

Employment Status, Pay and Perceived Performance among Workers in Foreign-owned Industries in Southwest, Nigeria

¹Adewusi O. Adedeji*, ²Kalejaiye O. Peter
& ³Onabajo B. Michael

^{1&2}Department of Sociology, Olabisi Onabanjo University,
Ago-Iwoye, Ogun State

³Department of Sociology and Anthropology,
Obafemi Awolowo University, Ile-Ife, Osun State

¹adewusi4success@yahoo.co.uk*;

²petkal2000@yahoo.com;
bami.onabajo@gmail.com

Abstract: This study examined employment status, pay and perceived performance of workers in selected foreign-owned manufacturing industries in south-west Nigeria. Adams Stacy Equity theory was used to give theoretical explanation(s) to the issues of interest. As a descriptive study, it adopted cross-sectional research design. Data was gathered using questionnaire and in-depth interview guide and was analysed through quantitative and qualitative methods respectively. The study revealed that aside the mode of recruiting casual and permanent staffs is similar; the former remuneration was against the Nigerian minimum wage. This outright disobedience prevailed mostly in Indian and Chinese owned industries, as British employers have better remuneration for casual workers. The study also discovered that there is a positive significant relationship between employment status, pay and workers performance. The study then concludes that workers dignity has come under attack by foreign industrialists despite local and international norms. The study recommends that all foreign employers must regularise the status of casual workers within an agreed time frame or as spelled out by the Nigerian Labour Act as it is a crucial ingredient for workers performance on the job. Casual workers are to acquire more education as it might determine the regularization of their employment and the pay that would accrue to them. Lastly, government and other policy makers

should ensure that labour laws are carefully implemented and evaluated to protect, casual workers from the exploitation of foreign employers.

Keywords: Employment Status, Foreign employers, Manufacturing industries, Performance, Pay, and Remuneration.

Introduction

Human resources of any country are the most critical asset for the achievement of organizational growth and National development. This statement was buttressed by Habib (2012), who opined that the real treasure of any country is its human resources. This may be linked to the reason most developed nations of the world pay serious attention to the human factor when compared with other factors of production such as land and capital. Therefore, it may be safe to say that without the human factor, all other resources are useless. This is because production cannot be carried out without the supply of physical, mental and emotional efforts - labour. Hence, countries that do not protect the rights and dignity of its human resource may jeopardize its growth and development prospects.

Despite the importance of the human factor, there has been a spike in news reports around the continent about the workplace violations such as workers exploitation, physical abuse amongst others committed by foreign employers in African countries (Venture Africa, 2012). Although many of these stories tend to focus on the transgressions committed by Chinese firms due to their increasing economic activity in Africa, which according to estimates worth \$50 billion in 2015. Allegations against other foreign investors from countries like Lebanon, India, and Germany mistreating their African employees have also been documented around the continent (Venture Africa, 2012).

One of the measures put in place to protect these set of employees from

been violated are; the laudable objectives of the International Labour Organisation (ILO) work Agenda and Section 17 (e) of the Nigeria constitution of 1999, which guarantees “equal pay for equal work without discrimination on account of sex, or any other ground whatsoever”. However, their applications by employers in Nigeria remain a source of concern (Jawando, 2015). In addition, it has been confirmed that employers now take advantage of the high level of unemployment (Onyeonoru, 2008); high level of poverty (Offiong, 2001) and the federal government attempt to boost foreign direct investment thereby overlooking or lowering some vital labour issues and standards so as to encourage the employers to maximize profit (Okafor, 2007) by continuously and reliably employing workers through non-standard employment platform like casual work arrangement, even on a quasi-permanent basis with the utmost intention to keep labour cost as low as possible through the engagement and performance of casual staff (Okafor, 2010; Fapohunda, 2012; Adenugba and Jawando, 2014).

Casualization as a form of labour practice is the process whereby employment shifts from a preponderance of full time and permanent positions to higher levels of casual positions, in an irregular or intermittent nature (Luswili, 2009; Fapohunda, 2012). Authors have argued that the use of casual workers does not only promote indecent work, but also violates minimum acceptable labour standards in Nigeria (Uvieghara, 2000;

Okougbo, 2004; Onyeonoru, 2008; Adewumi, 2008; Okafor, 2010). It was against this background this paper examined employment status, pay and perceived performance of workers in selected foreign established manufacturing industries in southwest Nigeria. Thus, this paper examines various provisions in Nigeria's labour laws that expose the clear disobedience of these laws by foreign employers, without any check by the Government or its enforcement agencies, such as the Factory and Inspectorate Division of the Federal Ministry of Labour and Productivity. It also investigates the pay attached to different employment statuses and how it affects workers performance on the job.

Objectives of the study

The broad objective of this study was to examine employment status, pay and perceived performance of workers in selected manufacturing industries in southwestern part of Nigeria. The specific objectives were as follows:

1. To examine the nature of employment status of workers;
2. To investigate the remuneration of workers of different employment statuses; and
3. To ascertain the relationship between employment status, pay and perceived workers performance in selected foreign owned manufacturing industries in south-west, Nigeria

Research Hypotheses

- Ha1 - Remuneration of casual workers will differ significantly from that of permanent workers
- Ha2 - The employment status of workers is likely to inform their remuneration/pay
- Ha3 - Employment status and pay will be significantly related to perceived workers performance

Review of Related Studies

Employment status and pay of workers

In any well-established organization, individuals work under varieties of employment statuses. Working arrangement might be described in one or more of these terms, namely, permanent, part-time, fixed-time, contractor, consultant casual, zero hours, shift schedule, seasonal agency, office holder, and volunteer (Omolayo, Falegan, & Ajila, 2013). In addition Bamidele (2010) argued that there are three major forms of casual workers, they include, those directly employed by a firm on a casual occasions, season fixed term or temporary basis; those supplied by a labour broker (i.e., outsourcing firms) and; those that are characterized by dependent economy relations disguised and treated as commercial contracts. Independent contractors and home based workers fall into this category of atypical worker. Are these workers employed directly by the industries on permanent basis? Was it on a fixed term? Were they supplied by outsourcing firms? Do they fall under the independent contractor category? These are questions this paper intends to proffer answers to.

In furtherance of the foregoing, the Section 7 (1) of labour Act categorically states that: not later than three months after the beginning of a worker's period of employment with an employer, the employer shall give to the worker a written statement specifying:

- i. The name of the employer or group of employers, and where appropriate, of the undertaking by which the worker is employed;
- ii. The name and address of the worker and the place and date of his engagement;

- iii. The nature of the employment;
- iv. If the contract is for a fixed term, the date when the contract expires;
- v. The appropriate period of notice to be given by the party wishing to terminate the contract;
- vi. The rates of wages and method of calculation thereof and the manner and periodicity of payment of wages;
- vii. Any term and conditions relating to:
 - a) Hours of work, or
 - b) Holidays and holiday pay, or
 - c) Incapacity for work due to sickness or injury, including any provision for sick pay; and
- viii. Any special conditions for the contract.

Therefore, it is right to say that any employer engaging workers on casual basis exceeding duration of three months is illegal, unacceptable and punishable by the national norms

Furthermore, existing literature revealed that casual labour is seen as a cheap labour (Bamidele, 2010; Fapohunda, 2012; Kalejaiye, 2014; Okafor, 2007; O'Donnell 2004; Okougbo, 2004; Luswili, 2009; Wooden and Diana Warren, 2003). It is regarded as cheap labour and that their take home pay is below the current statutory wage (minimum wage) in Nigeria estimated to be eighteen thousand naira (₦18,000). In furtherance of this argument, the Employees Compensation Act (2010) specifically stress the provision of a comprehensive compensation to employees or their estate for death, injury, illness or any disability arising out of or in the course of employment. The aforementioned statement is applicable to all categories of employees, whether casual or permanent staffs (CIPM, 2014). Therefore, this study examines the wage/salary of

casual workers side-by-side with the minimum wage law of Nigeria.

Performance of workers

Job performances are typically determined by the motivation to work hard and high motivation means greater efforts and higher performances (Mitchell, 1982). Thus, it can be said that motivation is to push workers towards improved performance and increased productivity (Tung, 1981). Also, the management concern has increased for the employees to keep them motivated on the job (Mitchell, 1973). Employers use a wide range of motivational techniques including monetary incentives, goal setting, job enlargement, behaviour modification, participation, award and recognition plans, discipline, and counseling.

Campbell (1990) explains that performance is not the consequence of behaviour, but rather the behaviour themselves. In other words, performance consists of the behaviour that employees actually engage in which can be observed. In the context of work settings, the performance of all individuals that makes up the organisation is targeted towards the achievement of the goals of the organisation. The overall productivity of the organisation is hinged on the performance of each individual within the organisation. Contemporary organisations in today's context are characterised by such constantly changing dynamics as complexity of customisation and competitiveness, importance of people rather than strategies; reliance on technology and the rise of knowledge economy both for the individual employees and the organisation as a whole among many other organisational issues abound (Ogunola, Kalejaiye and Abrifor, 2013).

Majority of past studies have focused on the effects of casualisation on productivity, organisation performance, workers welfare and economy, motivation, labour utilisation, unemployment, and skill shortages (Mitullah and Wachira, 2003; Forde and MacKensie; 2005; Bodibe, 2006; Hamilton, 2006; Anugwom, 2007; Well and Jason, 2010; Ibronke, Adedokun and Hungbo, 2011); or on certain sectors of the Nigerian economy such as the banking, construction, telecommunication and oil and gas sectors (Adeleye, 2011; Danesi, 2011; Okafor, 2012; Adenugba and Jawando, 2014; Okoye and Aderibigbe, 2014; Rasak, 2015; Rasak and Okafor, 2016), while little have been done to examine how employment statuses and pay of workers informs their performance in the manufacturing sector

Theoretical Exposition

Equity Theory

Equity theory relies on the notion that workers evaluate their situation in terms of perceived fairness in the workplace (Buunk and Gibbons, 2007 cited in Adenugba and Jawando, 2014). Therefore, if the workers feel they are not receiving what they think they deserve, this might generate a sense of deprivation and therefore, create a negative perception of the working situation (Turnley and Feldman, 1999). It is also possible that some may discount the rewards. One of the problems is that people may overestimate their own contributions and the rewards others receive. Certain inequities may be tolerated for some time by employees. But prolonged feelings of inequity may result in strong reactions to an apparently minor occurrence.

Human beings naturally dislike been cheated. Therefore, some workers make a comparison between the work they do (inputs) and what they get from the work (outcome) with those of other people within the same organisation and their counterparts in similar organisations. Those workers in and out of the organisation that the workers compare their inputs/outcomes with are the referent others. The equity theory holds that if the workers and the referent others have the same input, but the workers have lesser outcome (in terms of remuneration), the casual workers are likely to experience poor performance. Therefore, for the workers to enhanced performance, their inputs-outcomes must be equal to those of their referent others.

Method and Materials

Study Area: The study utilized three foreign-owned manufacturing industries located in the southwestern part of Nigeria. Specifically a Chinese (Industry X), an Indian (Industry Y) and a British (Industry Z) owned manufacturing industry located in Lagos, Ogun and Oyo state respectively were considered for the study.

Research Design: The study was descriptive in nature. It adopted a cross-sectional research design. Questionnaire and in-depth interview guide were used for the study. The questionnaire was administered to the larger part of the respondent, while in-depth interviews was conducted among selected few to further buttress the information elicited from the questionnaire.

Study Population and Sample Size:

The population of the study was seven hundred and four (704) workers which comprised of the workers in Industry X, Industry Y and Industry Z respectively. It should be mentioned that these set of

workers are all working in the factory, hence, they perform similar roles and functions. However, the sample size for the study was obtained using Taro Yemen (1980) Formula.

$$n = \frac{N}{[1 + N(e)^2]}$$

Where n = sample size

N = study population

e = Margin of error (i.e. 1- confidence level)

Since n =? N = 704 e = (1- 0.95) = 0.05.

Therefore, $n = \frac{704}{[1 + 1892(0.05)^2]} = 255$
(Approximately)

$$[1 + 1892(0.05)^2]$$

The sample size for the study was two hundred and fifty-five (255) workers. However, an attrition rate of 20 percent was included across these industries to take care of unforeseen circumstances. As a result of this, the sample size for the study was three hundred and six (306) workers. Table 1.0 below displays the aforementioned.

Table 1.0

Industry	Workforce Strength	% of Industry in Total Population	Sample Size	Attrition (20%)	Study Sample Size	Response rate
Industry X	262	37%	94	19	113	111(98%)
Industry Y	212	30%	77	15	92	55(60%)
Industry Z	230	33%	84	17	101	59(58%)
Total	704	100%	255	51	306	225(74%)

Source: Field Survey, 2016.

Furthermore, the characteristics in terms of sex, age and size of the study population was put into consideration before the sample size was chosen. This was done to ensure the adequacy, unbiasedness and representativeness of the sample size. However, in-depth interview was conducted among six (6) workers in order to buttress and add to the information that was obtained from the questionnaire.

Sampling Techniques and Procedure:

The study adopted non-probability sampling techniques; specifically purposive and snowball sampling techniques. Purposive sampling was adopted as a direct way of obtaining requisite data since the researcher knew some workers facing pay issues in the selected study areas as at the time of the study. However, the researcher knew few of these workers’ which were insufficient for the study bearing the study sample size in mind. To address

this insufficiency, snowball sampling was adopted in such a way that the identified sample will help identify all other workers faced with similar challenges at their respective industries.

Instruments for Data Collection:

The instruments for data gathering were questionnaire and in-depth interview guide. The questionnaire comprised of questions on socio-demographic features of respondents; questions related to the employment status of workers and the remuneration attached to these statuses. Furthermore, the Role-Based Performance Scale (RBPS) developed by Welbourne et. al. (1998) whose Cronbach Alpha stood at 0.94 (i.e., 94% reliable) was adopted to measure the level of work performance among workers of different employment statuses.

Method of Data Analysis:

The method of data analysis was qualitative (content analysis) and quantitative in nature

(descriptive and inferential statistics). The descriptive statistics made use of frequency distribution and simple percentage to represent data obtained from the field work, while inferential statistics made use of Chi-square, ANOVA and regression analyses. This was done with the aid of STATA 13.0.

However, qualitative data was analysed through the help of Atlas ti 6.2.

Ethical Consideration: Lastly, ethical considerations such as anonymity, privacy, voluntariness and non-maleficence were adhered to during the course of the research work.

Data Presentation, Analysis and Interpretation

Table 2.0: Socio-Demographic Characteristics of Respondents

Questions	Options	Industry X		Industry Y		Industry Z	
		Freq.	%	Freq.	%	Freq.	%
Sex	Male	45	40.5	27	49.1	41	69.5
	Female	66	59.5	28	50.9	18	30.5
	Total	111	100.0	55	100.0	59	100.0
Religion	Christianity	47	42.3	25	45.5	30	50.8
	Islam	46	41.4	29	52.7	29	49.2
	Others	18	16.3	1	1.8	-	-
	Total	111	100.0	55	100.0	59	100.0
Marital status	Single	20	18.0	29	52.7	26	44.1
	Married	64	57.7	24	43.6	27	45.8
	Others	27	24.3	2	3.6	6	10.2
	Total	111	100.0	55	100.0	59	100.0
Ethnicity	Yoruba	70	63.1	18	32.7	38	64.4
	Igbo	33	29.7	16	29.1	19	32.2
	Others	8	7.2	21	38.2	2	3.4
	Total	111	100.0	55	100.0	59	100.0
Age	20 years and Below	27	24.3	1	1.8	2	3.4
	21 - 30 years	14	12.6	36	65.5	39	66.1
	31 - 40 years	38	34.2	18	32.7	15	25.4
	Above 40 years	32	28.8	-	-	3	5.1
	Total	111	100.0	55	100.0	59	100.0
Educational Qualification	No formal Education	54	48.6	13	23.6	2	3.4
	Primary school	51	45.9	4	7.3	5	8.5
	NECO/GCE/SSCE	6	5.4	34	61.8	20	33.9
	DIPLOMA/OND/NCE	-	-	-	-	27	45.8
	HND/BSC	-	-	-	-	2	3.4
	Others	-	-	4	7.3	3	5.1
	Total	111	100.0	55	100.0	59	100.0
Monthly income	Below ₦11,000	27	24.3	4	7.3	1	1.7
	₦11,000 – ₦17,000	40	36.0	18	32.7	8	13.6
	₦18,000-₦24,000	38	34.2	20	36.4	34	57.6
	₦25,000 and Above	6	5.4	13	23.6	16	27.1
	Total	111	100.0	55	100.0	59	100.0
Duration in service	less than a year	19	17.1	19	34.5	2	3.4
	1 - 5 years	35	31.5	18	32.7	46	78.0

	6 – 10 years	39	35.1	13	23.6	9	15.3
	Above 10 years	18	16.2	5	9.1	2	3.4
	Total	111	100.0	55	100.0	59	100.0

Source: Field Survey, 2016

From gender section, it is evident that while the most who were surveyed in industry X and Y were largely females, the highest surveyed workers in Industry Z were Males. Religion section shows that the Christians constitute those who were mostly surveyed in Industry X and Z, while the Muslims dominate that of Industry Y. Furthermore, table above showed that the highest surveyed in Industry X and Z was married, those mostly surveyed in Industry Y were Single. More so, respondents’ ethnicity shows that the Yoruba’s dominates Industry X and Z, those who dominate Industry Y was Edo, Isoko and Igala by ethnicity.

Age section depicts that those between the ages brackets of 31- 40 years dominates industry X, while those

between ages 21 – 30 years dominates Industry Y and Z. Meanwhile those with no formal education constitute the largest portion of surveyed respondents in Industry X (48.6%); those who dominate Industry Y and Z were NECO/GCE/SSCE (61.8%) and DIPLOMA/OND/NCE (33.9%) holders respectively.

It was evident from the table 2.0 that Industry Z workers earns more, followed by Industry Y and X respectively. Lastly, the table above also showed that industries Y and Z constitute the highest portion of workers who spent between 1 – 5 years working for their industries while Industry X constitute those who has worked for 6 – 10 years.

Table 3.0: Employment Status of Workers

Questions	Options	Industry X		Industry Y		Industry Z	
		Freq.	%	Freq.	%	Freq.	%
How were you recruited?	Through outsourcing firm	-	-	-	-	-	-
	Directly by your employer	111	100	55	100	59	100
	Independent contractor	-	-	-	-	-	-
	Total	111	100	55	100	59	100
If (ii) above, were you informed about the probationary policy?	Yes	111	100	55	100	59	100
	No	-	-	-	-	-	-
	Total	111	100	55	100	59	100
If “yes” to the above, were you placed on probation	Yes	111	100	55	100	59	100
	No	-	-	-	-	-	-
	Total	111	100	55	100	59	100
With regards to the above, what was the duration of the probation period as it was said by your	3 – 6 months	-	-	-	-	-	-
	6 months – 1 year	2	1.8	1	1.8	10	16.9
	1 – 2 years	11	9.9	22	40.0	17	28.8
	2 – 3 years	23	20.7	31	56.4	13	22.

employer?							1
	Period not defined	75	67.6	1	1.8	19	32.2
	Total	111	100	55	100	59	100
Were you given a permanent status after the pre-stated probation period?	Yes	36	32.4	54	98.2	40	67.8
	No	75	67.6	1	1.82	19	32.2
	Total	111	100	55	100	59	100
Have you taken any action as regards the non-regularization of your employment status?	Yes	75	100	1	100	19	100
	No	-	-	-	-	-	-
	Total	75	100	1	100	19	100
Was the action taken above successful?	Yes	-	-	-	-	-	-
	No	75	100	1	100	19	100
	Total	75	100	1	100	19	100

Source: Field Survey, 2016.

Table 2.0 revealed that all surveyed workers were directly recruited by their respective employers. In addition, all respondent were not only aware of their respective probationary policies but were also placed on probation. However, a participant explained in an IDI session that:

What is probationary policy for? What is it about? I should confess to you that I am hearing that concept for the first time. No one has explained that to me as you just did. All am concerned about is to come to work and receive my pay at the end of the month.
(IDI/Male/Industry Y/December 2016)

This is to conclude that not all workers are informed or aware of the probation policies of their respective industry. Meanwhile, none of the respondents in their respective industry was placed on a 3 – 6 months’ probation period. However, 1.8%, 1.82% and 16.9% of the respondent in industry X, Y and Z respectively were placed on a 6 months to one year probationary period, 9.9%, 40.0% and 28.8% of respondents in industry X, Y and Z respectively were

place on a 1 – 2 years’ probation period while, 20.7%, 56.4% and 22.1% of respondent in industry X, Y and Z respectively were place on 2 – 3 years’ probation period. However, 67.6%, 1.8% and 32.2% of respondents in industry X, Y and Z respectively confirmed that the period for probation was not defined in their place of work. To further corroborate this point, a participant in an IDI session said that:

Almost all workers who are casual today are told by the employer to work for at least 3 years, so that the industry can consider them for permanent status. Almost all of us were not bothered about the duration. However, I have been working in this industry for over 24 years, and I still maintain my casual status.
(IDI/Male/Industry X/ December, 2016)

This is to conclude that most workers were either placed on a 2 -3 years’ probation period or placed on a never ending probationary duration. This was against the provisions of the section 7(1) of the Nigerian Labour Act which states that not later than three months; an employer must provide his employee a

written statement which in practice confirms these workers as full staffs.

However, 32.4%, 98.2% and 67.8% of workers in industry X, Y and Z respectively were given a permanent status while the remaining 67.6% in industry X, 1.8% in industry Y and 32.2% in industry X were yet to be

given permanent status as at the time of this study. Furthermore, all respondent who were yet to be confirmed as full staffs in respective industry claimed to have taken necessary action in a bid of regularizing their employment status but to no avail.

Table 4.0: Casual workers remuneration/pay

Questions	Options	Industry X		Industry Y		Industry Z	
		Freq.	%	Freq.	%	Freq.	%
Do you work overtime?	Yes	111	100.0	55	100.0	-	-
	No	-	-	-	-	59	100.0
	Total	111	100.0	55	100.0	59	100.0
Are you paid for working overtime?	Yes	24	21.6	54	98.2	-	-
	No	87	78.4	1	1.8	59	100.0
	Total	111	100.0	55	100.0	59	100.0
In your opinion, do you think that duties performed by casual workers similar to those of permanent staffs?	Yes	111	100.0	55	100.0	59	100.0
	No	-	-	-	-	-	-
	Total	111	100.0	55	100.0	59	100.0
Do you think the salary/wage of casuals is similar to that of permanent staffs	Yes	-	-	-	-	-	-
	No	111	100.0	55	100.0	59	100.0
	Total	111	100.0	55	100.0	59	100.0
Does your employer pay you as at when due?	Yes	99	89.2	52	94.5	51	86.4
	No	12	10.8	3	5.5	8	13.6
	Total	111	100.0	55	100.0	59	100.0
Have you taken any action as regards increment of pay in your industry?	Yes	18	16.2	4	5.4	9	15.3
	No	93	83.8	51	94.5	50	84.7
	Total	111	100.0	55	100.0	59	100.0
Was the action successful?	Yes	-	-	1	-	-	-
	No	18	100	3	-	9	15.3
	Total	18	100.0	4	100.0	9	100.0
Are you entitled to 13th month salary?	Yes	-	-	-	-	-	-
	No	111	100	55	100	59	100.0
	Total	111	100	55	100.0	59	100.0

Source: Field Survey, 2016.

Interpretation

All respondent in industry X and Y do work overtime. But in Industry X, about 78.4% of these casual who works overtime are not paid for the services, while only 21.6% are paid, but in industry Y, 98.2% of the casual workers claimed they are paid for working overtime while 1.8% of the respondents

are not paid for overtime. However in industry Z, data gathered also indicated that none of the casual workers in Industry Z does work overtime and of course, none of them received overtime pay. Furthermore, table 4.0 above indicated that all workers in industry X, Y and Z claimed they perform similar duties, but stressed that there is

difference between the wages/salary received by them.

To corroborate the point made above, a participant in an IDI session said that:

We casual workers and other permanent staffs do similar tasks, yet permanent workers earn almost twice of our income. The only difference is that casuals are not taxed while permanent are.

(IDI/Male/Industry Z/December, 2016)

Another participant also stressed on the wide pay gap between the casual and regular staffs in her industry. She said that:

I am paid as low as ₦9,000 for my services. My permanent counterpart receives ₦16,000 for the same set of task. That is not fair to me. But I could not leave the job because I considered that fact that I have no formal education, so it will be difficult for me to secure another job.

(IDI/Female/Industry X/December, 2016)

Meanwhile, another participant stressed on the degrading job usually given to casual workers which are also not part of their duties in their industry. She particularly said that:

Sometimes, casual workers whose duties are to be carried out in in respected units in the industry are instructed to clean/tidy up the working environment (both physical internal and external environment). When they are tired as a result of this cleaning

task, they will be told to return to their factory work immediately and some get injured as a result of this. Besides, the service is not paid for. **(IDI/Female/Industry Y/December 2016)**

It is not wrong to conclude that casual workers do as much work if not more as the permanent but they do not receive pay commensurate with their efforts geared towards production processes vis a vis the pay of permanent staffs. More so, 89.2% of respondents in Industry X, 94.5% in Industry Y and 86.4% in Industry Z attest that their respective employers pays their wage/salary as at when due. However, 10.8%, 5.5% and 13.6% of respondents in Industry X, Y and Z respectively complained that their remuneration is not paid on time. Drawing from the data interpreted above, one could conclude that employers in their respective industries pays their casual workers as it when due. Furthermore, 16.2% of respondent in Industry X, 9.4% in industry Y and 15.3% in industry Z took necessary actions but however same portion of these respondents in respective industries claimed the action was not successful. Therefore, this is to say that casual workers are powerless in decisions related to wages/salary increment in foreign owned manufacturing industries in southwestern part of Nigeria. Meanwhile, no casual worker in respective study area is entitled to 13th month pay.

Test of Hypotheses

Table 5.1: Pay of casual workers will differ significantly from that of permanent workers

Factor	Pay		
	F Statistic	DF	Sig.
Employment Status	156.34	1	0.000**

Source: Field Survey, 2016.

Table 5.1 shows that there is a statistically significant difference ($P_{0.00} < 0.05$) between the pay received by workers of different employment

statuses. The table below further clarified this difference. Hence, the alternative hypothesis was accepted.

Table 5.1.1

Pay	Permanent	Casual	Total
Below ₦11,000	10	22	32
	31.3	68.8	14.2
₦11,000 – ₦17,000	13	53	66
	19.7	80.3	29.3
₦18,000-₦24,000	74	18	92
	80.4	19.6	40.9
₦25,000 and Above	33	2	35
	94.3	5.7	15.6
Total	130	95	225
	57.8	42.2	100.0

$X^2 = 11.725$; $df = 3$; Asymp. Sig. (2-sided) = $0.001 < 0.05$ (Level of Significance)

Source: Field Survey, 2016.

The chi-square table above shows that there is a significant association between the employment status of workers and the pay attached to the former. Specifically, table 5.1.1 shows that most workers whose employment

status is casual in nature earn below ₦11,000 or between ₦11,000 and ₦17,000. However, their permanent counterparts are been paid ₦18,000 or more.

Table 5.2: The employment status of workers is likely to inform their pay

Pay	Coefficient	Standard Error.	T	P>/t/
Employment Status	0.957	0.4410	2.17	0.002**

Source: Field Survey, 2016.

Table 5.2 shows that there is a positive significant relationship between employment status and pay. Specifically, as casual workers are been

confirmed as permanent staffs, there will be a corresponding increase of workers’ pay by 96%. As such, the alternative hypothesis is acce.

Table 5.3: Employment status and pay will be significantly related to workers performance

Performance	Coefficient	Standard Error.	T	P>/t/
Employment Status	0.0467	0.0295	1.58	0.051*
Pay	0.5010	0.0880	5.69	0.001**

Source: Field Survey, 2016.

Lastly, there is a positive significant relationship between Employment status, pay and workers performance. Specifically, the confirmation of a casual worker to a permanent employment status will increase the former performance by 5%. In the same vein, a unit increase in pay of a worker (whether casual or permanent) will increase their performance by 50%. Hence, the alternative hypothesis was accepted.

Discussion of Findings

The first objective of the study was to examine the nature of employment of the workers in selected industries; Findings revealed that all the workers were recruited directly by their respective employer, particularly at the factory gate. This prevailed in all surveyed industries. While some of the employment contract of workers has been regularized, others still maintain their casual status. This is to say that these industries recruits this form of casual workers directly by themselves against those recruited through outsourcing firms or that of independent contractor(s). Therefore, the category of casual workers in these industries are those who were directly recruited but not at peak periods but continuous. This was not among the categorization of Bamidele (2010) who argued that those who were referred to as casual workers are either employed directly by their employer at peak periods, supplied by labour broker or that of an independent contractor. Findings also reveal that these workers who were still casual in

these industries where specifically told that they were on probation, after which they will be, regularized as permanent staffs. However, these set of workers were not confirmed after the pre-stated time. This is similar to the findings of Fapohunda (2012), who opined that casual workers work for long periods of revolving short term contracts under a never ending probation. This was also against the provisions of the section 7(1) of the Labour Act, and the International Labour Organization Conventions. It was further discovered that these form of workers could not leave their respective employers as a result of economic duress and lack of proper education needed to secure another job(s).

The second objective was to investigate the remuneration/pay of workers of different employment statues. Data gathered revealed that in Chinese, Indian and British owned industries, permanent workers receive more pay than the casuals even when they perform similar tasks and duties. Specifically, data gathered revealed that most casual workers, especially in Chinese and Indian owned industries are still paid below the statutory/minimum wage of ₦18,000. Also, casual workers are found to be receiving less than ₦18,000 while the permanent counterpart receives ₦18,000 or more as their monthly pay. This action is an outright exploitation of Nigerian workers by these foreign employers considering the economic value of Naira. This corroborate the assertion that casual

workers are seen as a cheap labour (Bamidele, 2010; Fapohunda, 2012; Kalejaiye, 2014; Okafor, 2007; O'Donnell 2004; Okougbo, 2004; Luswili, 2009; Wooden and Diana Warren, 2003). This also corroborates the assertion of Uvieghara, (2000), Okougbo, (2004), Onyeonoru (2007), Adewumi (2008) and Okafor (2010) who opined that the use of casual workers violates minimum acceptable labour standards in Nigeria. This was also similar to the findings of Fapohunda (2012), who opined that casual workers perform many of the same technical and professional duties as regulars, but are not receiving the remuneration expected of them. In Chinese and Indian owned manufacturing industries, it was discovered that not all casual workers who work overtime are actually paid for the services rendered. It was also gathered that workers are not paid for some certain services rendered by casual workers. Findings also revealed that actions which are taken by casual workers as regards increment of wage/salary proved abortive. Therefore, the wage/salary of all surveyed industries lacked internal equality. This corroborates the findings of Mark Wooden and Diana Warren (2003, who opined that casual work tends to attract relatively low pay. Indeed, casual employees were more likely to respond favourably to a question about the fairness of their pay as they are not entitled to 13th month salary.

The third objective was to ascertain the relationship between employment status, pay and perceived workers performance in selected foreign owned manufacturing industries in south-west, Nigeria. The study discovered that there is a positive significant relationship

between Employment status, pay and workers performance. Specifically, the confirmation of a casual worker to a permanent employment status will increase the former performance by 5%. In the same vein, a unit increase in pay of a worker (whether casual or permanent) will increase their performance by 50%. Therefore, it is right to say that the employment status will determine the pay received by a worker, and the aforementioned variables will determine workers performance on the job. This was in line with the assumption of Mitchell (1982) who argued that job performances are typically determined by the motivation to work hard and high motivation means greater efforts and higher performances. Hence, the regularization of the employment status of workers and a corresponding increase in pay will constitute a motivation to workers which will also lead to improved job performance. This finding also corroborate the assumption of *Equity theory* which holds that if the workers and the referent others have the same input, but the workers have lesser outcome (in terms of remuneration/pay), the casual workers are likely to experience poor performance. Therefore, for the workers to enhanced performance, their inputs-outcomes must be equal to those of their referent others.

Conclusion

The dignity of workers has come under heavy attack by foreign employers at the face of local and international laws. The category of casual workers identified in the study are not entitled to the statutory wage in most foreign owned manufacturing industries in Nigeria, as the management of these industries are not operating in consonant with the laws

clearly spelled out by the Nigerian labour Act, the Employee compensation Act and several International Labour Organization (ILO) conventions ratified by Nigeria. These laws are however not taken seriously by foreign employers as they are not held responsible most times for labour offences and due to high unemployment rates in the country, employees often suffer in silence. This is specifically true in Chinese and Indian owned manufacturing industries. While British owned manufacturing industries have better remuneration for the various categories of workers including casual workers which might not be unconnected to the fact the Nigerian Labour Laws are essentially the reproduction of the English Laws. It could also conclude that the treatment of casual workers in the selected manufacturing industries is attributed to the level of educational qualification of these respective casual workers. Therefore, one could conclude that the higher the level of education of casual worker, the high the tendencies of enjoying enhanced pay and vice versa.

Recommendations

After careful empirical findings, the following recommendations were made:

1. All foreign employers must respect all provisions the Nigerian labour laws, thus, regularize the temporal status of all casual workers within an agreed time frame or as spelled out by the Labour Act;

References

- Adams, J.S. (1963). Toward understanding of Inequity: *Journal of Abnormal and Social Psychology*, 6(7), 422-436.
- Adenugba, A. and Jawando, J. (2014) Assessing the Patterns of Temporary Employment in the

2. The NUC and TUC must serve as a watch-dog to ensure that foreign employers operate in consonant with the provisions of the Nigerian Labour Laws;
3. The management of industries are advised to regularize the employment status and increase the pay of workers as both variables are critical to the performance of workers on their job;
4. Casual workers are to acquire more educational qualification(s) as it might determine their regularization and the pay that would accrue to them; and
5. Government and other policy makers must make, implement, properly evaluate and monitor legislations to protect these nonstandard workers from exploitation by these foreign employers'. Meanwhile, any industry who fails to respect the provisions of Nigerian labour laws must be dealt with.

Suggestions for Further Studies

Bearing in mind the poor remuneration offered to casual workers, future studies should look at the attitude developed by these casual workers towards their work. Is it positive or negative? How these attitudes have affected their commitment to work? What are the implications of these attitudes on industrial productivity?

Food Processing Industry in Lagos: *Pakistan Journal of Social Sciences*, 11 (2): 96-107

- Adewumi, F.(2008). Globalisation, Labour Standards and the Challenges of Decent Work in Nigeria. A paper presented at a Lecture organised by MIPRSA of

- Sociology Dept. University of Ibadan, Nigeria.
- Anugwom, E. (2007). Globalisation and Labour Utilisation in Nigeria: Evidence from the Construction Industry. *Africa Development*, 32(2), 113–138.
- Bamidele, R. (2010). Casualization and labour utilization in Nigeria. Department of Sociology and psychology, Fountain University Osogbo, Osun State.
- Baumann, A. and Underwood, J. (2002). *Innovations and strategies for addressing nursing workload*, Nursing Effectiveness Utilization and Outcomes Research Unit. McMaster University. Hamilton. p. 12.
- Bodibe, O (2006), The extent and effects of casualization in south Africa: Analysis of Lesotho, Mozambique, South Africa, Swaziland, Zambia and Zimbabwe' Research report for the Danish federation of workers.
- Chartered Institute of Personnel management (2014), labour Law Study Pack
- Danesi, R. A. (2012). Nonstandard Work Arrangements and the Right to Freedom of Association in Nigeria. IIRA Regional Conference, Lagos.
- Fapohunda, T.M. (2012). Employment Casualization and Degradation of Work in Nigeria: *International Journal of Business and Social Science* 3(9), 13 – 21.
- Forde, C. and MacKenzie, R. (2005). Skills Shortages and Casualisation in Construction: Evidence from two UK surveys. *Construction Information Quarterly*. 7, 3. .
- Habib N M (2012), the role of developing countries government in HRD programs: The Egyptians Experience: *International Journal of Business and Social Science*. 3(3), 12 – 24.
- Ibironke, O., Adedokun, O., and Hungbo, A. (2011) Drivers and Challenges of Motivation for Casual Workers on Construction Sites, *Journal of Emerging Trends in Economics and Management Sciences*, 2(5), 413-417.
- Jawando, J.O. (2013). Casualisation and Decent Work in Access Bank Plc. *America Academic and Scholarly Research Journal*, 5(2), 118-13
- Kalejaiye, P.O (2014). The rise of Casual work in Nigeria: Who Loses, Who benefits? *Research Review: An International Multidisciplinary Journal*, 8(1):. 156-176.
- Luswili C. (2009), The effects of investment on employee rights in Zambia: Casualization of Labour, Bachelor of Law thesis, University of Zambia
- Mitchell TR (1982). Motivation: New Directions for Theory, Research, and Practice, *Acad. Manage. Rev.* 7(1):80-88.
- Mitullah, W and Wachira, I. (2003). Informal labour in the Construction Industry in Kenya: A Case Study of Nairobi. Working Paper 204, Sectorial Activities Program, Geneva: ILO.
- O'Donnell, A. (2004). Non-Standard Workers in Australia: Counts and Controversies. *Australian Journal of labour Law* 17(1), 1-28.
- Offiong, D. (2001). *Globalisation : Post –Neodependecy and Poverty in Africa*. Enugu: Fourth Dimension Publishers.
- Ogunola, A. Kalejaiye, P. and Abrifor, C. (2013) Management style as a

- correlate of job performance of employees of selected Nigerian brewing industries. *African Journal of Business Management*: 7(36), 3714-3722
- Okafor, E.E. (2007). Globalization, casualization and capitalist business ethics: a critical overview of situation in the oil and gas sector in Nigeria. *Journal of social sciences* 15 (2): 160-179.
- Okafor, E.E. (2010). Sociological Investigation of the Use of Casual Workers in Selected Asian Firms in Lagos, Nigeria. *Ibadan Journal of the Social Sciences*. 8.(1), 49-64 .
- Okougbo, E. (2004). Strategic Issues on Dynamic of Industrial Relations: Theory and Practices. Wepopo Enterprises, Lagos, Africa.
- Okoye, P. and Aderibigbe , Y. (2014) Comparative Assessment Of Safety Climate Of Casual And Permanent Construction Workers in South-East Nigeria. *International Journal of Health and Psychology Research*. 2(1), 54-66.
- Omolayo, B., Falegan, T., and Ajila, C. (2013). Influence of Job Demand and Employment Status on Marital Conflict and Marital Satisfaction among Women in Ekiti State, Nigeria. *Journal of Psychology and Behavioural Science*, 1(1), 8 – 18.
- Onyeonoru, I.P. (2008). Labour Market in the Context of Economics Sociology: Bringing Society back to the Economy. *Ibadan Journal of the Social Sciences*, 6(1) 55-67.
- Rasak, B. (2015). Working Conditions of Casual Workers in Selected Construction Firms in Lagos State, Nigeria. Unpublished Ph.D. Thesis Submitted to the Department of Sociology, University of Ibadan.
- Tung, R. L., (1981). Selection and Training of Personnel for Overseas Assignments. *Columbia Journal of World Business*. 8:121-132
- Turnley, W., and Feldman, D. (1999). The impact of psychological contract violations on exit, voice, loyalty, and neglect. *Human Relations*, 52: 895–922.
- Uvieghara, E.E. (2000). Labour law in Nigeria. Lagos: Malthouse.
- Welbourne, T., Johnson, D., and Erez, A. (1998). The Role-Based Performance Scale: Validity Analysis of a Theory-Based Measure. *Academy of Management Journal* 41(5), 540-555.
- Wells, J and Jason, A. (2010). Employment Relationships and organizing strategies in the informal construction sector. *African Studies Quarterly*, 11(2 & 3),
- Wooden, M. & Warren, D. 2003. The Characteristics of Casual and Fixed-term Employment: Evidence from the Hilda Survey. Melbourne Institute Working Paper No. 15/03.

Electronic sources

- <http://www.wordnik.com/words/casualisation> Retrieved on 14/7/2016
- <http://www.ventures-africa.com/2012/12/employment-casualization-and-workplace-violations-in-nigeria/> Retrieved on 29/7/2016
- <http://www.fairworkcentral.com.au/newsblog/general/what-is-a-probationary-period/> Retrieved on 05/10/2016