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**TOPIC: CASUALIZATION AND GLOBAL STANDARD: CHALLENGES AND OPPORTUNITY**

**THEME: STRENGTHENING ORGANIZATIONAL PERFORMANCE THROUGH INTERNATIONAL BEST PRACTICE: THE HOSPITALITY AND CATERING INDUSTRY NIGERIA PERSPECTIVE**

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**CASUALIZATION AND GLOBAL STANDARD: CHALLENGES AND OPPORTUNITY**

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**Introduction**

Casualizationof labour in the world and indeed Nigeria is against the tenet of labour and this has caused continuous conflict between workers, labour unions and employers across organizations in Nigeria and the world over. It is even appealing to note that casual workers are barred from unionizing (trade union), denying them access to certain benefits in the organization.

A major source of social evil facing the industrial world and labour is the issue of casualization of labour, it has gradually become prominent among developing countries like Nigeria.

The issue of casualization of labor in developing economies like Nigeria has become the more occasioned due to lack of jobs and massive increase in unemployment in recent years (Ogundele, 2010). Employee performance stems from employee’s frame of mind to produce optimum output while reducing waste of resources and time.

The need to cut costs and remain competitive in the global market has thrown up new forms of work with attendant effects on worker’s right and the economy. Casualization and casual employment with deplorable conditions of work place has become familiar practice in Nigeria workplace. Trade union movement, non-governmental organization (NGO’S) and other organized groups have condemned and protested this fast growing cankerworm in Nigeria workplace, yet this practices continue unabated. This is because lack of clarity in the government labour laws and other factors are identified, on the part of the workers and government as cause of casualization of workers.

Casualization is also a safe haven for employers to run away from payment of terminal benefits. Many industrialized nations are experiencing an increase on non-standard casual or temporary employment. Casualization and casual employment is not peculiar to Nigeria, it is a global phenomenon.

**MEANING OF CASUALIZATION**

According to the international labour organization (ILO) casual work is the engagement of workers on a very short-term on an occasional and interim basis, often for a specific number of hours, days or weeks in return for wage set by the terms of the daily or periodic work agreement.

The Nigeria’s court of appeal in Owena Mass Transportation Corporation Limited Vs Okonogbo, described the practice thus;

***Traditionally, casual labour refers to work conducted for defined period and during peak business periods. Casual jobs are commonly understood as jobs that attract an hourly rate pay but very few of other rights and benefits, such as the right to notice, the right to severance pay and most form of paid leave.***

Casual employment is a form of employment that affords the workers limited choices than any flourishing of choices for people of work. Casualization of the workforce occurs whenever workers are employed in a casual temporary or otherwise non-permanent and no-full-time capacity.

Casualization is a form of involuntary servitude for a period of time. Casualization is making work less secure, the changing of working practices of permanent to temporary form of employment contract.

**Casualization issues and matters arising**

Casual employees apart from having legal rights to be given written contracts of employments, to enjoy back time, have regularity in the payment of their wages, they are also entitled to earn minimum wage as guaranteed under the national minimum wage act and to enjoy the benefits under the contributory pension scheme. In other word, every workers whether casual or not has a right to remuneration which is the value in terms of monetary rewards paid to the workers whether daily, weekly, monthly or however agreed between the parties for service or work done by the workers.

Section 15 of the Labour Act provide thus; “wages shall become due and payable at the end of each period for which their contract is expressed to subsist and other period as may be agreed upon”. However, where the period is more than one month, the wages shall become due and payable at intervals not exceeding one month. These sections forbid an employer from withholding the employee’s salary beyond a month period. Going by the current scourge of non-payment of salaries by some state governments in Nigeria for several months, one wonder the potency of this section as to whether by it the court can order the affected sates to perform that duty. Payment of salaries is not just a worker’s right but it is a right with a statutory flavor and therefore places an onerous duty on the employer to ensure that the employee is remunerated as and when due and not at the pleasure of the employer. Most contending casualization issues and matter arising are follows:

* Whereas casual employment accounts for 60 – 90% of workers in Nigeria, the labour Act did not provide a legal frame work for the regulation of terms and conditions for these work arrangements.
* Casual workers has right to freedom from discrimination and harassment of any form as well as respect and dignity of his/her human person. This provided in section 42 (1) and (2) of the 1999 constitution of federal republic of Nigeria amended under the fundamental objectives and directive principles of state policy. The social order of Nigeria founded on ideas of freedom, equality and justice.
* An employee is entitled whether full time or casual to safe working environment devoid of any form of hazard. The employer must ensure that an employee is not exposed to avoidable rick. Provision of safety gadgets and apparatus is a sine-qua-non to the protection of the health of the casual employment.
* The casual workers suffer a lot of discrimination when compared to their counterpart in permanent employment especially with regards to remuneration, work benefits and classification.
* The obvious over-saturation of eligible workers has led to desperation of young people who are in dire need of a means of livelihood. They have no choice but to accept any form of employment so long as they are being paid.
* Another troubling issue is the employers increasing desperation to cut down organization cost, as casualization of employment is seen as an appropriate strategy for cost reduction because the disparity between the wages of casual and permanent workers is so wide, and casual workers are often treated like second class citizens.
* The organization, especially the manufacturing sector, hospitality industries, groan under soaring cost occasioned by high electricity tariff and power failure and the recent radical removal of fuel subsidy and multiple oppressive tax regimes and unsustainable bank interest rate.

**CAUSES OF CASUALIZATION**

The increase of capital mobility and deregulation of labour market is a major cause of casualization in Nigeria. Deregulation is a measure, which tend to remove institutions of labour market regulation in addition to reducing legal interventions in the relationships between employer and individual employees to a minimum. Deregulation of labour market and flexibility in terms of working conditions and no special consideration and follow-up labour laws and the likes makes companies and organization to recruit workers that are more casual.

1. **Globalization and Trade Liberalization**

Regular practice of this concept of trade and capital liberalization led to growth of the informal sector with peculiarity for informed employment under abhorrent conditions. In most advance economies, the practice of globalization and trade liberalization have made many enterprises to resort to the engagement of contract labour, part-time, temporary work and others in order to cut cost and remain competitive in the global market. Employers argued that the growth is influenced by demographic changes in the composition of the labour force.

1. **Lack of Clarity in the Labour Legal Framework**

Motivating casualization is the lack of clarity in some legal framework concerning employee categories. The stagnation by labour laws with increasing inability of labour to flow or migrate to other work organization or other parts created room for consistent practice of this concept. However, until recently the workers compensation Act 2010 section 73 provided a nearly conceptual meaning of labour to also mean casualization.

1. **Technology and Abundance of Labour**

The introduction of technology in work place has drastically reduced the number of workforce needed in a work environment. The saturated labour market filled with graduates and non-graduates, retrenched workers who daily compete for few positions and desperately jump at poor form of employment. The abundance of labour supply and the mobility of employers to pay decent remunerations has led employers to be tempted to adopt cost-cutting measures, including downsizing, right-sizing, cutting back on employment and the offshoot being the current predominance of casual workers.

1. **Demographic Changes in the Composition of Labour Force**

Most women now seek employment and in fact work part time to complement their traditional home keeping roles, which employers readily exploit. Unregulated childbirth in some part of the country, which considers polygamy as a form of custom to be subscribed has consequently created multiple labour forces, and absent of child/human development from the parents/guardians, led to multiple childbirth with no means of capacity development. Hence, abundance of child and casual labour and increase in criminal vices.

1. **Terminal Benefits payment requirement**

The demand by labour regulations to pay decent remunerations, allowances,, terminal and several other benefits to employees has prompted many employers to decide that they simply cannot afford to hire workers on permanent basis because they will have to pay all these including huge pension benefits.

1. **Absence of Enabling Environment for Business**

The increasing absence of substantial infrastructures and the lack of enabling environment for business to successfully operate has also contributed to the casualization of workers, as organizations are forced to fend for such needed infrastructures such as manpower skill and technical know-how and many other needs instrumental to labour environment.

**CHALLENGES OF CASUALIZATON IN THE NIGERIA ECONOMY**

Under the Nigerian law, there is no accruable benefit contemplated by the law in the sense that the privileges and benefits available to permanent employees are not accruable to casual workers. The law does not recognize them and afford them equal opportunity with the permanent workers, such opportunities as annual leave, personal leave, paid days off on public holidays, redundancy pay etc.

Casual workers do not and are not allow to unionize, casual workers are denied the right to join trade unions and right to collective bargaining with the employers for better working conditions.

* **Absence of Living Wages:** Casual workers are paid poor wages without access to social protection.
* **Job Security:** There is no doubt that casual workers do not enjoy any form of job security at all. A casual workers is not even entitled to prior notice of termination or even severance package except it is explicitly agreed in the contract of employment.
* The part of the pains casual workers go through is that they never benefit from special packages as others in permanent employment do receive e.g allowances, transportation, housing, medical etc.
* The casual worker who perceives their employment as insecure or short live may have an equally poor commitment to the philosophy and goals of the workplace.

Casual worker may have a negative effect on company culture and employee morale, particularly when casual workers outnumber permanent employee in an organization. However, scholars have posited that casualization have it advantages which includes:

* It makes for efficient and effective utilization of the workforce, as workers tend to work harder to be engaging on monthly basis.
* Most contract jobs for instance, construction of roads and other forms of likely jobs do not require permanent staffing since the job is for a very short period of time. In such case, it will be useless engaging permanent staff and laying them off in a short while when the contract is subsisting.
* A casual workforce certainly holds another advantage especially for particular classes of enterprise. The ability to quickly release an inefficient worker, reduce, or expand labour cost over rights to meet budget challenges is certainly appealing in the short term to the enterprise

**CONCLUSION**

The casualization of labour has remained a daunting problem especially as it concerns employee’s welfare and commitment to organizational goals and survival. Despite the concerted attention to labour welfare through an increase in the minimum wage, legislation on the prohibition of labour casualization, So long as this unchecked high level of unemployment exists society will find it difficult to control casualization. The total eradication of casualization practice is virtually impossible judging from the practice of this in other jurisprudence where the relationship of the employers and the employees is more coordinated and regulated creating collective relationship in the workplace. What is lacking in Nigeria is the fact that there is no legal framework to streamline the practice where parties to contract of employment are expected to work in line with the legal regime designed to regulate the practice. It is recommended that laws must ensure fair and sufficient compensation as well as good packages for all categories of workers through unrestricted legitimate rights to union activities, collective bargaining and other statutory engagement. It is therefore suggested that the legislatures should enact laws that tends toward protecting casual workers through ensuring that they have equal benefits and entitlements as received by their permanent counterpart in the same work environment.

**SUCCESS**

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