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RESEARCH NOTE

Analysing the Politics of Nigeria's 2019 National Minimum Wage: Towards a Public Policy

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Abstract

This paper analyses the politics that characterised the Nigeria 2019 national minimum wage negotiations and implementation, which so far is the most prolonged in Nigeria's history. Workers' welfare is the responsibility of governments across the world through fixing and regulation of the national minimum wage. But in Nigeria, this has been problematic, and the entire process is characterised by industrial actions undertaken to compel the government to commit to wage negotiations and implementation. The paper argues that the absence of functional standing machinery with a focus on labour economics, deciding the condition and time for a minimum wage review is seen as the main bane in government–labour frequent face-off in Nigeria, which has negatively impacted on harmonious industrial relations. Writing from the analytical point of view, the paper finds that industrial actions have become one action too many because of government's political approach to labour demands. Deciphered in the foregoing is that the current system of government–labour negotiation for new national minimum wage cannot guarantee workers' welfare in Nigeria. Thus, for the Nigeria government to address this perennial minimum wage problem and be seen as fulfilling its obligation to the International Labour Organisation, it must urgently put in place an acceptable mechanism for fixing and regulating the national minimum wage in Nigeria to cushion the effect of the hike in petroleum products on which the national economy largely depends.

Keywords Nigeria · The politics · Minimum wage · Analysis · Public policy

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1 Introduction

Wage is a byword, underlining labour as a factor of production the world over. This is recognised by the International Labour Organization (ILO), which emphasises the expectation of workers to receive emolument (wage) for their labour and work under acceptable conditions (ILO 1928; Kester and Adeyeye 2002). New Zealand and the Victoria State of Australia are widely credited with blazing the trail in minimum wage adoption and implementation in 1894 and 1896, respectively. The Victoria Wage Act of 1896 resulted in the amendment of the State Factory Act and informed the creation of a wage board that legislated for six specific industries (Nwude 2013, p. 480). In Britain, a Trade Board Act was enacted in 1909, which in turn led to the adoption of a national minimum wage in the UK in 1999, following the dissolution of the old minimum wage that operated at the industrial level from the 1980s (Nwude 2013, p. 480). Today, minimum wage fixing and regulation has become a popular industrial relations policy that over 90 per cent of ILO members practice it in various forms as a way of protecting workers and improving working conditions. In recent times, the minimum wage is increasingly perceived as a political economy problem of the developing countries probably because the advanced countries have effective minimum wage systems.

For Nigeria, it is a long and intricate experience of minimum wage regulations, which makes an interesting historical study. Unlike most countries, a major political issue in government–labour relations over time has been how to achieve an acceptable minimum wage for the workers. The labour unions, namely the Nigerian Labour Congress (NLC) and Trade Union Congress (TUC), Academic Staff Union of Universities (ASUU) and others have in various times agitated for a wage increase and general welfare of Nigeria workers. Besides the wage increase, the income stability of the working class has a chain impact on the business community and society at large. Unfortunately, almost all the minimum wage increases in the past have resulted in national industrial strikes to compel the government to come to the table for negotiations. But why have all of these remained recurrent decimal in government–labour relations in Nigeria? How can this situation be reversed to create stability in the future? It is, therefore, germane to examine these in a historical context and proffer solutions to the lingering labour challenge.

Many studies on minimum wage have come from economics focusing on the impacts of the minimum wage raise on employment and unemployment rates, the transition of workers across jobs and into and out of poverty, and in the general labour market (Marginean and Chenic 2013; Addison et al. 2013; Alaniz et al. 2011). Using the US economy as a case study, Addison et al. (2013), for instance, compare the level to which an increase in minimum wage can impact workers. According to the authors, increases affect a small number of low-wage earners, and it does not also immediately translate to a higher percentage of unemployment. Alaniz et al. (2011) adopted a broader approach in studying the effects of changes in legal minimum wages on host labour market outcomes. They concluded that changes will most likely affect only a set of workers with an initial wage close to (20%). Marginean and Chenic (2013) employed theory and empirical evidence using Rumania as a case study. They argue that studies on the effect of minimum wage raise on employment are not relevant anymore. Concluding, they insist that such studies must be conducted at the national or regional level given that the impact depends among other things on the share of minimum wage workers receive.

Generally, their view is that studies on the effect of minimum wage on employment should focus on labour market outcomes in some specific sectors of the economy. They further drive home the arguments that increased minimum wage stabilise the workers, discourage inter-sectoral migration and potentially increase workers' purchasing power. Elsewhere, Gordon and Frankfurter (1928) studied the minimum wage system in the USA. The study shows that the practice of minimum wage is strictly on federating state level even though there exists a federal minimum wage law in the country. It reveals that the state of Massachusetts was the first to adopt minimum wage in the USA in 1912, followed by eight other states, namely California, Oregon, Colorado, Wisconsin, Washington District of Columbia (Federal Wage Law), Nebraska, Uta and Minnesota in 1913. However, Kester and Adeyeye (2002, p. 3) reveal that unlike America, there are countries with records of a collective national minimum wage for workers. These include France, Canada, Norway, Germany, Spain, India, Mexico, Brazil, China and Ireland which have all joined the minimum wage bandwagon in 1915, 1917, 1918, 1923, 1926, 1927, 1937, 1938, 1995 and 2000, respectively.

In Nigeria, Onyeche and Edet (2017) trace the early attempt at introducing a national minimum wage to the former western regional government in 1954 born out of the consideration of giving good remuneration to the workers. It proposed to pay the workers more than fifty kobo per day for a four hour week of work and forwarded the proposal to the national government for approval which would have translated to the national minimum wage for Nigeria. However, the pay programme was rejected by the national government arguing that approving such a proposal will lead to a high rate of unemployment, inflation, which could together create a national industrial crisis in the form of a strike.

Abada et al. (2019) wrote during negotiations for the 2019 national minimum wage. They considered the viability of states in Nigeria and the fragility of the national economy as a challenge to the payment of the proposed N56,000, arguing that some of them are yet to fully implement the N18,000 minimum wage of 2011. The study reveals that when the new national minimum wage is signed into law, the states will abdicate their roles and retreat to oblivion because of a lack of financial capacity to pay. Similarly, Oforle (2014) has argued that the extent of compliance by states with the payments of the minimum wage differs from one state to the other. He attributes the reason largely to the financial strength of individual states, recognised since 1991 as a major factor in public sector employers' compliance with any wage directive from the federal government in Nigeria. Both studies expressed worry that the fact some states government are struggling to pay N18, 000 minimum wage has cast doubt about the full implementation of the new minimum wage.

A survey of the various commissions and committees set up between 1934 and 2011 to undertake the review of salaries and wages of workers in the public service in Nigeria has been carried out (Nwude 2013). Although he considers minimum wage as a living wage (which can fetch workers a decent living standard), the results of the survey show that the prevailing national minimum wages are grossly inadequate, making it difficult for public service workers to survive. This has been attributed to inflation characteristics which weaken workers purchasing power. He faulted the entire idea of the minimum wage increase, arguing that even if workers are paid higher than N18,000, it does not solve the problem because of hyperinflation that will set in owing to the price mechanism. He concludes, therefore, that rather than increase the minimum wage, the government should focus on strengthening the value of the Naira. However, there is nowhere in the world where workers' wages are static because of the value of their national currency. Overtime wages are increased even in a recession as the case with Rumania (Marginean and Chenic 2013). The consensus is that wage increase is a global practice. But in Nigeria, no study has detailed the politics that characterised the 2019 minimum wage negotiations and implementation which has made it the most protracted and complicated so far in Nigerian history.

2 Materials and Methods

The study depended largely on various daily newspapers in both print and online versions that followed the process of negotiations and implementation from start to finish both at federal and state levels given that the subject is a recent phenomenon. It also consulted the available secondary sources on the subject. The study deployed a historical analysis method and presented the discussion chronologically. It is anchored on industrial relations systems theory as propounded by John Dunlop (1958). It is one of the theories of collective bargaining. The thrust of the industrial relations system is the creation of rules which bind all the actors, namely workers, management and the government. Dunlop maintains that the industrial relations system is built through interaction among the actors in every country. He further maintains that the role of the system is principal in providing rules and regulations governing industrial relations. The major emphasis of the theory is the relationship between three principal actors, namely workers (labour) and their unions, employer and their organisation and government agencies concerned with legislation and statutory orders (Armstrong 2009:881). In Nigeria, the system of industrial relations and management centres on relations amongst the tripartite of organised labour, the employers of labour and the government represented by the Ministry of Labour and Productivity. Any industrial negotiations are carried out by the tripartite bodies that come together in a committee. This paper, therefore, analyses the roles of the Tripartite Committee on National Minimum Wage (TCNMW) in negotiations and implementation of the 2019 national minimum wage.

3 Overview of National Minimum Wage in Nigeria before 2015

Minimum wage negotiation and increment can be traced to the colonial period and were generally associated with civil service reform programmes (Oforle 2014:151). The first move was the Hunts Commission of 1934 which came up with the principle of collective bargaining, the wage fixing and registration ordinance of 1943 which was later replaced with the Wage Board Act of 1955 and Wage Board Ordinance of 1957. The 1955 Act and 1957 Ordinance were developed in line with those of the UK and they reactivated the principle of collective bargaining. They also recommended that workers be given fair wages and good working conditions (Okafor and Aniche 2015, p. 112; Alarudeen 2008, p. 8; Nwude 2013, p. 480). These were not without agitations from labour unions which contributed to the nationalist struggle in Nigeria. The unions agitated for overall improvement in the working condition of workers. The non-responsiveness of the British colonial government led to the 1945 labour general strike which impacted the colonial wage reform policies (Okibe 2000, p. 119).

Following independence in October 1960, Labour Union pressured the government to regulate minimum wage for the workers. However, it was not until 1978 when Hassan Sunmonu became the first president of the NLC that a structured minimum wage for workers in Nigeria was introduced. A structured minimum wage is negotiated by the representatives of the employers (government) and workers. Hence, as president of NLC, Hassan Sunmonu and his team agitated for an increase in workers' minimum wage to N300. The attendant strike by the labour bodies in 1981 compelled the civilian administration to increase the wage to N125 which was accepted by the labour (Olayinka 2018, pp. 1–2). Between 1989 and 1990, there was another negotiation for wage increase by NLC. The result was a wage increase from N125 to N250 in 1991. Under the military regime of Abdusalami Abubakar, the Committee of Industrial Unions led by Sylvester Ejiofor in January 1999 influenced the increase of minimum wage to N3,000 for state workers and N3,500 for their federal counterparts. This was revised to N5,500 for state workers and N7,500 for federal workers in 2001, following labour negotiations with the government between 2000 and 2001 (Okafor and Aniche 2015, p. 113).

Between 2010 and 2011, there were heated agitations and negotiations with attendant strike actions by NLC. As a result, the Justice Alpha Belgore Committee was constituted. The report of the Committee formed the National Minimum Wage amendment bill which produced the Act of 2011, increasing the minimum wage to N18,000. The Act also provided for the defaulting penalty of N20,000 and five years periodic review of the Wage Act by a statutory Tripartite Committee. Hence, the 2011 National Minimum Wage Act was due for review in 2015 (Nwude 2013, pp. 480–481; Ahiuma-Young 2011, pp. 2–5). On the whole, the successive political administrations in Nigeria, especially since 1981, had to contend with the issue of wage review for the workers.

4 National Minimum Wage Agitations and Negotiations, 2015–2019

The route to the enactment of the 2019 National Minimum Wage Act had been one fraught with political intrigues following the expiration of the timeframe for the review of the 2011 Minimum Wage Act due in 2015. However, the federal government did not initially consider it necessary to commit to the review citing the ailing state of the economy as a factor which did not support the minimum wage increase in the country. As a political masterstroke, it increased fuel pump price from N86.50 to N145 per litre in May 2016 which the organised labour rejected, threatening to embark on strike. To diffuse tensions, the Federal Government set up a Joint Technical Committee to consider the new fuel price and to also examine the process of initiating a review of the 2011 Wage Act. Based on the recommendations of the Committee, the federal government constituted a 30-man Tripartite National Minimum Wage Committee chaired by former Head of Service, Ama Pepple on 27 November 2017 to negotiate for an acceptable wage for workers (Ahiuma-Young 2018, pp. 1–3; Sani 2019, pp. 1–2). The federal government added that although the minimum wage is included in the exclusive list of the Federal Government, the issue cannot be handled without inputs from the state governments. This is because even though the essence is to avoid exploitation of workers by the employers, the ability of states to pay is a necessary consideration in minimum wage fixing and regulation.

However, the Tripartite Committee did not commence sitting until March 2018. When it eventually did, the different trade unions under the NLC made their propositions but later harmonised to N30,000 minimum wage for workers. This was done

Table 1 Minimum wage figures proposed by some state governments

State	Figure
Kano	N30,600
Adamawa	N23,000
Taraba	N20,000
Enugu	Will implement any thing agreed
Plateau	N25,000, N30,000 and N57,000
AkwaIbom	not specific
Bauchi	N25,200,
Abia	N42,000
Borno	N27,000
Gombe	N28,000
Jigawa	N32,000
Kogi	not specific
Katsina	not specific
Ondo	N22,000
Lagos	Will be bound by southern state Governors Forum
Oyo	Not specific
Nasarawa	N24,750, N31,348.30

Source: The Authors' Compilation (2020) to meet the August deadline for the Committee to complete the process and make recommendations to the government. During the period of the meetings of the Committee, the representatives of the federal government deliberately failed to present any figure for the wage. The federating states offered various figures as they considered convenient between November and October 2018 (Table 1).

Instead, the federal government suspended negotiation. As a result, labour embarked on a 14 days strike to force the government to return to negotiation table. At the resumption of the meeting following the suspension of the strike, the Federal Government offered an N24,000 wage figure which labour rejected leading to a deadlock. It therefore, threatened the federal government with an indefinite strike proposed to commence on 6 November 2018 to press home its demand. And when it became obvious that labour was not backing down, the government seized the opportunity to engage labour leaders in the Tripartite Committee meeting at the eleventh hour to diffuse the strike. The government team led by the Secretary to the Government of the Federation (SGAF), Boss Mustapha, conceded to labour and assured that the figure agreed at the meeting will get to the President the same day.

During the later part of November 6, President Muhammadu Buhari received the report of the Tripartite Committee and reaffirmed the government's commitment to the process of introducing a new National Minimum Wage Act. He also revealed the federal government's readiness to transmit the Executive Bill to the National Assembly for passage without delays. However, the president delayed in transmitting the executive bill to the National Assembly as promised. Some analysts attributed the delay largely to the State Governors opposition to the wage increase having pegged their figure at N22, 500 from the existing N18,000 wage. It was not until 22 January 2019 that the National Council of State (NCS) approved N30, 000 for all Nigerian government workers. Although the State Governors still voiced out their unwillingness to accept the N30,000 figure, political considerations of getting support in the general election of 2019 helped to change their stance.

Despite these, the federal government did not immediately adopt the new minimum wage. For example, it further moved to set up a high-powered Technical Committee on the minimum wage even after the Tripartite Committee had concluded every negotiation on the wage. In light of this, the organised labour gave two weeks' target for the government to finalise the required process for the adoption of the N30, 000 wage. This was followed by the December 31 ultimatum for the legal adoption of the new wage (Olayinka et al. 2018a, b, c, pp. 1&7). Also, labour demanded states financial books for public scrutiny since financial constraint was the governors' acclaimed reason for objecting to the N30,000 wage. They further slated 8 January 2019 for a nationwide protest against the non-implementation of the new wage bill. All of these compelled the government to reconvene the meeting of the federal government and labour representatives on January 8, 2019, in an attempt to forestall the imminent protest. However, that didn't happen hence labour embarked on the protests as planned in major cities which forced the Federal government to transmit the Executive Bill to the National Assembly which was approved on 19 March 2019. The bill was transmitted back to the presidency on 27 March 2019 and assented to the law on 18 April 2019, making it the National Minimum Wage Repeal and Re-Enactment Act, 2019 (Young and Agbakwuru 2019a, b, c, pp. 1–2) (Table 2).

Table 2 Selected African countries and prevailing minimum wages

S/N	Country	Minimum wage per month	Equivalent in Naira
1	Algeria	$175	N83,000
2	Botswana	$652	N293,400
3	Cameroon	$75	N38,000
4	Chad	$120	N60,000
5	Cote D'ivoire	$72	N36,607
6	Denmark	$1,820	N900,000
7	Equatorial Guinea	$2,618	N1,178,100
8	Gabon	$3,043	N1,369,350
9	Libya	$430	N190,000
8	Republic of the Congo	$1,826	N821,700

Source: Authors' Compilation (2020)

Looking at the figures on the table Nigeria's minimum wage of N30,000 which translates to about $67 per month does not compare favourably with any of the countries there, and a sharp contrast to the nation's legislators whose monthly take-home is N30,000,000 (thirty million naira) and earn more than most of their counterparts in the world. Comparatively, "N125 Salary in 1981 is far better than N30, 000 now" (Odunsi 2019) given the high cost of living and weak purchasing power of the national currency. Thus, the Nigerian civil servants have been condemned to a life of penury and are living on the edge.

5 Implementation, 2019–2020

The euphoria and optimism that greeted the adoption of the Minimum Wage Repeal and Re-Enactment Act, 2019, providing N30,000 minimum wage for workers in Nigeria, was not shared by many Nigerians, especially among the keen observers of the political history of the country. This is given the fact that policy formulation and adoption are less a development problem than implementation failure in the country. It is a system where the political leadership at all levels play politics with every issue and show less interest in policies that are not designed for their interest. Hence the associated difficulties in carrying out the consequential adjustment of the extant wage structures of workers at various levels in line with the new wage. The adjustment which was the first step in/or to the implementation, followed by the actual payment of the wage, opened up another episode of merry-go-round between the labour and government representatives.

Although the Presidency had on 9 January, set up a Technical Advisory Committee under Bismark Rewane to advise on the possibility of generating funds for the implementation of the new minimum wage and the report of the Committee received on March 25, it was obvious that many of the states will struggle in implementing the N30,000minimum wage (Agbakwuru 2019a). This made some commentators predict on April 19, that the implementation of the new wage will be characterised by disagreement given that most of the governors struggled to pay N18,000 minimum wage (Abada et al. 2019). The Attorney General of the Federation and Minister of Justice, Abubakar Malami had on April 28, dismissed the claim. According to him, the ministry had released an instrument of authorisation for the payment of the wage, which was causing delay after assent and enjoined federal ministries to "go ahead and pay" the new wage (Soni 2019, pp. 1–2). Despite this claim, implementation did not commence. The Chairman of the National Salaries, Income and Wages Commission, Richard Egbule and Minister of Labor, Dr. Ngige as the chief enforcers of the new Wage Act and principal members of the Minimum Wage Committee could not engineer a pragmatic process of engagement for salary adjustment for workers.

On 14 May 2019, the Relativity/Consequential Adjustment Committee was inaugurated by the president with Technical Sub-Committees charged with addressing associated modality issues and providing a template for salary adjustment for federal civil servants (Bankole 2019a, pp. 1–2). The functionality of the Committee depended on the inputs of the Federal Government negotiating team chaired by the Head of Civil Service of the Federation, Mrs. Winifred Oyo-Ita and the Joint National Public Service Negotiating Council (JNPSNC), covering the Trade Union Side (TUS). However, the dissolution of the Federal Executive (FEC) on 29 May 2019 for the administration's second tenure following the 23 February elections, led to the appointment of the Secretary to the Government of the Federation, Boss Mustapha as the chief enforcer of the Wage Act (Agbakwuru 2019b, pp. 1–2). He carried on with the negotiation even though no meaningful progress was made. The disagreement centred on the percentage increase. The TUS first projected a 66.7 per cent adjustment increase of salary across board to correlate with the percentage increase of minimum wage from N18,000 to N30,000 for workers on Grade Levels 01–07 which the government team rejected, arguing that the wage review was not by percentage. Later, the TUS proposed a 30 per cent salary adjustment of workers on Grade Levels 07–14 while a 25 per cent increase was presented for Grade Levels 15–17. The government team proposed a 9.5 per cent and 5 per cent increase for Grade Levels 07–14 and 15–17 workers, respectively (Bankole 2019a, pp. 2–3).

While the salary consequential adjustment negotiation was stalled, the FEC approved on 11 September 2019, a proposal for about 50 per cent increase in value added tax (VAT) from 5 per cent to 7.2 per cent with effect from 2020. There was also a recommendation for the amendment of the VAT ACT by the National Assembly to effect the VAT increase (Agbakwuru 2019d, p. 1). The VAT increase led to increases in the cost of living by "reducing the purchasing power of the citizens, increase the prices of goods and services, increased inflation rate, and further contraction of the economy" (Nwafor 2019a, p. 2). For example, electricity bill increased from N123 per unit to N158 and a further increase to N350 per unit. Subscription to Satellite Television Channels per month also increased. For example, DSTV Compact Plus increased from N8, 600 to N9,850. Early in 2021, it increased to N12, 350, while Premium increased from N11, 400 to N16, 320.

The idea was that the VAT increase will impact positively on the revenue of the state governments which control about 85 per cent of VAT accrual, leaving the

Federal Government with only 15 per cent. This was to address complaints and objections to the N30,000 minimum wage raised by many state governments. But this missed the logic of revenue generation nexus with the fiscal policy of encouraging productivity and consumption in tax imposition for growth and development (Nwafor, 2019b, pp. 1–3). Be that as it may, the 7.2 VAT per cent increases became another give and take measurements in the implementation of the 2019 Minimum Wage Act after an increase in petroleum pump price from N145 per litre to N108 and further increase to N165, which has caused hyperinflation.

The federal government paid the new minimum wage in August 2019 salary to workers on Grade Level 01–06 amid a breakdown in negotiation. It insisted that the N30,000 wage was for workers below level 7, whose salaries were below that figure. On the other hand, the organised labour described the exercise as a segmental implementation which is non-implementation of the new wage (Young 2019b; Ifijeh 2019a). However, the Kaduna State government led by example in implementing the new wage across all levels of civil service in the state in September 2019 salary (Amoye 2019, pp. 1–2).

Table 3 shows that the consequential adjustment of the salary of workers in the state reflected 66.7 per cent for workers on levels 01–07 which is the N30,000 minimum wage from N18,000 and 60 per cent increase for workers on other Grade Levels. The financial implication shows that the state wage bill increased “by 33 percent, as gross monthly salary outlay rose to N3, 759 billion from N2.827 billion” (Oladele et al. 2019, p.1). Despite this, the Federal government was not moved to pay all categories of workers claiming it will cost about N580 billion including downsising and retrenchment of workers (Bankole 2019b, pp. 1–2). But labour leaders dismissed the retrenchment threat and gave the 16th of October, 2019 deadline for the full implementation of the new minimum wage to avoid a national strike.

As a result, the representatives initiated a meeting with the labour leaders on 15 October 2019 at which the festering crisis over the salary adjustment was resolved. At the end of the five days of intensive meetings, the parties agreed on the adjustment based on the existing civil service salary structures in the country. For instance, salary structure for workers in the medical, health, tertiary institutions and judiciary indicates “23 percent increase for Grade Level 7, 20 percent for Grade Levels 8, 19 percent for Grade Level 9, 16 percent increase for workers on Grade Levels 10–14 and 14 percent increase for workers on Grade Levels 15–17. Others show 22.2 percent for Grade Level 7, 16 percent for Grade levels 8–14 and 10.5 percent for Grade Levels 15–17” (Adedigba 2019a, pp. 1–3; Sanni 2019, pp. 1–3). The agreement

Table 3 Consequential salary adjustment for Kaduna State

Levels	Previous	New	Percentage increase
05	N23,000	N38,000	66.7
07	N28,000	N47,000	66.7
10	N40,000	N65,000	60

Source: The Authors’ Compilation (2020) concluded the major implementation challenges of the new wage at the federal level. Thus the federal civil servants received the new wage in December salary with the arrears from April paid as assured (Okogba 2020, pp. 1–3).

However, it was from the January, February and March salary payments that witnessed attempts by some states to pay the new minimum wage. These include Lagos, Akwa Ibom, Enugu, Delta, Bornu, Abia and Oyo states. However, the implementation of the new wage at the state level was an issue of concern to labour unions. Some states such as Rivers, Kebbi and Adamawa unilaterally paid figures and Grade Levels considered payable by them which did not in any way reflect the N30,000 minimum wage increase from N18,000 (Iheamnacho 2020, pp. 1–2; Ochetenwu 2020, pp. 1–3). There were also states that as of June 2020 have not made any attempts to implement the new minimum wage. Some states such as, Delta, Kaduna and the Federal Government which have implemented the new wage, mulled the idea of suspending its implementation in April to a shortage of funds due to coronavirus pandemic, while Gombe suspended payment in March (Adediba 2020b; Adesina 2020). As of July, all the states including the federal government suspended payment of the new wage in favour of the old wage of N18,000 with promises to pay the N30, 000 wage subject to the availability of funds.

All of these are connected to Nigeria's defective federal system. In the USA, for instance, there are federal and state minimum wages. The American Wisconsin State which adopted wage legislation in 1913 continues to maintain the need for workers to receive a living wage which was the essence of setting up the Industrial Commission in 1911, as a standing wage body. It ensures a regular review of workers' wages based on the rise in the cost of living and improved economy. Since 1913, the state law has been reviewed more than thirty-eight times, with the extant law of 2015 still maintaining the need for workers to receive a living wage in the state. The wage review in the USA is unconnected with the Federal Wage review even though no American state is expected to pay less than the federal minimum wage (Tajma and Nick 2020, pp. 1–3; Rosciglione 2020, pp. 1–2). The states are productive and control their resources unlike in Nigeria.

The current trend of financial mismanagement, misappropriation and embezzlement by the political leadership at all levels in Nigeria, stand as a clog on the wheel of engagement of the necessary bodies and the payment of the new minimum wage in the country. The political office holders including, the National Assembly (NASS) members and state governors receive bogus and humongous pay with little left to cater to workers' welfare. For example, the average Nigerian Senator's total monthly salary is N29, 479, 749.00. Total yearly salary is N29, 479,749.00 × 12 = N353,756, 988.00. The average salary of Nigerian worker based on the national minimum wage is N30,000. So, the yearly salary is N30,000 × 12 = N360,000. Then N353, 476, 749.00 ÷ N360, 000 = 98,265. It will, therefore, take an average Nigerian worker about 982 years to earn the yearly salary of a Nigerian Senator. In addition, senior professors in Nigeria earn N400, 000 a month. It means that a senator's monthly salary can pay about 70 professors a month. All these imply that government focus more on the welfare of politicians who contribute less to the economic development of the country to the detriment of the Nigerian workers. For example, while the government team complained of the ailing national economy as a hindrance to the payment of N30,000 minimum wage, the NASS members in September 2019 pushed for the purchase of Toyota Land Cruiser Sports Utility Vehicles (SUVs) budgeted for N5.5billion with each costing about $25,000 (N50million). The delivery report of the cars was received in March 2020 amidst the minimum wage crisis and the economic condition of the country characterised by hardship on the part of the workers who are poorly paid.

6 Conclusion

The perennial labour strikes have become one strike too many in Nigeria which indicate that after sixty years of independence Nigeria is yet to erect effective institution to manage national minimum wage matters. The 2019 national minimum wage is not an exception as the narrative remains the same. Its constitutive Act came through tortuous, complicated and protracted negotiations characterised by politics, strike ultimatum, warning strikes, actual strikes by labour and no work no pay threat by the government. The study has shown that if anything, Nigerian governments at all levels pay lip service to the welfare and condition of workers generally. The reality is that even with the new national minimum wage of N30, 000 a month which has been overtaken by inflation, the Nigerian civil servants live below $1 a day and are the least paid among the committee of African countries while the national assembly members and other political appointees receive bogus salaries because that is government priority appears to be rather than on general workers' welfare. This is unlike other countries that have standing machinery with a focus on labour economics, deciding the condition and time for a minimum wage review. In Nigeria, this procedural arrangement is lacking because of politicisation and the pursuit of self-interest. The Joint Public Sector Negotiating Council, established for engagement for workers wage review and other labour issues as well as the National Labor Advisory Council, embedded in the country's Tripartite Committee of government, employers and workers representatives for wage review have long seized to exist due to politics. Besides, the reality is that the 2019 minimum wage negotiations and implementation have exposed the dangers of reliance on oil as a major source of national revenue and Nigeria's lopsided federal structure in which the central government controls almost everything in terms of revenue generation and allocation, rendering the federating states as mere appendages. This is why economic downturn and financial constraints have continued to define the process of wage review in the country, finding expression in industrial actions with an attendant negative impact on the economy with workers at the receiving end.

Although the 2019 Wage Act maintains five years minimum wage review period in the country by the Tripartite Committee on National Minimum Wage (TCNMW), experience has shown that in Nigeria, the government is not a continuum and has never honoured any agreements with labour. This has been the major cause of industrial actions in the country. Thus, it is high time the Nigerian government developed a salary adjustment template controlled by index factor which automatically increases workers' minimum wage by a certain percentage whenever the need arises. This will eliminate the usual prolonged negotiations, ultimatum, strike actions and no work no pay regime that has constantly characterised national minimum wage fixing and regulation in Nigeria. Besides, the national minimum wage should serve as a benchmark for states and their labour unions to negotiate as the case with true federalism, rather than compelling all the states to pay a fixed amount including those that can offer higher wages and whose cost of living are higher. In this way, there will be harmonious industrial relations in Nigeria.

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