

## **The Politics of Salary Increase for Labour and Cost of Living in Nigeria: A Case of Academic Staff Union of Universities (ASUU).**

**Onu Sebastine Chigozie, Ph.D, fmimps**

Department of Social Science Education (Political Science Unit),

University of Nigeria, Nsukka

capricononu@gmail.com

DOI:10.56201/jhsp.vol.11.no2.2025.pg112.121

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### **Abstract**

*There is no denying the fact that ASUU and the government of Nigeria are often locked in a battle of salaries renegotiation in the face of steady increase in the cost of living in the country. This has given rise to scholarly investigations on topical issues, such as: economic implications of ASUU strikes; the impact of salary stagnation on university lecturers; poor funding of education in Nigeria; ASUU reoccurring strikes, and lecturers-political office holders' salary comparison, yet there is limited research on the economic realities of salary increment for labour, especially lecturers and the cost of living in the face of Nigerian politics. To bridge the gap, this study looked into the politics of salary increase for labour and cost of living in Nigeria with the academic staff union of universities (ASUU) in focus. One research question was provided answer to in the study. A qualitative method with descriptive survey research design was adopted for the study. The 6 federal universities were drawn through the simple random sampling technique while 1,190 lecturers were adopted for the study based on convenience non-randomized sampling technique. The digital-oriented instrument for data collection was the researcher's self-developed structured instrument, 'Salary Increase for Academic Staff Union of Universities and Cost of Living Scale (SIASUUCLS)'. The instrument was validated by 2 lecturers while the Cronbach alpha technique was adopted to test for the instrument's reliability, and this yielded 0.75 as the reliability coefficient. SIASUUCLS was administered on relevant WhatsApp platforms of lecturers of the sampled universities. The analysis of data was done through weighted mean. Findings revealed that the reasons for which increment in salaries for labour have failed to meet up with the cost of living in Nigeria include but are not limited to: political interference, depreciation of naira value, and persistent inflationary pressure. The study concluded that it is only when economic realities, in terms of purchasing power of the increased salaries are well accounted for in salary negotiations that it will be meaningful and fruitful to union members. It was recommended that if public universities in Nigeria must be effective, the salaries and welfare of members of ASUU must become prioritized and harnessed in a manner that comprehensively take account of cost of living rather than political sentiments.*

**Keywords:** Salary Increment, Labour, Cost of Living, ASUU, Politics.

## **Introduction and Problem Statement**

Salary increments for labour unions, particularly within the public sector, are often influenced by political, economic, and social factors. In Nigeria, the politics surrounding salary increases for labour unions is particularly contentious, as it intersects with government policies, economic realities, and labour struggles. One of the most prominent labour unions advocating for salary increments is the Academic Staff Union of Universities (ASUU), which has consistently engaged in negotiations, strikes, and advocacy for better wages and working conditions for university lecturers. This was corroborated by Smith (2019) who stressed that nowhere is issue of salary negotiation more evident than within the ASUU, which Adamu and Adebayo (2021) described as a potent institution that has repeatedly influenced and been influenced by the dynamics of salary increases in response to the rising cost of living. In furtherance to the foregoing, Aare (2022) added that the ASUU's demands for increased salaries are closely tied to the rising cost of living, which has been exacerbated by inflation, currency depreciation, and economic mismanagement. This shows that the efforts of the union at influencing the government to improve the salaries and working conditions of her members are well known, attracting public discussions each time the ASUU-Government debacle occurs. In all, notwithstanding the several agreements between ASUU and the government, challenges persist in implementing sustainable salary structures that align with economic realities.

The politics of salary increments in Nigeria is shaped by multiple stakeholders, including the federal and state governments, labour unions, economic policymakers, and international financial institutions. Bashiru, Afees and Ahmed (2023) noted that governments often weigh salary increases against budget constraints, economic stability, and political expediency at the expense of real value of the salaries with regard to the purchasing power. This might be due to the fact that there is often political dimension and interference in matters of salary negotiation in a manner that welcomes undue sentiment. Notwithstanding the political intrusion, labour unions, such as ASUU, argue that wage adjustments must reflect inflationary trends and the cost of living. The political dimension of salary increments becomes evident during election periods, where promises of wage increases are often used as campaign tools but remain unfulfilled post-election (Ogunyemi, 2019). Moreover, negotiations between labour unions and the government are often characterized by strikes, protests, and prolonged deadlocks, revealing the complex interplay between governance, labour rights, and economic management. The reoccurring ASUU strikes that accompany each phase of ASUU-government salary matters might as well have generated more problem for the students who are often at the receiving end. This does not mean well for students, as well as members of the labour unions, like ASUU who are mostly parents of the affected students. If labour salaries (ASUU) must be meaningful in Nigeria, it has to start reflecting the economic realities that high cost of living represents.

The cost of living in Nigeria has risen significantly due to economic instability, inflation, and policy decisions such as subsidy removals and exchange rate fluctuations. According to the National Bureau of Statistics (NBS), Nigeria's inflation rate reached 28.9% in 2023, affecting the affordability of basic necessities such as food, housing, transportation, and healthcare (NBS,

2023). Salary increments are often demanded to cushion the effects of rising costs, but these demands are met with resistance from the government, citing limited fiscal capacity. Concurrently, the cost of living in Nigeria has witnessed significant increases over the past decades, driven by factors such as inflation, fluctuating currency values, and structural economic challenges. The rising cost of living erodes the purchasing power of wages, thereby intensifying the demands for more substantial and timely salary increments. The real value of salaries in Nigeria continues to decline, making it difficult for many workers, including university lecturers, to maintain a decent standard of living. This reality keeps forcing the union to insist on using strike as the last resort to at least compel the government to call for meetings for negotiations, even though the aftermath of several negotiations often leave members of the labour, including ASUU at almost the same unwanted situation.

The Academic Staff Union of Universities (ASUU), established in 1978, and which stands at the forefront of labour advocacy within Nigeria's higher education sector has been advocating for improved salaries and working conditions for Nigerian university lecturers over the years. In agreement with foregoing, Ogunyemi (2019) posited that the union which was founded with the aim of safeguarding the rights and welfare of academic staff has historically played a pivotal role in negotiating salary structures, working conditions, and broader academic reforms, especially for her members. It is also understandable that the ASUU's engagement with salary increment issues extends beyond simple labour negotiations, as it is deeply embedded in the political fabric of Nigeria in effort to influence work-related policies, especially for the public sector workers. More often than not, actions of ASUU, spark broader debates about the sustainability of public expenditure, the role of government in wage determination, and the impact of political interference on labour relations. Similarly, Adamu and Adebayo (2021) observed that the union has repeatedly engaged in collective bargaining and industrial actions to press for salary increments, better funding for universities, and improved infrastructure. This shows why over the years, ASUU's efforts have led them to signing several agreements with the Nigerian government, such as the 2009 ASUU-FGN Agreement, which promised salary adjustments, earned allowances, and university autonomy. However, non-implementation of agreements has led to frequent strikes, disrupting academic activities and raising concerns about the sustainability of higher education in Nigeria.

Despite ongoing negotiations and policy discussions, salary increments for ASUU members remain inadequate compared to inflationary pressures and the cost of living. According to different scholars, several issues persist, making it almost impossible for salaries to match escalating rise in cost of living in Nigeria. while Ogunyemi (2019) observed that Nigerian government has historically failed to fully implement negotiated agreements with ASUU, leading to repeated strikes and industrial unrest, Alfa, et al. (2024) lamented that salary increments often do not match the rate of inflation, and this makes real wages lower over time. Supporting the observations, Abdullahi and Umoh (2023) argued that wage adjustments are sometimes politically motivated rather than based on economic realities, leading to inconsistencies in salary structures. Similarly, Abubakar, Muhammad and Abdulsalam (2019) decried the rate at which the Nigerian government frequently cites budgetary constraints, and this raises questions about

the feasibility of regular wage adjustments that could keep with steady rise in prices of goods and services.

Furthermore, existing literatures have been more concerned about the economic implications of ASUU strikes (Alfa, et al., 2024); the impact of salary stagnation on university lecturers (Ogunyemi, 2019); poor funding of education in Nigeria; ASUU reoccurring strikes, and lecturers-political office holders' salary comparison but there is limited research on the intersection of salary increment negotiations and the cost of living in the face of politics. This shows that despite extensive literature on wage dynamics and labour economics in developing contexts, there is a notable paucity of studies that specifically address the interplay of political strategies, union activism, and the real impacts of salary increments on the cost of living within Nigeria's higher education sector. It is at backdrop of the foregoing issues that this study aims to examine the politics of salary increases for labour in the context of Nigeria's rising cost of living, with particular attention to ASUU.

### **Purpose of the Study**

The main purpose of the study was to investigate the politics of salary increase for labour and the reality of cost of living in Nigeria with the Academic Staff Union of Universities (ASUU) as a case study. Specifically, the study sought to:

1. find out the reasons for which increment in salaries for labour (ASUU) in Nigeria cannot afford cost of living.

### **Research Question**

In the study, the sole research question was provided answers to:

1. What are the reasons for which increment in salaries for labour (ASUU) in Nigeria cannot afford cost of living?

### **Methods**

The study adopted a qualitative method, and guided by descriptive survey research design. While Abdullahi and Umoh (2023) described the qualitative method as that which offers further supportive insights into the experiences and perceptions of respondent, which in this study are lecturers, Tanny (2018) describe descriptive survey research design as one of the research design procedures in which a researcher administers a data collection instrument (online and or offline) on a sample or to the entire population of people, known as respondents, in order to elicit relevant data that could aid in describing and providing systematic explanations to the attitudes, opinions, behaviours and or characteristics of the population on a matter being studied. The design is considered suitable and appropriate for the investigation because the study intends to collect data from a sample of lecturers on matters relating to salary increase for Academic Staff Union of Universities (ASUU) and the cost of living in Nigeria.

The study targeted 5,829 lecturers in 6 selected federal universities in the 6 geo-political zones in Nigeria. The 6 federal universities were drawn through the simple random sampling technique while 1,190 lecturers were adopted for the study based on convenience non-

randomized sampling technique. Orji (2025) described convenience sampling as one of the sampling strategies in qualitative research that involves allowing potential respondents to respond to data collection instrument(s) based on their willingness, availability, accessibility and commitment to ensuring data is genuinely collected. The sampling strategy adopted suitable because the survey was conducted online, and only the number of successfully filled and submitted questionnaires were used for the analysis.

The digital-oriented instrument for data collection was the researcher's self-developed structured instrument, 'Salary Increase for Academic Staff Union of Universities and Cost of Living Scale (SIASUUCLS)'. The instrument is made up of two sections, namely: section A which paid attention to respondent's basic demography, and section B, which contained 10 items bordering on the reasons for which increment in salaries for labour have failed to align with cost of living in Nigeria. The section B was structured on four points rating scale of Strongly Agree (SA), Agree (A), Disagree (D) and Strongly Disagree (SD) with weighted points: 4, 3, 2 and 1 respectively.

The instrument was validated by 2 lecturers while the Cronbach alpha technique was adopted to test for the instrument's reliability, and this yielded 0.75 as the reliability coefficient. Based on the recommendation of Nworgu (2015) that co-efficient value of 0.60 and above is adequate for any research work, the instrument (SIASUUCLS) was approved as appropriate for the study. Also, SIASUUCLS was administered on relevant WhatsApp platforms of lecturers of the sampled universities. Some friends who are lecturers assisted in facilitating and soliciting for lecturers' participation in the survey. The exercise lasted for 3 weeks with 1,190 surveys being successful. The analysis of data was done through weighted mean, with any mean rating of 2.50 and above remarked agreed, and mean rating less than 2.50 to be remarked disagreed.

## Presentation and Interpretation of Results

**Research Question 1:** What are the reasons for which increment in salaries for Labour (ASUU) in Nigeria cannot afford cost of living?

**Table 1:** Mean ratings of responses of lecturers on the reasons for which increment in salaries for Labour (ASUU) in Nigeria cannot afford cost of living.

S/N	Items: The reasons for which increment in salaries for Labour have failed to align with cost of living in Nigeria	Male (n=708)		Female (n=482)	
		Mean	Remark	Mean	Remark
1.	The depreciation of the naira against major currencies increases the cost of imported goods and services, leading to higher living costs without corresponding wage adjustments	2.80	Agreed	2.83	Agreed

2.	Policies such as the removal of fuel subsidies and hikes in electricity tariffs have led to increased prices for essential commodities and services, exacerbating the cost-of-living crisis	2.71	Agreed	2.80	Agreed
3.	Persistent inflation in Nigeria diminishes the purchasing power of wages, rendering salary increments insufficient to meet daily expenses	2.79	Agreed	2.74	Agreed
4.	Politics and bureaucracy often generate a significant lag between the rise in living costs and the implementation of salary reviews, causing wages to remain stagnant amidst escalating expenses	2.90	Agreed	2.78	Agreed
5.	Surplus labour force in Nigeria results in government having less incentive to increase wages of labour as there is an abundance of individuals willing to work universities for existing pay levels	2.61	Agreed	2.53	Agreed
6.	Inconsistency of government policies leading to frequent changes, unpredictability and instabilities in the economic and political ecosystem to the extent that affect both employers' capacity to offer and raise workers' real income levels	2.59	Agreed	2.63	Agreed
7.	Rising operational costs for governance due to inflation and currency devaluation, leading them to sacrificing part ASUU's ideal salaries	2.70	Agreed	2.74	Agreed
8.	Weak collective bargaining as labour unions, such as ASUU often lack the strength, patience and political influence to effectively negotiate for wages that keep pace with the cost of living	2.90	Agreed	2.79	Agreed
9.	Urban housing price surge, as rapid increases in urban housing costs consume a significant portion of incomes of ASUU members, and salary increments often do not reflect these housing market dynamics	2.62	Agreed	2.77	Agreed

10. Government's skeptical and anti-education approach to reviewing ASUU salaries in a manner that does not reflect economic realities in Nigeria	2.96	Agreed	2.80	Agreed
<b>Cluster Mean</b>	<b>2.76</b>	<b>Agreed</b>	<b>2.74</b>	<b>Agreed</b>

A closer look at Table 1 showed that the mean ratings of individual items regarding male lecturers and female lecturers' categories is greater than 2.5, leading to each items being remarked as 'agreed'. This means that lecturers, irrespective of gender agreed that individual questionnaire item is part of the reasons why increment on the average salaries for labour (ASUU) in Nigeria has not been able to match economic realities, particularly the cost of living. Also, with the Cluster Mean ratings for male and female lecturers being 2.76 and 2.74, respectively, it is an affirmation that all or majority of the individual items had mean rating of 2.5 and above, hence remarked accepted. Based on the foregoing, the reasons for which increment salaries for labour have failed to meet up with the cost of living in Nigeria include: depreciation of the naira against major currencies increases the cost of imported goods and services, leading to higher living costs without corresponding wage adjustments; policies such as the removal of fuel subsidies and hikes in electricity tariffs have led to increased prices for essential commodities and services, exacerbating the cost of living crisis; persistent inflation in Nigeria diminishes the purchasing power of wages, rendering salary increments insufficient to meet daily expenses; politics and bureaucracy often generate a significant lag between the rise in living costs and the implementation of salary reviews, causing wages to remain stagnant amidst escalating expenses; surplus labour force in Nigeria results in government having less incentive to increase wages of labour as there is an abundance of individuals willing to work universities for existing pay levels; inconsistency of government policies leading to frequent changes, unpredictability and instabilities in the economic and political ecosystem to the extent that affect both employers' capacity to offer and raise workers' real income levels; rising operational costs for governance due to inflation and currency devaluation, leading them to sacrificing part ASUU's ideal salaries; weak collective bargaining as labour unions, such as ASUU often lack the strength, patience and political influence to effectively negotiate for wages that keep pace with the cost of living; urban housing price surge, as rapid increases in urban housing costs consume a significant portion of incomes of ASUU members, and salary increments often do not reflect these housing market dynamics, and government's skeptical and anti-education approach to reviewing ASUU salaries in a manner that does not reflect economic realities in Nigeria.

### Discussion of Findings

The study reported that the reasons for which increment in salaries for labour have failed to meet up with the cost of living in Nigeria include: depreciation of the naira against major currencies increases the cost of imported goods and services, leading to higher living costs without corresponding wage adjustments; policies such as the removal of fuel subsidies and hikes in electricity tariffs have led to increased prices for essential commodities and services, exacerbating the cost of living crisis; persistent inflation in Nigeria diminishes the purchasing power of wages, rendering salary increments insufficient to meet daily expenses; politics and

bureaucracy often generate a significant lag between the rise in living costs and the implementation of salary reviews, causing wages to remain stagnant amidst escalating expenses; surplus labour force in Nigeria results in government having less incentive to increase wages of labour as there is an abundance of individuals willing to work universities for existing pay levels; inconsistency of government policies leading to frequent changes, unpredictability and instabilities in the economic and political ecosystem to the extent that affect both employers' capacity to offer and raise workers' real income levels; rising operational costs for governance due to inflation and currency devaluation, leading them to sacrificing part ASUU's ideal salaries; weak collective bargaining as labour unions, such as ASUU often lack the strength, patience and political influence to effectively negotiate for wages that keep pace with the cost of living; urban housing price surge, as rapid increases in urban housing costs consume a significant portion of incomes of ASUU members, and salary increments often do not reflect these housing market dynamics, and government's skeptical and anti-education approach to reviewing ASUU salaries in a manner that does not reflect economic realities in Nigeria. In a similar study, Abdullahi and Umoh (2023) reported that wage increases in public universities in Nigeria have a significant effect on the income and wellbeing of academic staff, even though the current remuneration was found to be insufficient for meeting the self-professional development needs in terms of research, publication and conference attendance which are measures of productivity and promotion in the university system. Understandably, research, public and conference attendance are cost-driven, needing more funding. A study carried out by Oyeyemi and Adebawale (2018) found that wage increases positively affected the access to professional development programmes and resources for academic staff. This implies that higher wages enable academic staff to invest in their professional growth, attend conferences, engage in research activities, and pursue further education, leading to enhanced knowledge and skills. On the contrary, without adequate salaries, no lecturer or faculty member can cope with the economic realities in Nigeria.

### **Conclusion**

The study concluded that indeed salary negotiations between ASUU and the government are often politically influenced, rather than the economic realities, such as purchasing power of the increased salaries. This keeps members of ASUU worse off after the salary negotiations as they often structure to cope with escalating cost of living in the country. This tends to distract them from concentrating of the task of teaching, research and innovative ventures which are fundamental functions of faculty members. Undoubtedly, the ineffective nature of most public universities in Nigeria could be traceable to what ASUU members consider as maltreatment and negligence from the government. Therefore, if public universities in Nigeria must be effective, the salaries and welfare of members of ASUU must become prioritized and harnessed in a manner that comprehensively take account of cost of living rather than political sentiments.

### **Recommendations**

Based on finding of the study, it was recommended that all stakeholders on matters of salary negotiations in Nigeria should ensure that salary increases are not only politically palatable but are equally economically adequate to counterbalance the cost pressures faced by union members, especially those of ASUU. It is only when economic realities, in terms of

purchasing power of the increased salaries are well accounted for in salary negotiations that it will be meaningful and fruitful to union members. Government should not be considering ASUU's demands as indirect attack from opposition parties, rather it should be empathetic and considerate in the course of salary negotiations, bearing in mind that members of the union sacrifice a lot to keep public universities progressive.

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