

Government and Collective Bargaining: A Focus on Pensioners in Imo state, Nigeria

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Abstract:

It is worrisome that collective bargaining agreement failure in the country is very rampant and glaring. The main root cause of its failure is fundamentally the character of the political leadership in the state. Observed, the neglect of the pensioners by the state government is in a desperate plight. These are senior citizens of the state that are being treated with levity, and scaring effects are indebtedness, economic insecurity, misery, poverty, hunger, sickness and untimely death. This scenario is as such, these senior citizens having being exploited and alienated. The study used an empirical research through "Focus Group Discussions" (FGD) that analyzed the desperate plight of the pensioners. Random sampling method was applied to select pensioner participants from the three senatorial political zones in Imo state, each from the local government area. Also, purposive sampling technique was used to select two employees still serving in the state civil service ministries/ parastatals, and one politician each from the five active political parties (APC, PDP, AD, UPP, and APGA) in the state that participated in Focus Group Discussions. The FGD elicited information from the participants on the state government neglect of the pensioners. Besides, the study applied account method to analyses the socio- economic consequences of the neglect, and some recommendations were made.

Key words: Government, Collective Bargaining, Pensioners, Character of Political Leadership, Political Leadership.

INTRODUCTION

The issue of collective bargaining failure has continued to be core subject matter in the labour relation management in Nigeria irrespective of the entrenchment of democratic principles. Use of corruptive policies not to implement and or honor collective bargaining agreement has become pervasive in political governance of the state. In Nigeria, the political power practices have being related to the massive stealing of public funds that would have been used to be paying and or rather honoring the collective agreement and provide social services for the citizens.

The study demonstrated that the exploitation and neglect of these pensioners in Nigeria is a three pronged paradox occasioned by the alienation of the retired senior citizen. They were in the past, the main active work force of economic production and the primary producer of the state wealth. The first strand of this paradox is the refused and denial of the pensioners entitlement through political power impunity. The second is that the agency, that is the government, which has the primary responsibility to adequately compensate these pensioners, is the one escalating their plight. The third is that, the neglect of the pensioner is actually generating more poverty and increasing the frustration and death rate of the pensioners.

The study discussed on the character of the political leadership and their corruptive means to avoid the implementation of the collective bargaining agreement as it concern the pensioners. The investigation on the failure to honor the agreement will also attempt to proffer solution to the issue.

BACKGROUND OF THE PROBLEM

There is back-log of financial entitlements the Imo state government is owing the pensioners. Instead of the state government taking responsibilities to pay the financial entitlements, they were asking the pensioner to forfeit 60 per cent of their accumulated monthly pension salaries, which the pensioner considered as evil. The pensioner recalled that the state government owed some of them twelve (12) months to forty – four (44) months pension salaries.

The pensioners complained that the state government has completely refused to harmonize their monthly pension salaries. As a result, the pensioner are demanding that the state government should pay them in months and not in per cent age, so that future government administration would know the indebtedness, arguing that government is a continuum. According to the pensioners, there is an act of intimidation on them to sign a document flouted before them; signing the presented document would deny them of pension until death.

Besides, the Imo state government desire to pay them 40per cent of whatever was being owed, while 60per cent is forfeited so that by January, 2017, a fresh page of payment would be opened. The government also said that from level 1-6 will be paid 100per cent of their accumulated pension salaries, while from level 7-17 will be paid 40 per cent of their accumulated pension salaries. What a condition.

(See: Christian Voice Newspaper, p.l. December 25- January 1, 2017).

REACTION ON THE ABOVE CONDITION OF PAYMENT

On December 7, 2016, the pensioners about three thousand in number had taken to the streets for the third time in the year to protest on non- payment of their entitlements by the Imo state government. They registered their grievances in their

demands. The pensioners for about six hours halted economic activities in Owerri, the Imo state capital city.

They were chanting songs, slowly moving, some seated while some lie- down on the street, and some carried placards. The sight was sympathetic and annoying, watching the frail senior citizens between ages 70- 90yrs above involved in such protest under the scorching heat of the sun.

There was a placard that caught my emotion, it was carried by an old man of about Ninety (90) years, the words written on it were – “please, Imo state government pay me my accumulated entitlement for my burial”. What a sympathetic condition.

(The researcher was on the spot eye witness of the protest).

OBJECTIVES OF THE STUDY

The objectives of the study are:

- A. To examine why the pensioners are not entitled to the full payment of their pension monthly arrears.
- B. To examine why collective bargaining agreements are not honored especially as it concerns the pensioners.
- C. To ascertain the effects of neglect and frustration on collective bargaining to the economic development of the country.

LITERATURE REVIEW

Despite differences in phraseology, all definition of government reflects three common principles, institution, organization and constitutionalism. Some political scientists also contend that indeed, there can be no state without government, though the later has been in existence in the absence of the former. In this sense, government is the agency through which the will of a state is formulated, expressed and realized. However, Chaturved (2006 p. 133) defined the concept of government as:

The agency, through which the will of the state is formulated, expressed and realized. It is an instrument to serve the purposes of the state. The organization of the government may be viewed either territorially or functionally. Territorially, we have government at various levels: central, regional and local. Functionally, the government has been traditionally divided into three branches; the legislative, the executive and judicial organs of the government. The legislative branch formulates the will of the state, the executive implements it and the judiciary interprets and applies it.

The political leadership is the human element that operates the machinery of government on behalf of an organized territory. According to Ogbeidi (2014, p.4) asserts that:

Political leadership is the ruling class that bears the responsibility of managing the affairs and resources of a political entity by setting and influencing policy priorities affecting the territory through different decision – making structures and institutions created for the orderly development of the territory.

Political leadership transcends beyond the ruling elites that directly manage the affairs of a territory. It encompasses the entire political class, capable of manipulating the machineries of government overtly or covertly.

The obnoxious application of state power which has become manifest in the character of political leadership in handling the management of state political power has become worrisome. Similarly, Mezieobi (2013, p.36) has argued correctly that:

Almost fitly – five years of Nigeria independence, we have had political leaders who were tenaciously attached to their ethnic roots, corrupt not exemplars, dishonest, committed to improving their (not Nation's) lot, fan ethnic nationalism, debunk sense of purpose, social justice and discipline, all of which are ingredients of national under- development.

The shrewd business of accumulation of wealth through the control of state political power has been stamped in the character of political leadership. Materialism has become turbulent and the moral ethos that respected honestly became a taboo. The social cognition of the most political leaders have become abrasive and unfortunately this is common in the control of economic management. The corrupt character of political leadership is the main reason why collective bargaining agreements are not respected and implemented in Nigeria. It has been observed that the central, state and local governments have always breached the collective bargaining agreement. This has resulted a lot of industrial action (strike) and protests by labour unions like the pensioners union.

In this study, collective bargaining according to Scott and Marshall(2005, p.84) is that:

A system for the fixing of earning and condition of employment, in which the processes of price (or wage) competition in the labour market between individual worker and individual employer is replaced, either in whole or in part, by rule – fixing. These rules are of two kinds; procedural regulating the forms and institution under which collective negotiations are to be conducted, and substantive, regulating the actual content of particular agreement. Typically, collective bargaining occurs between trade or labour unions and an employer or organization of employers.

To this end, government as employer and the law in industrial societies have increasingly become parties to both the procedural and the substantive aspects. Bargaining may therefore take place at the work place, company, regional or industrial levels.

In reference to the pension, these are employees of Imo state government that have worked or served the state civil services (civil servant / public servants) in various capacities and meritoriously retired. When these senior citizens were employed, it was very obvious there were rule-fixed and

conditions of service that involved both the procedural and substantive aspect of collective bargaining. By implication, these retirees are still the responsibilities of the Imo state government since they were employed by the Imo state civil service commission. They state government still is duty bound to maintain respect and implement those employment conditions such as retirement benefits since the beneficiaries are still alive. Failure to do this, it becomes breach of agreement, illegal and unconstitutional.

The context of the relationship between the state government and the collective bargaining as it affects the pensioners lies on the condition to pay them their statutory entitlements as enshrined in the labour law over the years. There is much less argument on the attributes of these imperative. The pensioners are entitled to the full payment of their pension arrears no matter what.

Furthermore, to analyze the context of the relationship. Between the Imo state government and the collective bargaining as it affects the pensioners, the concepts of pension, retirement and gratuity will be defined. Osondu (2016, p.96) defined pension as “providing income from retirement until death, based on the employers years of work and direct pay”. It is based on the year service and past pay. Also, Ahmade (2006, p.3) stated that:

Pension is simply the amount set aside either by an employer or the employee or both to ensure that at retirement, there is something to fall back on as income and pension will not be stranded financially. Pension is a plan for the rainy days after retirement.

However defined, pension is the basic retirement income benefit to those who have worked in employment for the required number of years. It is a benefit enjoyed by a servant who retired from service after serving for not less than some required number of years. Pension could also be seen as deferred payment of the income earned by the employee in the public

service. Pension is paid to the beneficiary on monthly basis to keep him going till death.

Retirement is the eventual withdrawal from active service for many reasons to go and have some rest. In another view, retirement means voluntary or forced cessation of work in an occupation for which a person was paid an agreed wage or salary (Osondu, 2016) it is to give up active participation in a business or other occupation especially because of advanced age. Pension and gratuity are the retirement benefits. However, retirement can be voluntary, compulsory or statutory". Ogunna (1999, p.217).

Gratuity like pension is also payment made after retirement, to the retiree. Gratuity is a lump sum payment to an entitled employee immediately on leaving the service and is paid before pension. Pension and gratuity remain the greatest pull factor in employment in the public. The government (central, state and local council) public service is the greatest employer of labour in Nigeria and as such bears the huge burden to be paying pension and gratuity once their employee retires. To be specific, it is illegal and unconstitutional for the Imo state governor who swore to respect the constitution of the country to hood wink the pensioners into signing away what they labored for in the name of economic recession.

THEORETICAL FRAMEWORK

Alienation theory

In the most general terms, the concept of alienation describes the estrangement of individuals from one another or from a specific situation or process-- Scott and Marshall (2005). From a sociological perspective, it is central to the writing of Karl Marx, and normally associated with Marxist sociology. In the Marxian terminology, alienation is an objectively verifiable state of affairs, inherent in the specific social relations of capitalist production. Under capitalism, labour is reduced to

being mere commodity and work becomes a depersonalized activity rather than a creative and fulfilling one.

Alienation theory can provide an analytical frame work in explaining the decision and calculated diplomatic pattern the Imo state government is using to reduce the past labour of pensioners as mere commodity and depersonalized activity. On such situation, retirement is likely to be increasingly problematic and associated with loss of status, income, use fullness, or life itself.

The study considers retirement, as basically a phenomenon of modern industrialized societies or nation- (Basilica, Cashion and Eshleman, 2005).

On the side of the state government, it is considered that the number of pensioners is increasingly growing which requires huge financial outlay to pay the retired senior citizens. Does it mean the retirees are not eligible for social security? Do governments appreciate the fact that the most eligible source of income for the retired employees is retirement benefit as a social security? When the retirees or pensioners are not eligible for such privileged social security, that means the state government has failed woefully to fulfill the civil service commission employer rules and agreement which is a legally bargaining agreement, which is binding.

Any form of denying retirement wages or benefits to the pensioners is total alienation act, it is because the retirees are being depersonalized, humiliated and treated against the international labour laws. The application of alienation theory to pensioners is assumed that financial saving that had been accumulated during their working years would not be used during retirement as a form of social security. As a result, the retirees will be handicapped economically which makes it almost impossible to manage their old age.

In industrial societies alienation promotes poverty and dislocates the social and individual economy which when put together the situation becomes suicidal. This is a form of

creating social conflict, struggle and strife which was at the core of society, the source of all social change according to Karl Marx sociology. He asserted that all history was marked by “Economic Determinism”, which is self evident truth on reference to pensioners’ protests. Based on this idea, social conditions and even society itself are based on economic factors and that economic inequality result the class struggles between the bourgeoisie (the state government) and the proletariat (the retirees).

RESEARCH METHODOLOGY

The study primarily focuses on the government and the challenges of honoring collective bargaining using payment of pensioner benefits as a focus in Imo state.

The target study groups are the retirees of the Imo state civil service which are victims of government gimmicks. The research method adopted is the complementary qualitative primary data through the Focus Group Discussions (FGD) and oral interview with the retirees. The method applied was based on the need to solicit information on the pensioners’ social cognition of their conditions, psychological feeling as a result of government gimmicks, suspended social security benefit and its effects on their old age.

Furthermore, random sampling technique was used to select retiree participants from the three senatorial political zones in Imo state, each from one local government area of twenty- seven local government areas. Purposive sampling technique was applied to select two employees still serving in Imo state civil service ministries and parastatals, and one politician each from the five active political parties (APC, PDP, AD, UPP, APGA) in Imo state, that participated during the focus group discussions.

Collection of Data

The empirical research work made use of a case study design in which data were collective from three units of group; i.e:

- 1- The pensioners
- 2- Employees that are still in government service
- 3- Politicians from five active political parties.

The study also adopted a multi- faceted approach to make sure that extensive and reliable data were generated, such as;

- A- In depth oral interviews
- B- Focus Group Discussion (interactive sessions)
- C- Content analysis of documents.

Intensive oral interviews were conducted using the FGD that collected knowledge based qualitative data from the above listed group of participants. The interview was on one- on- one basis.

Content Analysis of Document

Content analysis is the determination of the meaning, purpose or effect of any type of communication as literature, paper, document, etc, by studying and evaluating the details and implications of the content. It is an evaluation. It is a method of summarizing any form of content. The study evaluated the policy document on pension in Nigeria and the form given by the Imo state government to endorse by the pensioners, hence the use of content analysis.

FINDING AND DISCUSSION

The study found out that, the retirees are actually entitled for pension entitlement as retirement compensation which the previous governments have been paying, as such the present Imo state government must have a moral obligation not to deny them their labour rights. The fundamental cause of the entire pensioners' desperate plight is the undemocratic tendencies in the country, particularly the Imo state government pattern of

governance by the ruling party. On this, one gets a fighting picture of a more austere future or more devastating poverty manifestation especially on the senior citizens.

However, the harsh realities of the new face of pensioners' treatment in Imo state today are without antecedents. Successive Imo state governments have taken also such undemocratic decisions and made unilateral policies that alienated and neglected the pensioners in the state. A retiree, a FGD participant laminated that:

There is on- going scandalous corruption and squander mania which have become the hallmark of the ruling party (APC) in Imo state. Corruption has become pervasive within the state government. And, this is one of the main reasons why collective bargaining agreements are difficult to be honored.

Observed, in 2015 Christmas decorations and carnival in Owerri the state capital city, over six hundred million (#600 million) was spent on such frivolity events; Also, in 2016 Christmas decoration and organized carnival in Owerri, about one billion (#1billion) Naira was spent. Based on such wasteful spending, a FGD participant said, as of November, 2016 the state government is owing the civil servant workers four to five months salary arrears and has unilaterally imposed sever austerity measures on the workers and pensioners. Furthermore, a politician, FGD participant noted that in assessing the government gimmick, the state government used some huge amount of money from the state treasurer and sponsored both the central and state elections that were manipulated to the merit of the ruling party. Also, there are inflated amount of money for state construction job contracts using it to enriching the government officials and party loyalists.

On the retirees and their families, they have been enduring as a result of the refusal by the government to pay them their statutory money as enshrined in the labour law over the years, the effects have been hunger frustration,

misery, indebtedness, poverty, reducing of living standard, lack of economic security, sickness and untimely death. The denial of their retirement entitlement is greatly compounding problems in their lives.

The social perception on the image of the Imo state government is that of being despotic and autocratic. By implication, the right and wrong of such a government act start and end with its own decision- (Chaturvedi, 2006). Despite all intervention efforts by the pensioners, the Imo state government has persisted in acts of lawlessness, arbitrariness, violation of human and trade union right and persecution of the senior citizens. The state government is committing crime against elder people by denial of their retirement benefits” (A PDP party member, a participant of FGD).

Consequences of Labour Agreement Failure by State Government on the National Development

It has become peculiar to the Nigeria political governance that a new ruler must first test its political sagacity by engaging a tussle of collective bargaining in a game of wits with labour unions. The scarring effect of government lack of commitment on agreement with labour unions seem inevitable that we are going through the present orgy of political insensitivity to the plight and image of the nation. Non-implementation of an agreement has become a new term for frequent acts of government that only leave the labour union in the lurch.

Accounting the economic costs of government non-implementation of an agreement with labour unions on national development is an attempt to calculate the economics security in the state. In estimating the economic costs, it is separated into;- A- Direct and –B - Indirect costs. Direct cost are all those that can be observed and counted at least in principles. As all reasons on non-implementation of agreement reached usually are difficult to belief and politically unreliable.

The indirect costs are much more controversial since they cannot be directly seen but are estimated. This estimation can always be questioned and built on some assumption that is politically debatable. Most of them undoubtedly exist in a country where the characters of political leadership are never to be trusted even in little matters. There are issues of inconsistencies in policy implementation where avuncular interests are sometimes used to subvert standard policy guidelines, poor labour relations, lack of transparency and accountability, deviation from core values, etc.

Accounting method for Estimating Direct and Indirect consequences of Government Non-implementation of Agreement

Economic Level	Direct Cost	Indirect Cost
External Relation	<ul style="list-style-type: none"> ❖ Less investment of funds to global financial markets 	<ul style="list-style-type: none"> ❖ Less Investment ❖ Less development aids
National Economy Level	<ul style="list-style-type: none"> ❖ Industrial actions. ❖ Diversion of pension funds. ❖ No pension benefit. ❖ Benefit cannot be used as collateral for. ❖ Denial of labour rights ❖ Pronounced deprivation in well being ❖ No economic investment ❖ Poverty. ❖ Low life expectancy. 	<ul style="list-style-type: none"> ❖ Corrupt practices before retirement. ❖ Economic underdevelopments. ❖ Subjective poverty. ❖ Marginality and helplessness. ❖ Post retirement decline. ❖ Lack of social security. ❖ Government indebtedness.
House Hold Level	<ul style="list-style-type: none"> ❖ Poor standard of living. ❖ Psychological imbalance. ❖ Hunger/ malnutrition. ❖ Health problems/ poor health. ❖ Untimely death. 	<ul style="list-style-type: none"> ❖ High dependency ratio ❖ Dependence/ incompetence. ❖ Fear and anxiety. ❖ Alienation. ❖ Exploitations.

Implications of Non- Implementation of Agreement on pensioners

Non- implementation of agreement on pensioners is a painful denial of labour and human right. It is a kind of social inequality and total disregard to the senior citizens in that they have been pushed into an in human social condition that lack sense of dignity. The situation can not allow and encourage the pensioners to have a fulfilling elderly lives. It is a profound sense of moral out- rage at the misery meted to the pensioner by the state government.

In another perspective, the government perceptions of values are truly reflective of their political policies. Here, the strategies for implementing values are the problems of implementation of values. In this study, values are seen as “the determiners that influence the individuals or group choice” (Okafor, 1981). Meziobi (2012) further opines that any decision-making model entail rational discussion, analysis of various values preferences and group consensus in order to ensure values behavior consistency, or to achieve consensus on some common values based on value education, it is morally undesirable by the state government not to pay in full to the pensioners.

RECOMMENDATIONS

Labour relations in Nigeria have recorded a lot of antagonistic tussle on the approach government handles the collective bargaining agreement. On this note, there should be standard national ethical values to apply on labour agreements. The government as an employer of labour should adopt values preference and group consensus in order to ensure values behavior consistency.

The country shall work towards adopting a national value education to help building moral and ethical values. The national values education will help to have a critical analytical

and synthetic effort to compile the basic principle for the basic structure of pension and in extension gratuity within the context of Nigeria.

A significant relationship should be established between the proper management of pension and pension funds and the quick payment of the retirees. The introduction of National Pension Commission (NPC) should help to regulate, supervise and ensure effective administration of pension matter in Nigeria. In a very difficult society like Nigeria, the commission should not allow the pensionable retired workers to be overlooked and treat with contempt, in such regrettable situation were the retired workers suffer from untold hardship of various degrees, economic crises and eventually die.

The government and political leadership should remember that the concepts government and retirement benefits are continuum. The government should embark on a basic implement of pension administration in Nigeria and a total reduction of government indebtedness to individual who have served the government in various meritorious capacities.

Government should treat these senior citizens with great care, respect and committed to their wellbeing. This is so because, the retirees have meaning fully contributed to the development of the state and everybody is asking GOD ALMIGHTY for a longer and health life during retirement.

CONCIUSION

Collective bargaining in its operational terms involves the government, employer and employees. In this context, the logic of collective bargaining is rooted in economic, social and political foundations and have both national and international dimension- (Otobo, 1988).

Pension is a scheme designed to cater for the welfare of the retired workers and this had for a long time, global recognition and acceptance. Retired employees from either the

public or private sector are expected to live comfortably and not to depend on anybody after they successfully retire from active service. Ideally, government as an organization need to identify a way of accommodating and adequately rewarding employees past effort through organized pension plans so that they can achieve the goals of their existence (Rabelo, 2002).

To the Nigeria worker especially in Imo state, retirement should not be a dreadful experience that has acquired a negative color. Indeed the retirees in Nigeria are passing through painful hardship and this should be corrected. The punishment is such that to retire to a quiet life and honest life has almost been impossible in Nigeria, so brutal, heartless, inconsiderate are some of the methods imposed on waiting pensioners that some prefer to kick the bucket instantly rather than go through the headache of receiving their pension.

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