of the host country.

As such, they are reluctant to engage full time employees during the initial years of operation. Foreign companies also rely extensively on expatriates rather than enter into long term employment contracts with local labour. Casual labour also provides much needed flexibility without high financial and social commitments. The downside of casual employment is both the worker and the employer are reluctant to invest in skill formation which negatively affects productivity of the workforce.

### **The Effects of Casualization on South African Construction Workers**

The construction industry has experienced a boom since 2001 realizing substantial increases in both output and employment (Bobibe, 2006). Total output increased by 49% between 2001 and 2005, driven by construction of residential property for the rich. Construction also saw a record improvement in total employment which increased by 72% during the period under review. The quality of employment has rapidly declined. Still, construction's contribution to total GDP is around 2% and its share of total employment is 5%. Permanent jobs have dropped substantially from 2001 to 2006 and are replaced by casual jobs, making construction the only sector in South Africa to rely heavily on irregular employment.

Permanent employment increased by 22% between 2001 and 2006 but the share of full time employment shrunk from 50% of total employment in construction to 38% in 2006. In just five years casual employment replaced full time employment in construction, increasing by a whopping 93%. Casual employment now constitutes the bulk of employment in construction at 62% of total employment. This means that the sharp increase in employment in construction is driven by exponential growth of casual employment. Workers in construction are given a raw deal due to the poor conditions of employment. A vast majority of workers in the sector do not have written contracts; paid leave and medical aid benefits. This in part is explained by the drop in union density which decreased from 22% to 14%. As a result workers are at the mercy of the employers and the precarious and unstable nature of the job intensifies workers' vulnerability and susceptibility to employer power (Bobibe, 2006).

### **Casualization of Labour in the Zambian Economy**

There have been cries from the labour movement in Zambia that workers have been given a raw deal for their services rendered. Besides low salaries, one important issue which has been a source of contention of late is casualization of labour, especially in the post-privatization era.

This phenomenon is relatively new in the labour sector; the practice is enhanced by an increase in the number of foreign investors coming to invest in Zambia and employ Zambian workers. Because of high unemployment levels and as a mere cost saving measure, most of these foreign investors have opted to employ some of their Zambian workers on casual basis, a situation which has displeased Government alike (Lifuna, 2005). Government has time and again voiced out its concerns over the many foreign owned factories and companies employing their Zambian workers on casual basis. As the trend takes root in the Zambian labour sector, some labour movement leaders blamed the government and accused it of abetting casualization. It is acknowledged that, ending casualization in itself is not easy and needs the concerted efforts of all stakeholders.

### **Casualization and Labour in Nigeria**

According to a recent report by the Campaign for Democratic and Workers' Rights in Nigeria, the number of casual workers in Nigeria is 45 per cent of the entire working population. This means that in a factory of 20 workers, nine of them are casual workers. The report continues: "With the ambition of the employer to reduce cost of production, this number will continue to increase, particularly in this period of economic recession."

### **Emergence of casualization in Nigeria**

According to Owoseye and Onwe (2009), "Casualization is a working arrangement that is not permanent in nature and does not fall within the traditional standard employment relationship; workers in this arrangement usually do not have a permanent job status, they do not get the same pay and benefits as their regular permanent counterparts doing the same job and working the same hours". Casualization became a feature of the Nigerian labour market in the late 1980's when the country adopted the Structural Adjustment Programme in line with the neo-liberal policies prescribed by the International Monetary Fund and World Bank (Alozie, 2009).

According to Alozie (2009), one of the effects of this policy was the retrenchment of workers in the public sector which created large scale unemployment. However, the private sector which was to be strengthened by government policies to absorb these workers could not absorb all the retrenched workers from the public sector. Therefore, many of them were employed as casual and casual workers with low remuneration, limited benefits and lack of right to organize.

### **The Labour Coverage and Gaps**

In 1998, the International Labour Organization (ILO) declare in Philadelphia that its member must "respect, promote and realize in good faith" the principles concerning the fundamental rights at work. This declaration on fundamental rights at work, although not binding in

international law, underscores that all member countries have an obligation to respect, to promote and to realize, in good faith, the fundamental principles involved, whether or not they have ratified the relevant ILO Conventions. Nigeria has ratified the ILO's Convention so it is obligatory on its part to uphold these Conventions.

The African Charter, which has been enacted as an Act of the National Assembly provides in Article 15 that, "Every individual shall have the right to work under equitable and satisfactory conditions and shall receive equal pay for equal work." It is implied therefore that since it enjoins the state parties to ensure that its citizens have the right to work, and entitled to equal pay for equal work, that there should not be any form of discrimination in employment between standard workers and non standard workers.

Section 7 (1) of the Labour Act, Cap 198, Laws of Federation of Nigeria, 1990 provides that: "Not later than three month after the beginning of a worker's period of employment with an employer, the employer shall give to the worker a written statement specifying- the terms and conditions of employment, which include the nature of the employment and if the contract is for a fixed term, the date when the contract expires.

Furthermore, Owoseye and Onwe (2009), noted that in spite of the provision in section 17 (e) of the Constitution, which guarantees "equal pay for equal work without discrimination on account of sex, or any other ground whatsoever, the discrimination in pay between permanent and casual employees still persists." They were of the opinion that the Act recognizes of this form of employment like it did for standard employment. Many casual employees do not have letters of employment and many companies do not have records of their casual employees in order to evade the law (Alozie, 2009).

### **Labour's position**

Although there have been less news on the struggle against casual staffing in the country, the Nigeria Labour Congress (NLC) says it has not yet relented in its effort to solve the problem of the use of casual staff by companies and businesses in the country. The Nigeria Labour Congress (NLC), in defending the lull in the union's position against temporary staffing state that most people believe that the NLC has lost the fight against casualization because of the other struggles they have embarked on.

The campaign against casual labour was intensified by the Nigerian trade unions in 2000, when they embarked on picketing activities on companies believed to be guilty of the offence. But picketing has not yielded the desired result, as the incidence of temporary staffing continues

(Yaqub, Owoseye and Onwe, (2009). According to Yaqub, cited by (Owoseye and Onwe, (2009), was of the opinion that some employers misunderstood the reasons for the labour action against casualization. “Before the commencement of the picketing activities, meetings were held with the employers through their central organization: the Nigeria Employers’ Consultative Association (NECA), to clarify and share opinions on the illegality of casual labour and why they must regularize the employment status of such workers.

Casual workers are not entitled to be part of any trade unions as they are not fully employed. This has been affecting the way the employers treat their staff and the struggles for a decent workplace by the trade unions (Owoseye and Onwe, 2009). Segun Osinowo, the Director-general of the Nigeria Employers’ Association (NECA), was quoted by Owoseye and Onwe (2009), that the organization perceives the use of casual staff by most companies illegal, as it is against the labour law in the country. Osinowo explained that casual staff can be employed by a company if the contract will not exceed the three month agreement, the employer is expected to give a contract letter to the individual stipulating the terms of employment.

He went further that though the organization is aware that some employers engage in the act, the organization try as must as possible to dissuade their members pleading morality, as they know it is an illegal act. The organization tries as much as possible to work hand in hand with the union to dissuade their members from engaging human capital for more than three months as casual staff. The organization know that casualization is taking place in the country but most of the companies perpetuating the offence are not members of the organization, so this has limited what the organization can do about it. The organization has always advise their members to permanent their casual staff by giving them a contract letter if they feel their services are still required or let them go if they cannot engage them.

However, he argued that picketing of companies by the unions to dissuade the use of casual workers in the country is not the solution to the problem, as this has not stopped the act, noting that although it is the responsibility of the union to watch out for the workers, they can only get a concrete achievement with the support of the government.

## **THEORETICAL FRAME WORK- NEO-LIBERAL THEORY AND SOCIAL ACTION**

**THEORY:** This study is guided by the Neo-liberal theory and the Social Action theory. The choice of these theories is informed by the fact that no one single theory can explain in totality the relationship between casualization and labour utilization in the construction industries.

### **NEO-LIBERAL THEORY:**

Neo-liberalism is a label for Economic Liberalism. The theory was coined in 1938, but came into use in the 1960s. The theory refers to a redefinition of classical liberalism, influenced by the Neo-classical theories of Economies. Neo-liberalism is a very broad theory that usually refers to fewer Government regulations and restrictions in the Economy, in Exchange for greater participation of private entities; the theory is associated with Economic Liberalization. The arguments for Economic liberation include greater efficiency and effectiveness that would translate to a “bigger pie” for everybody (Crotty, 2000). Most Countries in the World, in order to remain globally competitive, have pursued the path of Economic Liberalization: partial or full privatization of Government institutions and assets, greater Labour-Market flexibility, Lower tax for businesses, less restriction on domestics and foreign capital, open market etc.

According to Blair (2007), success will go to those Companies and Countries which are swift to adapt, slow to complain, open and willing to change. To the developing countries, Neo-liberalism refers more to economic liberalization or further “opening up” of their respective economics to foreign capital and investments. Neo-liberalism brought about a modern financial transformation which occurred at the turn of the century (Dumenil and Levy, 2002). When the new financial framework was developed, closely related to the Economy, a huge wave of mergers followed, establishing a new framework of Capitalist institutions. The term used to account for this transformation was ‘Managerial revolution’ which denotes the transformation of firms, now managed by Staffs of Managerial and Clerical Personnel (Chandler, 1977).

These new procedures of Management were tightly related to the Taylorist and Fordist Organization on the shop floor; the distance between the workers and their means of production widened, their tasks being defined by other Salaried Personnel; however, the managerial revolution was also responsible for new more favourable technological trends (Berle, 1960).

In applying the Neo-liberal theory, it can be argued that employment policy, especially as expressed in metropolitan planning Strategies, has taken a Neo-liberal turn (Crotty, 2002). Governments at both Federal and State levels have responded to what they have regarded as twin imperatives of globalization: firstly, competitiveness in globalizing markets; and secondly, the need for greater ‘flexibility’ in domestic commodity, financial and labour market. Mc Guirk and O’Neill, (2002), argued that as a result of Neo-liberalism, suburban employment policy refracts through two lenses: firstly, little attempt has been made to coordinate either urban infrastructure provision or commercial land development with employment target and market forces have been

allowed to locate major new business development. Also, attention has turned toward encouraging local entrepreneurship and attracting the 'right kinds of business investment to increase the stock of local jobs.

This emphasis on business investment has manifested itself in two ways. Firstly, there has been a commitment to continuous suburbanization of employment opportunities so that the stock of jobs not only keeps pace with rapid growth of the residential labour force but also improves relative employment 'self-sufficiency'. Secondly, there has been a commitment to reducing what is seen as over-dependence on jobs in manufacturing, construction and transport sectors vulnerable to long-term job shedding, instability and casualization (Fagan, 1994).

An important point to note here is that neo-liberals believe that state intervention has been the main reason responsible for the retarding economic development in the Third World. Therefore, to avert these economic problems, there is the need to unleash the market forces. In this sense neo-liberalism is against state intervention and the entire notion of state regulation and state economy policy making.

According to Korten (1996) as quoted by Isamah (2002:128), the following are the main elements of economic neo-liberalism:

- i. Economic globalization- This means moving towards a single integrated world Market in which goods and capital flow freely across national borders and brings about Competition, increases economic efficiency and growth, and is generally beneficiary to everyone; Sustained Economic growth as measured by Gross National Product is the foundation of human progress and is essential to alleviate poverty and the environment;
- ii. Localities achieve economic success by abandoning goals of self-sufficiency and aspiring to become internationally competitive in providing conditions that attract outside investors;
- iii. Free markets, free from governmental interference or regulation, resulting in the most efficient and socially optimal allocation of resources.

### **SOCIAL ACTION THEORY:**

This theory holds out great promise to seeking sociological approach and explanation to industrial casual workers attitude and behaviour. This is so because it takes into account both meaningful activity of the individual, the work environment and the large scale of society. Relative to the above, Watson (1980:49) added that despite the early interest shown by industrialist in the societal 'moral order' and overall division of labour their interest have



subsequently proved to be largely confined to the group or occupational levels. He expressed that they have no successful related meanings at the micro levels. A concern with such relationship is basic to the German sociologist Max Weber (1864-1920).

Weber (1968) defined sociology as the study of social action. For him, the discipline word examines the ways in which people, through the attribution and influence of subjective meanings, would be influenced by each and thereby oriented in their action.

He sees social meanings to the wider society through the concept of a 'legitimate order'. He explained further that this is a pattern in social life which the individual actor believes to exist and to which he may confirm in his final submission, he added that he understand how the order become valid to actors, it has to be seen within the human meaning –creating processes which in turn, have to be related to the conflicts and power struggles which take place in a world where there are variety of material interests. Silverman (1970) while reviewing Weber's social Action Theory observed that through social interaction, people could modify and possibly transform social meanings, which those involved assigned to other actions, that is, the meaning people read to situation(s) presented before them determines their action.

Silvia (2003) brought the focus to social action theory closer to casualization and to what he considered as the structurally determines imperatives of managerial control, the dynamic and the imminent process of deskilling and expectations. An implication from the creative essence of Weber, Silverman and Sylvia relative to this study is that social relations between super ordinates and subordinates, (that is casual workers and management staff), the work environment, organizational processes, individual personality, and his socio-economic background are likely to affect the workers' orientation, perception and this automatically transform into attitude and behaviour of the worker in the place of work.

## **RELATIONSHIP BETWEEN THE THEORIES**

Neo-liberalism is not simply an economic structure; it is a philosophy (Martinez and Garcia, 2005). This is most visible in the attitude to Society, the individual and employment. Neo-liberals tend to see the world in terms of market metaphors. Neo-liberalism has answers to stereotypical philosophical questions such as "why are we here?" We are here for the market and you should compete.

Neo-liberals tend to believe that humans exist for the market, and not the other way around: certainly in the sense that it is good to participate in the market and that those who do not

participate have failed in some way. In personal ethics, the general neo-liberal vision is that every human being is an entrepreneur managing their own life, and should act as such, individuals who choose their kind of job, to maximize their status with future employers are ethically neo-liberal. The idea of employability is characteristically neo-liberal; it means that neo-liberals see it as a moral duty of human beings, to arrange their lives to maximize their advantage on the labour market. Many 'workfare neo-liberals' also believe that there is a separate category of people, who cannot participate fully in the market. Workfare ideologies condemn this underclass to a service function for those who are fully market compatible. The idea that everyone should be an entrepreneur is distinctly neo-liberal. The participation of the casual workers in the labour market was limited to accepting any work they were offered. In essence, relating factors that surround workers beyond the work, what obtains in the place of work will afford the opportunity to understand the nuance meanings of casual workers' perception, socio-demographic status, attitude and behaviour, and why they still engage in the task.

### **CONCLUSION AND RECOMMENDATION:**

From the study, it could be concluded that casual workers are calculative to their work and employers due to the way they are treated. To this extent, they see work as a means to an end; this is so because their behaviour to work is tied to salary and not job involvement. The current state of the economy (with high level of employment) has brought a major obstacle to stopping casual work in construction industries in Nigeria. Since jobs are hard to find, workers preferred staying with employers in order to meet up with their daily bread, despite the low level of remuneration.

The social action and neo-liberal theories also lead us to that personal background factors and situation in the place of work which will more likely influence the attitude and behaviour of workers. Consequently, in the explanation of casual workers in this paper, individual differences in personal characteristics and type of orientation are explicitly organized as factors affecting attitude and behaviour in the place of work.

Sufficient evidence has been provided to conclude that important influence on casual work can be found in personal characteristics, type of orientation and expressed job-satisfaction. The organization should realize that regularity in the place of work does not imply high level of performance or loyalty to the organization. This means that in spite of good attendance, work does not mean much to casual workers. Management should employ good welfare policy for their

employees in order to get the best from them; and they should stop treating them as tools of production.

Finally, since most casual workers were found to be mainly economically instrumental, the implication of this is that the industries then needs to formulate more and adequate compensation that will equally affect level of casual workers' levels of job-involvement. The assumption here is that the manner in which financial compensation is administered may account for a large amount of variation in job behaviour. Thus, the industries' reward system and policy should include the introduction of group incentives to foster team work; and immediate conversion to permanent staff after the ILO standard of ninety days of probation.

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