GAS Journal of Religious Studies (GASJRS)

Volume 2 | Issue 2, 2025 Homepage: https://gaspublishers.com/gasjrs/ ISSN: 3049-1576

Factors Responsible for Trade Unionism or Industrial Actions

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***Received:** 30.08.2025* | ***Accepted:** 20.09.2025* | ***Published:** 23.09.2025*

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DOI: *10.5281/zenodo.2574520229*

Abstract **Original Research Article**

The legal framework governing trade unionism in Nigeria is shaped by constitutional guarantees, statutory regulations, and judicial interpretations that aim to protect workers' rights while maintaining industrial stability. Although labor laws support collective bargaining and organizational freedom, they also introduce regulatory constraints intended to balance economic and political interests. The Trade Union Amendment Act of 2005 marked a significant shift by encouraging freedom of association but inadvertently contributing to union fragmentation. Despite established legal mechanisms for dispute resolution, challenges including procedural delays and weak enforcement continue to limit their effectiveness.

Keywords: Trade unions, Nigeria, labor laws, union fragmentation, dispute resolution.

1.0 LAWS GUIDING TRADE UNIONISM IN NIGERIA

The legal framework for trade unionism in Nigeria reflects a dynamic interaction between constitutional provisions, statutory laws, and judicial interpretations. While labor laws protect workers' rights to organize and bargain collectively, they also impose restrictions aimed at balancing labor interests with economic and political stability. The 2005 Trade Union Amendment Act was a pivotal reform, promoting union membership freedom but also contributing to the fragmentation of union solidarity (Ughulu & Nwokike, 2020). Although legal provisions for dispute resolution exist, their effectiveness is often undermined by procedural hurdles and enforcement issues.

1.1 Historical Development of Trade Union Laws in Nigeria

The history of trade union laws in Nigeria is closely linked to its colonial past and post-independence governance. Workers' organizations began to emerge in the early 20th century, but formal legal recognition came later. The Trade Union Ordinance of 1938, enacted during colonial rule, established a framework for union registration that still influences current law. This early legislation prioritized state control over worker empowerment, shaping post-independence labor policy.

Following independence in 1960, the government retained colonial labor laws but gradually introduced reforms. The Trade Unions Act of 1973 marked a significant step, consolidating earlier laws and introducing detailed provisions on union governance and state relations. Military regimes from the 1980s to the 1990s imposed further restrictions to suppress union power, particularly targeting the Nigerian Labour Congress (NLC).

The return to democracy in 1999 ushered in reforms aimed at aligning domestic labor laws with international standards. The 2005 Trade Union (Amendment) Act allowed the formation of multiple central labor organizations and expanded workers' freedom to choose their unions. While this reform was presented as democratizing, critics viewed it as an effort to dilute union strength and bargaining power (Ughulu & Nwokike, 2020).

Throughout this evolution, Nigeria's obligations under International Labour Organization (ILO) conventions have influenced labor legislation. However, the extent of compliance remains contested, revealing ongoing tensions between workers' rights and state control over industrial relations (Okene, 2007).

1.2 Constitutional and Legal Framework

The Nigerian Constitution provides a foundation for workers' rights, particularly through Section 40, which guarantees freedom of association, including the right to form or join trade unions (Nwabuko, 2023). However, it does not explicitly guarantee the right to collective bargaining, creating a gap in constitutional protection for trade unions. The primary legislation regulating trade unions is the Trade Unions Act (TUA), enacted in 1973 and amended several times. It defines a trade union and outlines the requirements for registration with the Registrar of Trade Unions, who holds broad discretionary powers (Nwabuko, 2023).

The Trade Disputes Act (TDA) complements the TUA by providing a structured process for resolving industrial disputes ranging from conciliation to adjudication by the National Industrial Courtaimed at minimizing disruptions to economic activity (Anyim et al., 2011). The 2005 Trade Union (Amendment) Act introduced major changes, including the end of the NLC's monopoly as the sole central labor organization and the promotion of pluralism within the labor movement. Although framed as reform, many argue it weakened union cohesion and bargaining capacity (Ughulu & Nwokike, 2020).

Nigeria's trade union laws are also shaped by international labor standards. The country has ratified ILO Conventions No. 87 and No. 98, which advocate freedom of association and collective bargaining (Okene, 2007). However, questions remain about the degree to which Nigeria's domestic laws fully comply with these standards.

1.3 The Trade Unions Act (TUA)

The Trade Unions Act (TUA) is the main law that controls how trade unions are formed, registered, and run in Nigeria. It was first passed in 1973 and has been updated a few times, especially in 1996 and 2005, to match changes in how labor and employers interact (Ayenakin & Kolade-Faseyi, 2024).

According to the TUA, a trade union can be a group of workers or employers who come together mainly to deal with job conditions like wages and hours. It includes both regular worker unions and employer associations. A very important part of the Act is registration. Trade unions must register with the Registrar of Trade Unions before they can operate legally. To register, the union must submit its rules and names of its leaders. The Registrar can refuse to register a union if: another union already represents the same group of workers, or the union's rules don't follow the law.

Critics say this gives the government too much power over whether unions can exist, which can affect workers' freedom to form unions. The Act also says unions must have fair and democratic rules. This means they should hold regular elections, manage their money properly, and involve members in decisions. But in practice, not all unions follow these rules well (Okene, 2007).

Another key point is that unions are given some legal protection. For example, if a union takes part in a legal strike, they are usually protected from being sued (Section 24 and 43-44). But this protection is not total if the union goes beyond what the law allows, they can still be taken to court. Unions must also keep financial records, submit yearly reports to the Registrar and have their accounts audited (Ayenakin & Kolade-Faseyi, 2024).

The TUA also gives rights to workers, such as protection from being punished for joining a union. But it also gives responsibilities, like paying union dues and obeying union rules.

1.4 The Trade Union Amendment Act of 2005

The Trade Union Amendment Act of 2005 made big changes to how unions work in Nigeria. It came at a time when there was conflict between the government and labor unions like the Nigerian Labour Congress (NLC), especially over issues like fuel prices. One big change was that the NLC was no longer the only central labor body. Other central unions could now be formed, such as the Trade Union Congress (TUC), this ended NLC's monopoly (Houeland, 2022).

Another important change was that union membership became voluntary. Before, if you worked in a unionized job, you had to join the union. Now, workers can decide whether or not to join. The 2005 law also changed how union dues are collected (Okene, 2007). Before, employers deducted dues automatically from salaries (check-off system). After the amendment, workers had to give written permission for deductions. This made it harder for unions to collect money. There were also new rules for strikes: more jobs were listed as "essential services" where strikes are not allowed and a secret ballot vote by a majority was needed before going on strike (Houeland, 2022).

Some people believe these changes were good because they gave workers more freedom and made unions more democratic. Others say the changes were meant to weaken the unions, especially the NLC, by reducing their money and power.

1.5 Freedom of Association and Trade Union Membership

Freedom of association means people can come together to form or join any group they like including trade unions. In Nigeria, this right is protected under Section 40 of the Constitution. It allows people to join political parties, trade unions, or any other group to protect their interests (Nwabuko, 2023).

However, the law doesn't clearly mention the right to collective bargaining the process where unions negotiate with employers. That's a gap in the Constitution. The TUA (and its amendments) builds on this freedom by explaining how unions can be created and registered. Before 2005, joining a union was compulsory in organized sectors. But after the amendment, membership became voluntary (Okene, 2007). Even though this matches international standards like ILO Convention No. 87, it also led to fewer members and less income for unions.

Also, not every worker is allowed to join a union. According to Section 11 of the Act, workers like soldiers, police officers, immigration officers, prison staff, and employees of the Central Bank are not allowed to join (Houeland, 2022). This is seen by some as unfair, because international rules only allow such restrictions for police and the military. The power of the Registrar to accept or reject new unions also affects freedom of association. The fear is that the government can use this power to control or limit union activities. Allowing more than one central labor body, like the TUC alongside the NLC, was meant to improve freedom. But some think it was done to weaken the main labor body and reduce its political influence.

1.6 Collective Bargaining Framework

Collective bargaining is when workers (through their unions) and employers negotiate together to decide things like pay, work hours, and benefits. It's a key part of industrial relations. But in Nigeria, this process has some challenges.

First, the Nigerian Constitution does not specifically protect the right to collective bargaining. This is a major weakness compared to other countries where this right is clearly written into the Constitution. Instead, collective bargaining is supported by laws like the Labour Act and the Trade Disputes Act:

- The Labour Act sets basic standards for employment, like minimum wage and work conditions.
- The Trade Disputes Act explains how to handle disputes during bargaining.

Nigeria has also signed the ILO Convention No. 98, which says that countries must protect and support collective bargaining (Nwabuko, 2023). However, in practice, enforcement is not always strong, and many workplaces struggle to negotiate fair terms.

1.7 Trade Disputes and Resolution Mechanisms

Managing trade disputes is vital to industrial relations, and Nigeria's Trade Disputes Act (TDA) provides the primary framework for regulating this process.

The TDA outlines a multi-stage dispute resolution process aimed at minimizing economic disruption. It begins with internal negotiation between parties. If unresolved, the dispute is reported to the Minister of Labour and Employment, who may appoint a conciliator. Should conciliation fail, the matter is referred to an arbitration panel whose award is binding unless challenged at the National Industrial Court for final adjudication (Anyim et al., 2011).

However, critics argue that the TDA gives excessive power to the Minister, allowing political influence to affect impartial resolution. The lengthy multi-stage process can also cause delays and frustrations for parties (Ogunkunle & Ojedokun, 2025). Alternative Dispute Resolution (ADR) methods like mediation and conciliation, though incorporated in the statutory process, can also be used independently. Research into ADR use in university disputes highlights benefits such as faster resolution and cost savings but notes challenges like poor enforcement and stakeholder non-compliance.

Despite the framework, studies show statutory sanctions have little impact on dispute numbers, partly due to government reluctance to enforce penalties. Thus, there's a gap between the legal structure and its practical enforcement.

Although the TDA emphasizes peaceful settlement through negotiation and arbitration, strikes remain frequent, especially in sectors like oil and gas and education. This reflects the framework's inability to fully address underlying grievances or provide timely outcomes.

1.8 Right to Strike and Industrial Actions

The right to strike is central to union power but heavily regulated in Nigeria. While neither the Constitution nor labor laws explicitly guarantee a "right to strike," a qualified freedom exists under strict conditions set by the TDA. The Act requires parties to exhaust internal mechanisms, report disputes formally, participate in conciliation and arbitration, issue strike notices, and conduct secret ballots before legal strike action. Amendments, like the Trade Union Amendment Act of 2005, tightened these conditions, making legal strikes increasingly difficult (Ogunkunle & Ojedokun, 2025).

Moreover, Section 31 of the TDA bans strikes in "essential services," a category that has expanded over time (Ughulu & Nwokike, 2020). The Minister of Labour can also refer disputes to the National Industrial Court for binding arbitration, effectively halting strikes. Penalties for illegal strikes include union deregistration, fines, or loss of collective bargaining rights, while individuals may face dismissal, wage loss, or disciplinary action. Union leaders risk personal liability for organizing illegal strikes (Ughulu & Nwokike, 2020).

Yet, despite these barriers, strikes are frequent. Workers often strike despite legal risks due to deep-seated grievances, weak enforcement of restrictions, and political motivations, especially in the public sector.

1.9 Trade Union Immunity

Trade union immunity protects unions and officials from certain legal liabilities during legitimate activities. In Nigeria, the Trade Unions Act grants this protection, though its scope is limited and debated.

Sections 24(1) and (2), along with Sections 43 and 44, shield unions from civil actions like inducement of contract breach, conspiracy, or defamation arising from trade disputes, provided actions are within lawful bounds (Ayenakin & Kolade-Faseyi, 2024). However, immunity does not cover criminal acts, breach of contracts, or acts outside legitimate union activities. Some scholars question the constitutionality of trade union immunity, arguing it may conflict with principles of legal equality, while others defend it as necessary to balance employer-worker power dynamics.

Courts generally interpret immunity narrowly, requiring unions to prove actions were genuinely in furtherance of a trade dispute and properly conducted, thus maintaining a balance between union rights and accountability.

1.10 Enforcement and Statutory Sanctions

The success of Nigeria's labor laws hinges on enforcement and sanctions. Both the TDA and the Trade Unions Act prescribe penalties like fines, imprisonment, deregistration, or court orders for violations. Unions face sanctions for illegal strikes, procedural breaches, or registration failures, while employers risk fines or court orders for anti-union practices or ignoring collective agreements (Anyim et al., 2011).

Enforcement responsibility lies mainly with the Minister of Labour and Employment and the Registrar of Trade Unions, while the National Industrial Court adjudicates labor disputes. However, enforcement remains inconsistent, reducing the deterrent effect of statutory sanctions.

1.11 Challenges in the Current Legal Framework

Despite being comprehensive in some respects, Nigeria's legal framework for trade unionism faces multiple challenges that hinder effective industrial relations. These include legal gaps, implementation issues, inconsistencies with international standards, and contextual constraints.

A major issue is the lack of explicit constitutional protection for key trade union rights, particularly collective bargaining. This omission weakens the legal foundation for such rights, leaving them open to statutory limitations and inconsistent judicial interpretations. The registration requirements under the Trade Unions Act also pose a challenge. The Registrar of Trade Unions holds discretionary power to deny registration, which could allow political influence over union recognition, potentially undermining union autonomy and contravening international labor standards (Nwabuko, 2023).

Another concern is the weak enforceability of collective agreements. Bargaining processes often suffer from delays and lack of genuine commitment. Additionally, the legal status of such agreements remains ambiguous, limiting their effectiveness in regulating employment relations.

The Trade Disputes Act has been criticized for its cumbersome and slow dispute resolution process. The Minister of Labour's significant powers, including referring disputes to arbitration, may introduce political bias and delay resolutions. The 2005 Trade Union Amendment Act, though intended to democratize trade unions, has been linked to union fragmentation and weakened collective power. Voluntary membership and changes to the dues check-off system led to reduced membership and financial resources, raising concerns about balancing individual freedom with union solidarity (Ogunkunle & Ojedokun, 2025).

Section 11 of the Trade Unions Act excludes several worker categories such as the armed forces, police, and employees of the Central Bank from union membership. While international standards allow some exclusions, Nigeria's approach is considered overly broad (Ughulu & Nwokike, 2020).

1.12 Recent Developments and Reforms

Nigeria's labor legal framework is evolving through recent reforms and judicial developments. The National Minimum Wage Act of 2019, while not directly focused on trade unions, has implications for collective bargaining, especially in wage negotiations. However, it has sparked federalism-related debates, as some states resist a uniform national wage (Okafor et al., 2015).

The National Industrial Court of Nigeria (NICN) increasingly shapes labor jurisprudence. Its rulings have clarified union immunities, collective agreement enforcement, and strike rights, occasionally expanding worker protections beyond statutory provisions. Alternative Dispute Resolution (ADR) is gaining recognition for its potential in resolving industrial disputes more efficiently. Studies, especially in the education sector, show that ADR can reduce costs and hostility (Ogunkunle & Ojedokun, 2025). However, challenges persist, including ministerial overreach and poor enforcement of arbitral awards.

Ongoing reform efforts aim to align Nigerian labor laws with International Labour Organization (ILO) standards. Scholars advocate constitutional recognition of collective bargaining and clearer enforceability of agreements. The National Assembly is reviewing key labor laws, including the Labour Act and Trade Disputes Act. These deliberations focus on balancing worker rights, employer flexibility, and government regulation to better fit Nigeria's dynamic economy (Nwabuko, 2023).

Additionally, the application of expectancy theory has been proposed to enhance awareness and application of labor laws among employers and workers, recognizing that legal literacy is crucial for effective industrial relations.

Nigeria's legal framework for trade unionism is layered, encompassing constitutional, statutory, and judicial elements. While the Constitution protects freedom of association, it omits explicit guarantees for collective bargaining. Key statutes such as the Trade Unions Act and Trade Disputes Act regulate union formation and dispute resolution but contain several weaknesses.

The 2005 Trade Union Amendment Act marked a turning point. Although presented as democratic reform, it arguably served political ends by weakening organized labor. Its impact on union strength and worker representation remains debated. Union immunity under the Trade Unions Act provides essential protections but is limited. Actions outside the defined scope can still result in liability, highlighting the tension between protection and accountability.

To strengthen the legal framework for trade unionism in Nigeria, this analysis recommends the constitutional recognition of collective bargaining rights, reform of the Trade Disputes Act to limit ministerial discretion and enhance dispute resolution, a review of the 2005 Amendment Act to balance individual freedom with union solidarity, the establishment of stronger enforcement mechanisms, and the harmonization of labor laws with International Labour Organization (ILO) standards. Ultimately, the future of Nigeria's trade union landscape will depend not only on legal reforms but also on broader economic and political dynamics, requiring a legal system that protects workers' rights while promoting sustainable economic development.

2.0 FACTORS RESPONSIBLE FOR TRADE UNIONISM OR INDUSTRIAL ACTIONS

Trade unionism and industrial actions are significant features of Nigeria's labor landscape. They reflect the collective response of workers to economic, political, and social challenges that affect their welfare and rights. Over the decades, Nigeria has witnessed frequent strikes, protests, and labor unrest across sectors such as education, health, oil and gas, and the civil service. These actions are not isolated events but are rooted in deep-seated factors ranging from wage disputes and inflation to governance failures and global economic shocks (Nkemnole et al., 2024). Understanding these factors is crucial for policymakers, employers, and stakeholders who seek to foster industrial harmony and sustainable development in Nigeria.

2.1 Socioeconomic Determinants

2.1.1 Wage Disparities and Inflationary Pressures

One of the most persistent drivers of trade unionism and industrial actions in Nigeria is the issue of wage disparities and the relentless rise in the cost of living. Over the past decade, inflation has consistently eroded the real value of workers' salaries. Despite periodic adjustments to the national minimum wage, the rate of inflation-often spurred by fuel price hikes, currency devaluation, and food price volatility-has outpaced wage increments (Nkemnole et al., 2024). For example, the minimum wage of ₦30,000, set in 2019, has become grossly inadequate as inflation soared above 30% in 2024 (Israel & Charity, 2024). Many workers, especially in the public sector, experience salary arrears and irregular payments, leading to frustration and collective agitation. The inability of wages to keep pace with the cost of living pushes unions to demand better pay and improved working conditions through strikes and protests.

2.1.2 Unemployment and Informal Labor Exploitation

High unemployment and underemployment rates also fuel trade union activity and industrial actions. With Nigeria's unemployment rate hovering around 4.1% (official figures) and underemployment significantly higher, many workers are forced into precarious, informal, or gig economy jobs that lack security and benefits. Informal sector workers, who make up over 80% of the labor force, are often excluded from union protections and are vulnerable to exploitation. The absence of job security, coupled with poor working conditions and lack of social protection, motivates workers to seek collective action as a means of improving their situation. Recent legislative attempts to extend labor rights to casual and gig workers have been slow to take effect, further exacerbating the problem (Adamade et al., 2023).

2.1.3 Fuel Subsidy Removal and Austerity Measures

The removal of fuel subsidies and the implementation of austerity measures have historically triggered waves of industrial actions in Nigeria. In 2023, the government's decision to eliminate fuel subsidies led to a dramatic increase in petrol prices, which in turn caused a spike in transportation and food costs. These developments sparked nationwide protests and strikes organized by the Nigeria Labour Congress (NLC) and other unions. Many of these policy shifts are linked to conditions set by international financial institutions such as the IMF and World Bank, which often recommend subsidy removal and public sector wage freezes as part of structural adjustment programs (Kofarbai et al., 2024). Such policies, while intended to stabilize the economy, frequently result in hardship for workers and provide fertile ground for union mobilization.

2.2 Political and Governance Factors

2.2.1 Underfunding of Critical Sectors

Chronic underfunding of key public sectors such as education and healthcare is a major catalyst for unionism and industrial actions. The education sector, for instance, has suffered from decades of neglect, with budgetary allocations consistently falling short of UNESCO's recommended 15% of national budgets. The Academic Staff Union of Universities (ASUU) has staged more than 20 strikes since 1999, protesting poor funding, dilapidated infrastructure, and the government's failure to honor agreements (Offem et al., 2018). Similarly, the health sector has been plagued by strikes over unpaid salaries, poor working conditions, and lack of investment in facilities and equipment. These recurrent disputes highlight the government's inability or unwillingness to prioritize social services, compelling unions to resort to industrial action as a last resort.

2.2.2 Repressive Labor Policies

Nigeria's labor laws and policies have at times been repressive, restricting the rights of workers to organize and take collective action. The Trade Union (Amendment) Act of 2005, for example, fragmented the labor movement by allowing multiple central labor organizations, thereby weakening the bargaining power of unions. Additionally, the classification of many sectors as "essential services" has been expanded to include banking and telecommunications, making it illegal for workers in these sectors to strike (Toryuha, 2024). These legal restrictions, often remnants of military-era decrees, are used by authorities to suppress dissent and limit the effectiveness of union actions. The result is a tense industrial relations environment where workers feel compelled to defy the law in order to press their demands.

2.2.3 Corruption and Fiscal Mismanagement

Corruption and mismanagement of public funds are underlying causes of labor unrest in Nigeria. Funds allocated for education, healthcare, and other critical services are often embezzled or diverted, leaving institutions underfunded and workers unpaid. For example, billions of naira earmarked for university revitalization have gone missing, prompting ASUU and other unions to demand accountability through strikes (Aliyu, 2024). The lack of transparency and accountability in government spending undermines trust and fuels the perception that industrial action is the only way to force the authorities to address workers' grievances.

2.3 Legal and Institutional Frameworks

2.3.1 Weak Enforcement of Collective Agreements

The weak enforcement of collective agreements is a persistent problem in Nigeria's industrial relations system. Although unions and employers (including government agencies) frequently sign agreements on wages, conditions of service, and dispute resolution, these agreements are often not implemented. The Trade Disputes Act gives significant discretionary power to the Minister of Labour to refer disputes to arbitration, but this process is slow and subject to political interference (Nwabuko, 2023). As a result, unions are frequently forced to embark on strikes to compel the government or employers to honor previous commitments. This cycle of agreement and non-implementation has created a climate of mistrust and perpetual agitation.

2.3.2 Ambiguities in Trade Union Immunity

While the Trade Unions Act provides some immunity for unions and their leaders when engaging in lawful industrial actions, the scope of this immunity is ambiguous. Courts have sometimes ruled against unions, especially when strikes are deemed "illegal" or not compliant with procedural requirements. For instance, the 2020 NLC strike against fuel subsidy removal was halted by a court injunction, exposing unions to legal and financial risks (Ikue, 2024). These ambiguities discourage union activism and create uncertainty about the legal status of industrial actions.

2.3.3 Exclusion of Certain Workers

Certain categories of workers, such as members of the armed forces, police, and Central Bank employees, are excluded from union membership and collective bargaining under Section 11 of the Trade Unions Act. This exclusion, which goes beyond international labor standards, denies these workers the right to organize and defend their interests collectively. The lack of union representation in these sectors can lead to covert forms of protest and dissatisfaction, which may have broader implications for national security and economic stability (Ogwuche & Alfa, 2023).

2.4 Organizational and Labor Market Dynamics

2.4.1 Internal Union Challenges

Trade unions in Nigeria face significant internal challenges that affect their effectiveness. Factionalism, often fueled by political interference, has led to splits within major unions such as the NLC and the Trade Union Congress (TUC). These divisions weaken the collective bargaining power of workers and sometimes result in competing or uncoordinated industrial actions. Additionally, leadership crises and lack of internal democracy undermine the legitimacy of unions and reduce member engagement. Women and young people are underrepresented in union leadership, limiting the ability of unions to address the concerns of all segments of the workforce (Okoli et al., 2024).

2.4.2 Youth and Student Mobilization

The involvement of youth and students in labor struggles has become more pronounced in recent years. Student unions, such as the National Association of Nigerian Students (NANS), have played a key role in supporting ASUU strikes and organizing protests against government policies that affect education. The synergy between labor unions and student groups amplifies the impact of industrial actions and brings broader societal attention to workers' demands. However, prolonged strikes have also led to academic disruptions, with students facing extended graduation timelines and increased dropout rates (Okoli et al., 2024).

2.4.3 Employer Resistance and Union-Busting

Employers, both in the public and private sectors, often resist unionization and collective bargaining. In the oil and gas sector, for example, companies like Shell and Chevron employ a large proportion of their workforce on temporary or contract terms to avoid union obligations. Union-busting tactics, such as bribing officials to deregister militant unions or intimidating union leaders, are not uncommon (Ikue et al., 2024). These practices undermine workers' rights and contribute to the prevalence of informal strikes and wildcat actions.

2.5 Macroeconomic and Global Influences

2.5.1 Exchange Rate Volatility

Nigeria's dependence on oil exports makes its economy highly susceptible to exchange rate fluctuations. The depreciation of the naira, which reached ₦1,500 to the dollar in 2024, has increased the cost of imported goods and services. This, in turn, drives up inflation and reduces the real value of wages. The pass-through effect of exchange rate shocks is particularly acute in sectors that rely on imported inputs, leading to higher production costs and pressure on employers to raise wages. When employers are unable or unwilling to adjust compensation, unions are prompted to take industrial action.

2.5.2 Crude Oil Price Shocks

Volatility in global oil prices has a direct impact on Nigeria's fiscal health and, by extension, on workers' welfare. A sharp drop in oil prices reduces government revenue, leading to budget cuts, salary arrears, and delayed infrastructure projects. Conversely, periods of high oil prices can create expectations of improved wages and working conditions, which, if unmet, result in agitation. The cyclical nature of oil price shocks means that industrial actions often spike during periods of economic downturn.

2.5.3 IMF/World Bank Structural Adjustments

International financial institutions have played a significant role in shaping Nigeria's economic policies. Structural adjustment programs, which emphasize fiscal austerity, deregulation, and subsidy removal, have often led to wage freezes and cuts in public spending. These measures, while intended to promote macroeconomic stability, have increased poverty and inequality, prompting unions to mobilize against what they perceive as externally imposed hardship. The 2022 fuel subsidy protest is a recent example of labor resistance to World Bank-prescribed reforms (Ayenigba, 2025).

2.6 Sector-Specific Triggers

2.6.1 Education Sector: ASUU Strikes

The education sector, particularly the universities, is a hotspot for industrial actions in Nigeria. The Academic Staff Union of Universities (ASUU) has embarked on numerous strikes since 1999, primarily over issues such as non-implementation of agreements, poor funding, and decaying infrastructure. The 2022 ASUU strike, which lasted eight months, was triggered by the government's failure to honor a 2009 agreement on university revitalization and staff welfare (Ogwuche & Alfa, 2023). Chronic underfunding has led to overcrowded classrooms, inadequate laboratories, and mass emigration of academic staff, further exacerbating the crisis.

2.6.2 Healthcare Sector: JOHESU Strikes

The Joint Health Sector Unions (JOHESU) have staged multiple strikes over unpaid hazard allowances, exclusion from payroll reforms, and poor working conditions. The COVID-19 pandemic exposed the vulnerability of healthcare workers, many of whom worked without adequate protective equipment or compensation (Ogwuche & Alfa, 2023). The government's failure to fulfill promises of improved pay and benefits has led to repeated industrial actions, with severe consequences for public health and patient care.

2.6.3 Oil and Gas Sector: NUPENG Strikes

The oil and gas sector, a cornerstone of Nigeria's economy, has also witnessed frequent strikes, particularly by the National Union of

Petroleum and Natural Gas Workers (NUPENG). Key issues include the casualization of labor, non-payment of salaries, and unsafe working conditions. In 2021, NUPENG's strike halted fuel distribution nationwide, highlighting the sector's strategic importance and the leverage of its unions (Ikue et al., 2024).

2.7 Consequences of Industrial Actions

2.7.1 Economic Costs

Industrial actions have significant economic repercussions. Strikes disrupt production, reduce GDP, and deter investment. For example, it is estimated that Nigeria loses over ₦150 billion monthly during major strikes (Alexander, 2024). The manufacturing sector often suffers output declines, while disruptions in the oil sector can lead to fuel shortages and loss of export revenue. These economic costs underscore the need for more effective conflict resolution mechanisms.

2.7.2 Academic Disruptions

Prolonged strikes in the education sector have led to extended academic calendars, delayed graduations, and increased dropout rates. Students affected by ASUU strikes report heightened anxiety, depression, and uncertainty about their future. The cumulative effect is a loss of human capital and diminished prospects for national development.

2.7.3 Social Instability

Industrial actions can also trigger broader social unrest. The 2022 fuel subsidy protests, for instance, were accompanied by a spike in crime rates and public demonstrations (Alexander, 2024). When workers and their families face economic hardship, social cohesion is threatened, and the risk of political instability increases.

2.8 Recommendations

2.8.1 Legal Reforms

To address the root causes of industrial actions, Nigeria needs to reform its labor laws to guarantee the right to collective bargaining and protect union activities. The Trade Union (Amendment) Act should be revised to strengthen union solidarity and ensure that all workers, including those in essential services, have avenues for redress. Clearer legal definitions and protections for lawful strikes would reduce the ambiguity that currently undermines union activism.

2.8.2 Economic Interventions

The government should peg the minimum wage to inflation and ensure regular adjustments to reflect changes in the cost of living. Increased investment in education and healthcare, funded by a fair allocation of oil revenues, would address some of the sector-specific grievances that drive strikes. Fiscal transparency and anti-corruption measures are also essential to ensure that allocated funds reach their intended beneficiaries.

2.8.3 Institutional Mechanisms

Establishing independent labor courts would expedite dispute resolution and reduce the reliance on strikes as a means of settling grievances. Implementing ILO Convention 144 on tripartite consultations would foster dialogue between government, employers, and unions, promoting more sustainable industrial relations.

2.9 Conclusion

Trade unionism and industrial actions in Nigeria are complex phenomena driven by a combination of economic hardship, governance failures, legal ambiguities, and global economic shocks. While unions play a vital role in defending workers' rights, the frequency and intensity of industrial actions reflect deeper systemic problems. Addressing these challenges requires a holistic approach that combines legal reform, economic investment, institutional strengthening, and inclusive governance. Only by tackling the root causes can Nigeria achieve industrial harmony and unlock its full development potential.

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