The Role of Personnel Management in Industrial Development: The Case of Peugeot Assembly of Nigeria, Kaduna

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The Role of Personnel Management In Industrial Development:
The Case of Peugeot Assembly of Nigeria, Kaduna

Dedicated to my father for
his foresight in enrolling
me for formal education.

D E C L A R A T I O N

This Thesis has been read and approved as meeting the requirements for the award of the M.Sc. degree in Public Administration with specialisation in Personnel Management of the Department of Public Administration, Ahmadu Bello University, Zaria.

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A B S T R A C T

This research study is on "The Role of Personnel Management in Industrial Development: The Case of Peugeot Assembly of Nigeria, Kaduna:!# It analyses the hypotheses of the study, which are: (a) That efficient labour management relations gives rise to high labour productivity which is a necessary$_t$ though not sufficient condition, for industrial growth and development, (b) That a high rate of monetary reward or payment alone constitutes enough motivation or incentive to the worker to offer his optimum productivity.

The study has also sought to examine whether or not there is positive effect on Nigeria's rate of technological development resulting from any peculiarities of the Nigerian worker*s attitude to work, which has often been subjectively and unfavourably referred to in some quarters as lazy and unpatrotiCo

The result of the study has positively proved the hypothesis that efficient labour management relations gives rise to high labour productivity© The experience of the study however, negatively contests the second hypothesis and it may be relevant to state that a percentage rise in pay does not necessarily give rise to a corresponding rise in productivity$_0$ The rise in productivity was found to be related to other variables including socio-economic and psychological incentives provided by the industry to the workers at a particular period in time* It has also been revealed that the Nigerian worker has no abnormal labour attitudinal peculiarities which cannot be regulated by modern personnel management techniques, However, the study has identified that faulty educational planning and the misplacement of development priorities have contributed towards the retardation of Nigeria^{4}s rate of technological development*

The study has, as a matter of interest, attempted to examine and relate to the reality and relevance of technology transfer as a means of technological development which has been the vulnerable approach by successive Nigerian governments* The concept of technology transfer has been revealed by the study to be cosmetic and not a real approach to technological or industrial development contrary to the notion held in certain quarters that technology transfer constitutes a lucrative development strategy*

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Abbreviations and Glossaries

P.A.N.	- Peugeot Automobile Nigeria, same as Peugeot Assembly of Nigeria.
I.C.F.T.U.	- International Confederation of Free Trade Unions.
W.F.T.U.	- World Federated Trade Union.
C.O.L.A.	- Cost of Living Award or Allowance.
T.U.C.	- Trade Union Congress.
N.L.C.	- Nigerian Labour Congress
A.B.T.E.A.S.S.A.	- Automobile, Boatyard, Transport Equipment and Allied Senior Staff Association.
A.B.T.E.A.W.U.O.N.	- Automobile, Boatyard, Transport Equipment and Allied Workers Union of Nigeria.
C.K.D.	- Completely Knocked Down (reference is to motor assembly component parts).
P.M.B.	- Private Mail Bag.
N.E.P.A.	- National Electric Power Authority.
O.B. Mod.	- Organisational Behaviour Modification.
Autobate	- Autobate is the short form of reference to the Senior or Junior Workers' Union namely; ABTEASSA and ABTEAWUON Branches at Peugeot Assembly of Nigeria, Kaduna.

Statement of Problems

After the choice of the topic of this thesis or research study which has been identified as "The Role of Personnel Management in Industrial Development: The case of Peugeot Assembly of Nigeria, Kaduna", it is necessary too to identify and briefly discuss the problems of the study.

The idea of 'role function' presupposes a certain level of assigned responsibility to some individual person or group(s) of persons in a given societal functionary or activity. It is with this presupposition at the back of one's mind that one intends to examine, in this study, the place of Personnel Management as a tool of industrial development, where industrial development is used in a wider application to refer to industrialization or appreciable growth in standard of a given societal technology. A cautious attempt has been made at the operational definition of the key words like 'development' and the topic of the study itself in the introductory chapter which deals with the research design. It is therefore not intended to dwell on the definition of the topic here as this has been carefully done elsewhere, but instead, attempts will be directed at highlighting the problems which the study seeks to provide solution(s).

It has been noted from empirical evidence that the level of industrialization of any country is the direct

result of the proper planning of its manpower development and the profitable management of such human resources. In relation to Nigeria, observation has revealed that there has been a slow rate in the growth of 'real' industrial or technological development. The problem then is, what has been responsible for such slow rate of concrete development?

In answering this question it becomes a desideratum that the problems that immediately crop up to mind will include the extent to which the school education system and policies are designed to achieve a systematically planned and projected development target. The orientation and socialization of the people toward the achievement of the goal objectives also become a necessary factor once the target's priorities have been set. The study therefore seeks to examine whether Nigeria as a developing country has followed a pattern of consistent development strategy and to what extent is its personnel management responsible for its level of achievement. As a base for analysis of the problems, the Peugeot Assembly of Nigeria, Kaduna as an industrial establishment with technological development bias has been selected for case study.

CHAPTER ONE

I N T R O D U C T I O N

> All the activities of any enterprise are initiated and determined by the persons who make up that institution...
>
> Likert(1967)[1]

LIBRARY UNIVERSITY

THE RESEARCH DESIGN

Aim of the Study

Empirical observation has pointed to the fact that the level of industrial development of any country is the direct result of the proper planning and management of its personnel. It is therefore the aim of this study to examine whether or not, efficient labour management relations in the Nigerian industrial environment positively influences labour productivity and acquisition of skills that can accelerate the country's rate of technological development.

In doing this however, care has been taken to identify the study title as "The Role of Personnel Management in Industrial Development; The Case of Peugeot Assembly of Nigeria, Kaduna." This means that the Peugeot Motor Assembly or Industry has been selected as the topic of a case study which will serve as a representative sample of similar industrial establishments throughout the country.

---

[1] Rensis Likert, The Human Organisation: Its Management and Value, McGraw-Hill Company, New York, 1967, p.1

Scope and Relevance

The obvious limitation of time, financial and other resources on the author makes it impossible to embark on comparative studies of several industrial organisations at the same time, hence this obvious limitation has necessitated the choice of a case study.

However, the selection of Peugeot Assembly of Nigeria, Kaduna as a topic of the study was not arbitrarily embarked upon by the author. It was thought that being a technologically based industry serving the entire country with its products (peugeot cars) which are in very high demand throughout the length and breadth of the country, the industry will serve as representative sample of similar industrial organisational set-ups from whose inductive research findings will be of general application.

It is also thought that the heterogeneous nature of its staff composition representing diverse racial and ethnic groupings will provide the cultural representation and balance for the required behavioural and organisational study. The choice of the Assembly Plant thus relevantly provides a representative sample of industrial organisations whose genuine development approach was expected to immensely contribute to the country's technological or industrial development base.

Definition of the Topic and Area of Study

There are many definitions of the subject of personnel management as there are Authors, but simply and briefly defined, personnel management refers to the totality of concern with the human resources utilisation of an organisation. In fact, Pratt and Bennett (1979) have quoted at length, the following definition of the Institute of Personnel Management which defines personnel management as follows:

> Personnel management is that part of management concerned with people at work and with their relationships within an enterprise. Its aim is to bring together and develop into an effective organisation the men and women who make up an enterprise and, having regard for the well-being of the individual and of working groups, to enable them to make their best contribution to its success.
>
> In particular, personnel management is concerned with the development and application of policies governing:
>
> Manpower planning, recruitment, selection, placement and termination;
> Education and training; Career development;
> Terms of employment, methods and standards of remunerations;
> Working conditions and employee services;
> Formal and informal communication and consultation both through the representatives of employers and employees and at all levels throughout the enterprise;
> Negotiation and application of agreements on wages and working conditions; procedures for the avoidance and settlement of disputes.
>
> Personnel Management is also concerned with the human and social changes in the community.[2]

---

[2] K.J. Pratt and S.G. Bennett, Elements of Personnel Management, Gee & Co. (Publishers) Limited, 151 Strand, London WC2R 1JJ, 1979, p.3

The above definition is an all embracing definition of the subject matter of personnel management which may be sub-divided briefly into four broad title units as follows:

Manpower Planning and Development

Manpower planning is a human resource development strategy which aims to avoid manpower surpluses or shortages over a given period for a given economy.

Recruitment and Selection

Recruitment and selection is the systematic process of filling existing job vacancies in any Establishment or Organisation with most suitably qualified candidates.

Wage and Salary Administration

Wage and Salary Administration deals with all aspects of employee compensation policies which are crucial to the maintenance of both employee and the organisation itself.

Labour Management Relations

Labour or industrial relations as a personnel sub-unit deals with the cordial relationships between an organised Labour Union and Employer in an organisation with the view of rationalising the maximization of socio-economic rewards and labour productivity by the members of the labour union on the one hand and the Employer on the other.

Having taken a cursory look at these personnel sub-units, it is pertinent in the study of this nature to narrow oneself down to a specific area for research purposes even though each sub-unit of the subject is interwoven with the other. It is in this regard that our main concern in the study will be identified in the area of Labour Management or Industrial Relations and the extent to which it has affected industrial growth and development in Nigeria. Without necessarily repeating oneself, the definition of labour management relations is as briefly stated above.

The Concept of Development

The concept of development is operationally difficult to define because of its complex indicators and parameters. Development is hereby, in all totality, being examined in its wider application to refer to industrialization or expansion of a country's level of technological growth and not in any narrower sense. In fact, one is tempted to argue that the definition of development for any given society is ultimately normative. It is what society consider as development, because there is no generally acceptable way of defining the concept. Hence Riggs(1971) says of development that "It strikes me that the essential idea of development lies in increased ability of human societies to shape their physical, human, and cultural environments"[3].

---

[3] Fred W. Riggs; Frontiers of Development Administration (ed.), The Kingsport Press, Inc; Kingsport, Tennessee, 1971, p.74

Development can be said to be growth in national wealth utilised to improve the quality of life of people in a given society, but the question arises too as to what is 'improvement'? How can one ascertain the indicators? Here we may want to content ourselves with the rate or level of the quantity and quality, relative to the population of a given society, of goods and services such as health, food, housing, law and order (security), literacy/education, employment, technology standard and the level of cultural, economic and political independence and socialization. Development is therefore a multi-dimensional concept with many facets that are closely interrelated such as economic, socio-cultural, educational, technological and political dimensions. Rodney(1972), no doubt, agrees with this view when he simply stated that "Development in human society is a many sided process."[4]

The political dimension is really important and strategic to the issue of industrialization as it will be clearly examined elsewhere later in the text. Political independence and development presupposes the ability and capacity to take independent decisions and to formulate sound policies without foreign interference and influence.

---

[4]Walter Rodney, How Europe Underdeveloped Africa, Bogle L'Ouverture Publications, 141 Coldershaw Road, London W.13, 1972, p.9

The ability of the political society or state to allocate scarce resources to the components extending to individuals is equally crucial to the concept of development. In fact, Riggs(1971) recognised the importance of this facet of political development when he stated that"... what has come to be known as 'political development' and administrative development may well be a necessary condition for success in the administration of development projects."[5]

However, there may be other but similar approaches to the issue of growth and development, hence Spengler (1966) has observed that there is merit in the list of development determinants proposed by Rostow when he quoted him as follows:

> .... growth depends upon certain propensities which reflect a society's underlying value system and summarize its response to its environment. These include (i) the propensity to develop fundamental physical and social science; (ii) the propensity to apply science to economic ends; (iii) the propensity to accept innovations; (iv) the propensity to consume, by which also saving is conditioned; (v) the propensity to have children[6].

---

[5] Op.cit., p.75

[6] J.J. Spengler, Economic Development: Political Preconditions and political Consequences in: J.L. Finkle and R.W. Gable,(eds.) Political Development and Social Change, John Wiley & Sons, Inc., 1966, Rev. 1971, p.168.

Spengler has further observed that "the propensities are related, on the one hand, to the more immediate economic causes of economic growth, and, on the other, to determinants or circumstances underlying the propensities in question."[7]

Having briefly looked at the multi-dimensional facets of the concept of development it may now be relevant, for the purpose of this study, to summarise the definition of development as the physical expansion of infrastructural facilities that provide for the rational direction and acceleration of societal change toward specified objectives. Operationally defined, development can also be said to be the qualitative and quantitative change in the socio-cultural, political, economic and technological growth of a people measured in per capita relationships.

A s s u m p t i o n s

Having thus looked at the definition of the topic, it is pertinent to consider the following assumptions in the course of this study:

(a) that employers of labour will, under normal circumstances, continue to hire labour or services of workers if Organisations have to exist;

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[7] J.J. Spengler, Op.cit., p.163.
Note:
For yet another list of factors which directly or indirectly affect economic development, see J.J. Spengler, "Economic Factors in the Development of Densely Populated Areas", Proceedings of the American Philosophical Society, 95(1951), pp.21-24.

(b) that a certain level of contractual agreement has been arrived at or consented to between the employer and the employees before industrial relationship can be considered to be in existence in an organisation; and

(c) that the prevalence of peaceful industrial relations will lead to the development of the Organisation.

It is intended in the text of the study to also examine these assumptions in relation to the Nigerian worker's attitude to work and how this has affected his level of productivity and contribution to industrial development under our prevailing economic status.

H y p o t h e s e s

(a) That efficient labour management relations gives rise to high labour productivity which is a necessary, though not sufficient condition, for industrial growth and development.

(b) That a high rate of monetary reward or payment alone to workers in an industrial Organisation constitutes enough motivation or incentive to the worker to offer his optimum productivity.

We shall hereafter, examine the following variables.

V a r i a b l e s

It is to be noted that labour or industrial relations alone, even at an ideal stage, without the concerted combination of other dependent and independent variables, cannot promote industrial development. The human resources aspect in the maintenance and development of any organisation is very crucial and cannot be under-rated, but it alone cannot achieve this objective. It is in the light of this that we shall also attempt to discuss other extraneous factors and variables such as ecological factors, prevalent political culture and the capability of the political elite to formulate sound economic and industrial policies, the level of economic independence and the relevance of the structure and pattern of educational system towards the achievement of industrial development, and the extent to which people are socialized and mobilized towards achievement of such objectives. Socialization could also include the enhancement of the litaracy level of the people or work-force.

Other variables to be considered include the examination of recruitment pattern of personnel required in the industry, their attitude and motivation to accomplish tasks are important intervening variables which will affect the success or failure of the industry

in the achievement of its stated or perceived objectives. It is also pertinent to examine facilities for on-the-job training for improvement of skills of serving personnel in the industry in addition to the level of amenities and incentives that have been provided to the industrial labour force other than monetary rewards that satisfy the worker's self-actualization needs.

The source and extent of availability of finances to the industry and the level of prudent or imprudent investment of such funds including the viability of the industry and its socio-economic advantage will be examined in relation to visible contributions to societal development.

Methodology

The method of data collection for this study has included, among others, the use of library sources for the general understanding and grasp of existing literature, on the subject, file records, official reports, brochures, house journals, other journals and periodicals, newspaper publications, questionaires, intensive and extensive personal interviews.

Interviews were designed to obtain further information to supplement the other sources of data collection as no one method can be completely reliable in a study of this nature. The interview method,

needless to say, has its own disadvantages as well, and this may include the temptation of the respondent drifting off the point into a world of fantasy to supply confused and unnecessary details which leaves the researcher with the burden of sorting out irrelevancies from research facts and even sometimes with the problem of semantics. In tackling these problems, the extensive notes that were taken during the course of interviews were carefully and critically analysed for the purpose of this research information.

In spite of these disadvantages, it may be pertinent here to note that the process of personal interviews in the course of this study was found to be richly rewarding. The author was extremely luckly to enjoy the cooperation of individuals and groups mostly among junior workers, in freely responding to interview questions compared to the poor response to questionnaires. The author's experience of the sampled group was that there was a marked preference for oral discussion and responses to personal interview questions than to questionnaires in writing.

In fact the very poor response to questionnaires had prompted the researcher to rely heavily on extensive personal interviews randomly spread through a sizeable group within each of the occupational segments within the entire Assembly Plant.

The sample frame of 140 workers was categorised into the social and occupational class of senior, intermediate and junior staff members. Of this number were 90 junior staff members in job occupations such as panel beaters, welders, mechanics, painters, clerks, typists, security guards, cleaners and messengers. Included in this group were 5 workers union activists from among the artisan and clerical occupational sectors. In the second group were 50 senior and intermediate members of staff categorised into managerial, technical and supervisory personnel who were also among the group served with questionnaires and equally interviewed by the researcher. Included in this group as well were the President and Secretary of the Senior Staff Association of the Assembly Plant.

Even though questionnaires were constructed in such a way as to avoid exposing the identity or name of the respondent together with the assurance that the required information was for research purposes only, and that such information would be treated with the strictest confidentiality, respondents still had one reason or the other for not responding to most of the questionnaires served. Less than 40 per cent of the questionnaires served were returned and only 30 per cent of this number of questionnaires were fully completed. Most of the respondents at the Plant had preconceived ideas that any information supplied in writing might form a permanent record that may be used to victimize them, despite all assurances to the contrary. In fact, one respondent at the Plant Workshop openly confessed that it was better and freer to talk than to write.

The impression created on the author's mind by the thoughts of Plant personnel especially, is that the junior workers there believe that the Management of the Plant is so vindictive that it will collaborate

with even research scholars as agents to extract vital information from them for the Management, but nevertheless a good number of them were able to freely say their minds during the course of interview with them. In fact, the daring ones among them had remarked that they did not care whether or not one was sent as an agent of the Management, but that they were ready to freely say their minds about the goings-on in the Establishment and damn the consequences. The few in this group were agreeable to complete and return the questionnaires served on them.

Another shocking experience of the researcher was with the managerial group of personnel who also equally and visibly declined to accept questionnaires on the pretext that they had no time to fill them but that they could spare a few minutes to answer brief questions if the researcher could produce proof that he had Management's permission to obtain such information as was required. Even with such proof, some Managers deliberately withheld information they considered controversial. They did not want the

disclosure of such information to be associated with their name. A typical example, was with a Nigerian General Manager (Administration) and a lawyer by training who told the researcher openly that he was not ready to disclose any information in the name of research which will turn out to cost him his job tomorrow, and had refused to talk to the researcher beyond that point todate. He simply referred the researcher to the Federal Ministry of Industries for the information that was sought for. It was also observed that the French Managers in the Organisation were in the habit of referring the researcher to their Nigerian colleagues or subordinates for whatever information or interview that was sought as they would not personally grant such interviews or accept to fill questionnaires.

It is pertinent to clearly state the process and limitations of this research study here in the methodology as otherwise the author's unrewarded efforts may be misconstrued for ineptitude. This will also provide the author's interested readers who may wish

to make further scientific enquiries on the subject, some insight and challenges that will be encountered in a research study of Organisations of this nature. This is especially so, since research involves progression from the known to the unknown. Such progression is synonymous with scientific discoveries or contributions to human knowledge for the purpose of improving the quality of living standards of humanity, and this is the main essence of what scientific research is all about.

CHAPTER TWO

CONCEPTUAL FRAMEWORK

> Since science strives to achieve accuracy, every field of scientific endeavour develops a continuously refined set of concepts which, to the initiated, mean the same thing at all times under stated conditions.
>
> Lastrucci(1967)[1]

It is pertinent to state here that the idea of conceptual framework in this study is to use scholarly accepted scientific concepts to provide a kind of working guide, frame or base for the analytical discussion of our subject matter, which will not only contribute to our rational understanding of the study but will greatly improve the level of accuracy of our scientific judgment. Having so stated one might want to proceed to say that since the core of our hypothesis as discussed in chapter one has to do with the management of human behaviour at work or of organisational behaviour generally, it might be rewarding to approach the problems of management of such human behaviour which are socio-psychological by starting with an examination of what is the organisation as a system.

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[1] Carol L. Lastrucci, The Scientific Approach: Basic Principles of the Scientific Method, Schenkman Publishing Company, Inc., Cambridge, Massachusetts 02138, 1967, p.77.

The Organisation as a System

In order to understand the behaviour of individuals who operate and interact within the business organisational system, it is relevant to understand the concept of that organisational system. Pfiffner and Sherwood(1963) define organisation as"... a pattern of ways in which large numbers of people, too many to have intimate face-to-face contact with all others, and engaged in a complexity of task, relate themselves to each other in the conscious, systematic establishment and accomplishment of mutually agreed purposes"[2]

This definition emphasizes the systematic interrelationship between people working together to accomplish certain purposes. Hence Johnson et al (1973)[3] argue that general systems theory implies an interconnected complex of functionally related components or parts. They view that many types of purely mechanistic systems are of the structured, closed variety while the business organisation and other institutions of human interrelationships are open social systems. It has therefore been argued

---

[2]John M. Pfiffner and Frank P. Sherwood, Administrative Organisation, Prentice-Hall, Inc., Englewood Cliffs, N.J., 1960, p.30

[3]Richard A. Johnson, Fremont E. Kast and James E. Rosenzweig; The Theory and Management of Systems (Third) Edition), McGraw-Hill Kogakusha, Ltd., 1973, p.23.

that it is only through the process of organising that the vast complex of men, machines, materials, monies and other resources are combined into an effective, efficient, and viable enterprise and the primary cohesiveness is applied by man himself to systematize his social organisations.

The argument reiterates therefore that in modern organization theory, system concepts provide a basis for integration of the various diverse viewpoints. The organisation is an open, socio-technical system composed of a member of subsystems and in continuing interaction with its environmental suprasystem.

Bakke (1959) has, in the same vein, therefore defined a social organisation as:

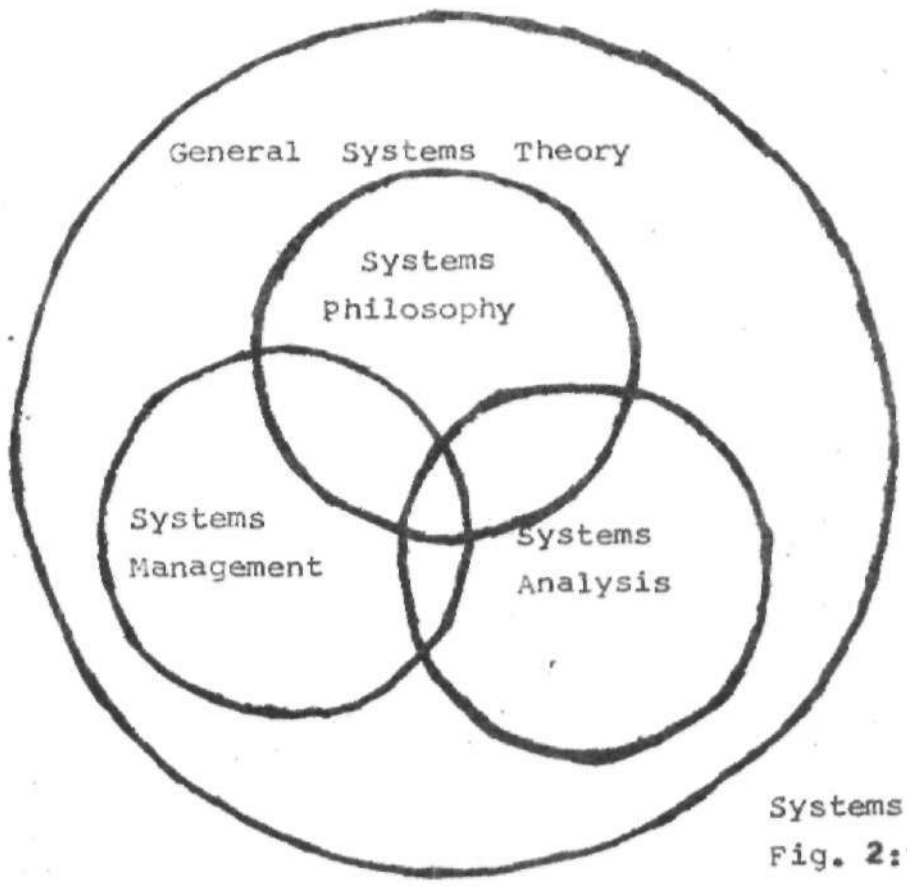
> a continuing system of differentiated and coordinated human activities utilising, transforming, and welding together a specific set of human, material, capital, ideational and natural resources into a unique, problem-solving whole whose function is to satisfy particular human needs in interaction with other systems of human activities and resources in its particular environment.[4]

---

[4] E.W. Bakke in Manson Haire (ed.) Mordern Organisation Theory, John Wiley & Sons, Inc; New York, 1959, p.50.

The Systems Approach

In an attempt to provide further clarification of the organisational system, Johnson et al (1973)[5] have opined that the systems approach involves applying relevant concepts from general systems theory in order to facilitate the understanding of organisation theory and management practice as expressed in figure 2:1 below.



Systems Theory Diagram
Fig. 2:1

[5] Op.cit., p.18

Johnson et al(1973) have provided explanations of the expression in figure 2:1 as follows:

> In the broadest or most general sense we have systems philosophy. This refers to "away of thinking" about phenomena in terms of wholes - including parts, components, or subsystems and with emphasis on their interrelationships. This aspect of the the systems approach can be readily applied to the managerial task of strategy formulation.
>
> Systems Analysis refers to a method or technique used in problem solving or decision making. It is closely related to the scientific method. It involves awarness of a problem, identification of relevant variables, analysis and sythesis of the various factors, and determination of an optional (at least better) solution or programme of action. Although the term systems analysis has tended to connote quantitative techniques and computational problem-solving where quantification is difficult or impossible. The same approach can be useful in all organisational subsystems.
>
> Systems Management involves the application of systems theory to managing organisational systems or subsystems. It can refer to management of a particular function or to projects or programmes within a larger organisation. An important point is that systems theory is a vital ingredient in a general model of input-transformation-output with identifiable flows of material, energy, and information. It also emphasizes the interrationships among subsystems as well as the suprasystems to which a function, project, or ganisation belongs.
>
> Thus the systems approach is at once (1) a way of thinking (2) a method of or technique of analysis and (3) a managerial style.[6]

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[6] Ibid., p.19

Consequent upon the above discussion it becomes pertinent to agree with Davis' (1972) conceptual definition of the organisational system when he stated that "..... a system implies that there are multitude of variables in organisations and that each of them affects all the others in a complex relationship. An event that appears to affect one individual or one department actually may have significant influences elsewhere in the organisation."[7]

Such influences, Davis (1972) has observed, could have far-reaching consequences on the organisation which could result in social and industrial conflicts that may preclude the realisation of organisational objectives, when he advised thus:

> ..... managers in taking actions must look beyond the immediate situation in order to determine effects on the larger system. Often negative effects as well as positive effects result from a behavioural action, so it is necessary to make a cost-benefit analysis to determine whether an action will produce a net positive or a net negative effect.[8]

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[7] Keith Davis, Human Behaviour at Work: Organisational Behaviour, fifth Edition, Tata McGraw-Hill Publishing Co. Ltd., New Delhi, 1972, Reprinted 1977-1980, p.16.

[8] Ibid., p.16

Viewed from this perspective we shall attempt to comparatively relate the organisational set-up of Peugeot Assembly of Nigeria to the conceptually defined organisational environment in order to assess its performance in relation to stated objectives as will be evident in the course of the study. Preceding the organisation as a system and the interdependent relationships within the organisation is the need to look at the individual in such a social milieu.

Social Equilibrium

Having looked at the interdependent relationships within the organisational system, there is the logical need to also understand the principles regulating the behavioural attitudes of the individuals within the business organisation that harmonises the interdependent parts under the concept of social equilibrium which Davis(1972) describes as follows:

> A system is said to be in social equilibrium when there is a dynamic working harmony among the interdependent parts of the system. Social equilibrium is a dynamic concept, not a static one. Movement is taking place all the time in a social organisation, but the movement is done in a way that retains working harmony and balance in the system. The system is like an ocean, in which there is continuous motion but the basic character of the sea changes very little.[9]

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[9] Ibid., pp.22-23

He has further observed thus, when minor and major changes take place in the social system:

> They are absorbed by adjustments within the system, and equilibrium is retained. On the other hand, major changes or a series of rapid changes may throw an organisation out of equilibrium, seriously reducing its vigour and productivity, until it can reach a new equilibrium. In a sense, when it is in disequilibrium, its parts are working against one another instead of in harmony.[10]

Equilibrium in an organisational system does not imply that all the people in it are adjusted to it. They may or may not be. But to the system, equilibrium is important, since to maintain a balance for example, all rules and regulations governing the operations of the organisation have to be observed and obeyed by the workers, but to the worker, adjustment is important. People who have difficulty in adjusting are said to be maladjusted. Examples of the results of maladjustments at work are labour turnover, labour agitation, insubordination, absenteeism and thefts.

Closely following this issue of social equilibrium is also the issue of the unwritten psychological contract which plays a great role in the social relationships between the worker and employer just as conventions apply in constitutional law.

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[10] Ibid., pp.23-24.

There is therefore a need to take a brief look at what the unwritten psychological contract is all about.

The Unwritten Psychological Contract

In order to properly integrate and harmonise the behavioural attitudes of the individuals within the organisational system, individuals have certain expectations which the system has to oblige and this brings us to the concept of the unwritten psychological contract.

Davis(1972)[11] in his contribution to this concept has observed that what employees do when joining an organisation is to make an unwritten contract with it, although generally they do not recognise at a conscious level that a contract has been made. This contract is in addition to the written economic contract for wages and working conditions. The psychological contract defines the conditions of each employee's psychological involvement with the system. Employees agree to give a certain amount of work and loyalty, but in return they demand more than economic rewards from the system. They seek security, treatment as human beings, rewarding relationships with people, and support in fulfilling expectations.

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[11] Ibid., pp.23-24.

If the organisation honours only the economic contract and not the unwritten psychological contract, employees will tend to lose interest in their jobs. This is also closely related to the equity theory discussed below.

The Equity Theory

The concept of the equity theory relates each person's feelings of fairness about the rewards received from an organisation. The rewards cover all types, including psychological and social rewards along with economic rewards. Davis(1972)[12] argues that the theory holds that employees tend to determine equity by considering their inputs and out-comes on the job compared with the inputs and output of comparable workers within the same or other organisations. If the ratios of rewards of the comparable workers are unequal, such condition creates a tension of inequality in the employee that motivates corrective action. What really occurs is a cognitive disonance in which employee feelings of equity do not agree with actual rewards received. When workers perceive inequity in their social and economic exchange with organisation, the rate of absence, turnover, industrial action and all forms of labour discontent manifestly increase. We shall endeavour to examine other motivation concepts and theories, notably, theories X and Y.

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[12] Ibid., p.24

McGregor's Theories X and Y

The proponent of theories X and Y is McGregor (1977).[13] His contributions in the area of motivation theories on workers in organisational behaviour is so fundamental and it will be rewarding to take a brief look at the theories here.

Theory X represents an old style authoritarian type of management based on two assumptions, namely;

(i) the average worker does not like to work and will avoid it if he can.

(ii) because of this human characteristic towards work, people must be intimidated, extremely controlled and threatened with punishment before they can put in their best to enable organisation accomplish its goal.

In other words, McGregor in his theory X advocated authoritarian kind of management which has been considered as an outmoded approach in modern management of business organisations.

Theory Y which is the opposite of Theory X deals with human relations and participatory management. McGregor proposed an alternative Theory Y, with the underlying principle of integration to replace direction and control. The assumptions about human motivation of theory Y are:

(i) the expenditure of physical and mental effort in work is as natural as play or rest. The ordinary person does not inherently dislike work but according

[13] See P.Pigors and Charles A.Myers, Personnel Administration: A point of view and a method; McGraw-Hill Book Company, New York, Eigth Edition, 1977, pp.7-10.

to the conditions, it may be a source of satisfaction or punishment.

(ii) external control is not the only means for obtaining effort. Man will exercise self-direction and self-control in the service of objectives to which he is committed, and under proper conditions, he will not only accept but seek responsibility. This can be a direct product of effort directed towards organisational objectives.

Here, the Manager must create an environment conducive to collective participation and help employees develop self-direction and self-control but depending on the manager's capability to motivate the worker to explore his untapped resources or hidden skills towards the realisation of organisational objectives, the concept can be abused by employees. It is to be noted that the attractive effect of the theories in modern organisational management lies in the use of the modarating combination of the two theories as expoused in theory Z. Managers should not be too hard or too soft on employees.

One other motivation concept or theory which also deserves to be looked at in this study is Maslow's Priority of Needs.

Maslow's Priority of Needs (Primary and Secondary Needs)

Abraham Maslow's motivation model[14] which classifies human needs in order of priority is relevant to our

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[14]See P. Pigors and Charles A. Myers, Ibid., pp.99-100

understanding of the worker's attitude to work in the work environment too and hence the need to examine his motivation model. Abraham Maslow, an American Psychologist has argued that psychologists have recognised that needs have certain priority and that as the more basic needs are satisfied, a person seeks higher needs that motivate him towards the achievement of those needs. The proposition holds that if one's basic needs are not met, they claim priority, and efforts to satisfy the higher needs must be postponed. Maslow has identified the following need priority of five levels which has gained wide scholarstic attention:

(i) Basic physiological needs.

(ii) Safety and security needs.

(iii) Belonging and Social needs.

(iv) Esteem and Status needs.

(v) Self-actualization and fulfilment needs.

The important point about need levels is that usually they have a definite sequence of domination. Need number 2 does not dominate until Need number 1 is reasonably satisfied. Need number 3 does not dominate until Needs number 1 and 2 have been reasonably achieved, and so on as diagrammatically illustrated in figure 2:2 below:

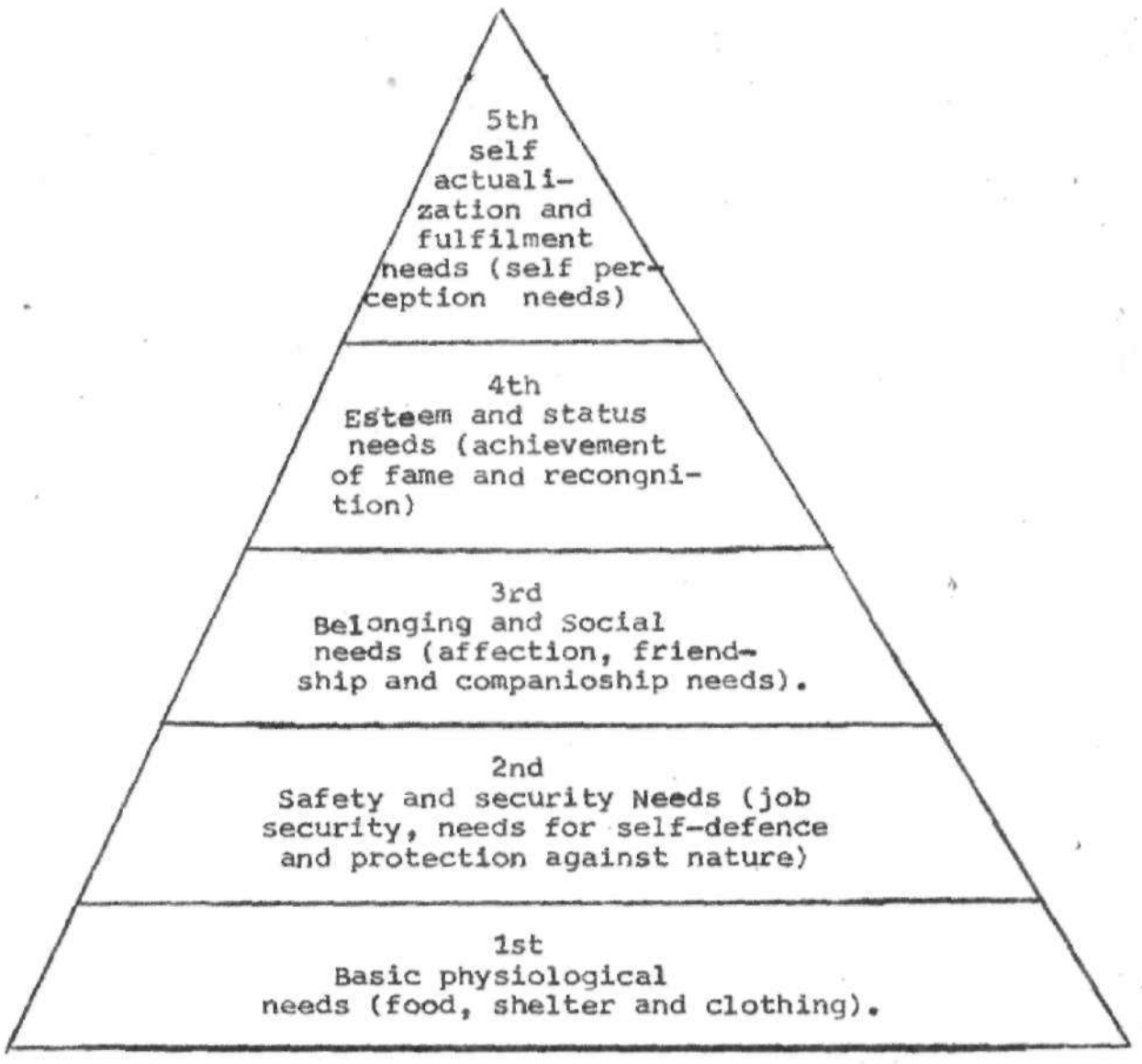


Fig. 2:2
Order of priority needs according to Abraham Maslow

(i) Primary or Lower-Order Needs

The concept of primary or lower-order needs prescribe that people have to work to satisfy their physiological needs, and it is when this is satisfied to some degree, that they have the desire to

satify other needs. The need that next tends to dominate is safety and security. Having met their basic physiological needs people want some assurance that these needs will be met tomorrow and thereafter, and with less effort, pain or worry. If possible they build granaries for food storage or establish pension programmes. They want bodily safety as well as economic security.

(ii) Secondary or Higher-order Needs

Lower-order needs are primarily satisfied through economic behaviour. People earn money as a medium of exchange to purchase satisfactions for physiological and security needs. Their higher-order needs, on the other hand, are primarily satisfied through symbolic behaviour of psychological and social content. They attach meaning to their experiences. This is behaviour of a different order from economic behaviour, requiring different ways of thinking about people. Managers sometimes have felt that they could meet all need satisfactions by providing wages and letting employees use the wages to acquire their satisfactions. This economic approach does not hold up when analysed in terms of the five basic needs, since money applies mostly to the first two of them. It is therefore relevant to assume that economic solutions alone do not satisfy or regulate human behaviour at work.

Another motivation theory slightly different from the cognitive motivation theories already discussed which deserves attention in this study is the Behaviour Modification Model whose characteristic we examine below.

Behaviour Modification Model

The behaviour modification model is unique and different from the models of motivation we have so far discussed because they are cognitive theories based on thinking and feeling (i.e. cognition) within the individual. They relate to the internal psychological person and how that person views his environment. For example, in Maslow's need hierarchy a person's internal state of needs determines behaviour.

The major difficulty with cognitive models of motivation is that they are not subject to precise scientific measurement and observation. It is not possible, for example, to measure a person's esteem needs at a particular time. For this reason it is argued that more attention should be given to models that are more subject to scientific treatment. This is why the behaviour modification model is unique and different from the other models of motivation. The model evolved from the work of Skinner(1953)[15].

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[15] B.F. Skinner, Science and Human Behaviour, New York: The Macmillan Company (The Free Press), 1953; and B.F. Skinner, Contingencies of Reinforcement, New York: Appleton-Century-Crafts, Inc., 1969

Its application in organisations is referred to as 'organisational behaviour modification, or O.B. Mod. Behaviour modification is based on the idea that behaviour depends on its consequences. While cognitive theories argue that internal needs lead to behaviour, behaviour modification states that external consequences tend to determine behaviour.

Behaviour modification is achieved through operant conditioning. Operant behaviour is that which can be modified by its consequences. If the consequences of a certain behaviour are favourable to the person (i.e. reinforcing to the person), the behaviour will be strengthened. Conversely, if the consequences are unfavourable, the behaviour will be weakened. In this manner operant conditioning occurs and this should not be confused with classical conditioning as represented by the experiment with Pavlov's dogs, whereby the ringing of a bell to indicate availability of food increased the dogs' flow of saliva. In classical conditioning it is the stimulus that leads to response but in operant conditioning, the consequences of a response lead to a repetition of that response. For example, if a factory supervisor received a certain amount of financial increment or reward for inspiring the workers in his shift to assemble specific number of cars in a day, he will be motivated to maintain and even excel that target subsequently. The consequence of the supervisor's

action or behaviour is the financial reward. If other supervisors want to be similarly rewarded, the external consequence (i.e. financial reward) would now determine their behaviour to attain the same level or measure of production which will attract a similar amount of reward. Conversely, if a supervisor was threatened with demotion in rank for poor performance, others including himself will strive to improve on their performances to avoid the consequent negative reward of demotion. Thus, in behaviour modification it is the external consequences which can be subject to precise scientific measurement that tend to determine behaviour.

After an examination of the above selected behaviour motivation concepts or models, it is also necessary to look at the concept of recruitment and selection which will provide the base for the analysis of other variables like the pattern and quality of staff recruitment in Peugeot Assembly of Nigeria, Kaduna.

Recruitment and Selection

Recruitment is the first part of the process of filling a vacancy. It includes the examination of the vacancy, the consideration of sources of suitable candidates, making contacts with those candidates and attracting applications from the job candidates.

Selection is the following stage after recruitment, that is, assessing the candidates by various means and making a choice followed by an offer of employment. Selection includes screening process of going through qualifications, experience, skills, suitability of the candidate for employment. Existing vacancies may be filled through internal or external recruitment or both.

Whatever method that is used, the question of recruitment and selection is a crucial issue. Selection is so crucial because there is need to differentiate between the competently qualified worker from the unqualified worker among the large pool of potential workers or applicants. This is where the issue of tests and interviews to measure the applicants' aptitude or capability in a particular discipline arises.

(i) Concept of Selection Tests

Wentworth(1968)[16] in his contribution on this subject has argued that tests, it must be noted, in any recruiting agency should be designed to enjoy construct validity and acceptability. It is no use for example, setting tests to measure aptitudes not relevant to the required job because such tests will not only enjoy acceptability but is more likely to be met with resentment of the competitors. To be motivated to do his best the person taking the test must believe that a test is sensible and related to the job.

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[16] Kenneth L. Wentworth, Development and Use of Written Tests in: J.S. Donovan (ed.), Recruitment and Selection in the Public Service, Public Personnel Association, 1313 East both Street, Chicago, Illinois 60637, 1968 pp. 112-122.

While tests requiring calculation may be suitable as selector for job seekers as Accountants, the same test may not be suitable as a determinant factor for recruitment of clerical and administrative staff.

It is equally important to mention that in many of the unskilled and semi-skilled occupations it is probable that a large number of excellent workers accomplish their task without much theoretical knowledge or verbal thinking about the job activity, they may not think of the tools and materials in terms of their technically correct names or their physical properties. In that respect, certain written tests may serve as a negative selector in the lesser skilled job classes. Yet it is at this level that the quantity of applicants usually out-number the job openings and some economical, objective method of screening is most needed. When a written test is used in this kind of setting where it admirably meets the criteria of cost and objectivity, it is in fact being used as an eliminator rather than a selector.

However, there is nothing inherently wrong about using any test to eliminate rather than to select, provided that it is acknowledged and is used as a qualifier rather than as a weighted selector. After all, since there is no established correlated high degree of predictive validity between high selection test scores and successful job performance, a qualifying test may as well be in order.

On the other hand, however, if a relatively difficult examination was constructed with the aim of filling very few vacancies, the score distribution would be spread thus:

Distribution of Scores on a Test of High Difficulty

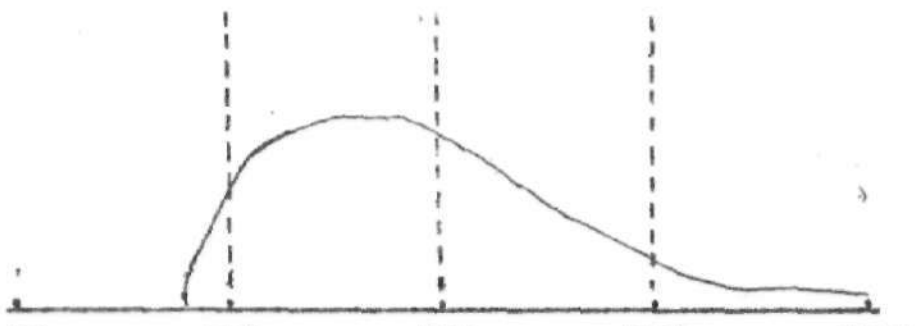


Fig.2.4

However, in isolated cases, where it is not sure how many candidates are needed, McClung (1968) has advised as follows:

> ..... when you cannot be sure how many of the candidates you will need, your examination should be planned to produce as flat a distribution as possible over the greatest possible range, i.e., the battery should have a difficulty level as close to 50 per cent as possible, with as large a standard deviation as possible.[18]

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[18] Ibid., p.350

(ii) Predictive Validity and Reliability of Tests

When we consider that the reliability of tests to measure intellectual and technical ability or capability of individuals under given situations are prone to inaccuracies, the use of tests become a subjective issue, but it is yet the only proven practical means by which such a measure could be contemplated. In fact, McClung(1968)[19] in his own contribution to this question of validity and reliabiltiy of tests as a measure of ability has recommended that in personnel settings, the most practical tool for estimating the reliability of a test was by using the Kuder-Richardson Formula 21, which is as follows:

$$\text{Reliability co-efficient} = \frac{ns^2 - M(n-M)}{ns^2}$$

where:

n = the number of items in the test

s = the standard deviation of the test

M = the mean of the test

Even here, the above formula which is based on a number of assumptions has the following limitations:

(a) The use of the formula is appropriate only for objective-type tests which are scored on the basis of one point for each item.

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[19] Ibid., p.336

(b) The formula assumes that the test is measuring only one general skill or aptitude.

(c) It assumes that all items are about equally difficult.

(d) It assumes that time limits for the test are adequate to enable most of the testees to finish.

It therefore follows that the formula was capable of producing only a conservative estimate of reliability. However, without stressing the point too far, we may wish to content ourselves here by agreeing with the assertion that whatever the merits and demerits of tests generally, they still remain, until proved otherwise, as the conventional and practical means of measuring the intellectual ability of the individual.

(iii) The Employment Interview Process

The employment interview process is the next selection stage following the selection of successful candidates after the conduct of selection tests. The employment interview becomes effective when it is conducted and interpreted consistently, and contrubutes to the final selection of successful candidates.

These requirements can be met by selecting and paying competent interviewers who are knowledgeable and conversant with the use of appropriate interviewing techniques. The selection and preparation of

interviews are important because not everyone is emotionally disposed or adequately prepared to engage in the rather delicate and sensitive task. Two errors are commonly made in this regard.

(a) Assigning a relatively immature and inexperienced person as an employment interviewer in the personnel department. This error is based on the mistaken assumption that employment interviewing is largely a clerical function.

(b) The second error consist of a line supervisor to interview candidates for positions in his unit even though he has the ability to judge technical competence, he usually has little skill or education to interview adequately.

Interviewing errors are very costly. No one should therefore be assigned to this task unless he is carefully selected and trained for it.

Having dwelt at length on the concept of recruitment and selection as a tool for our analysis of the recruitment pattern or method in Peugeot Assembly of Nigeria later in the text of this study, it is necessary at this stage that we take a brief look at the historical background of Peugeot Assembly in Nigeria.

A Brief Historical Background of Peugeot Assembly of Nigeria, Kaduna

Peugeot Automobile Nigeria Limited was founded in August 1972 by an official agreement signed between the Federal Military Government of Nigeria and Automobiles Peugeot of France. Once the agreement was signed in 1972, the structural contruction of the Assembly Plant was commenced and it was much later on 14 March, 1975 that the Factory was formally commissioned by the then Head of the Federal Military Government and Commander-in-Chief of the Armed Forces, General Yakubu Gowon.

The Company's initial share capital was ₦6 million and later increased to ₦15 million with a turnover of ₦750 million in 1981. The equity structure is as follows:

Federal Government of Nigeria	35%
Kaduna State Government	10%
Nigerian Industrial Development Bank	5%
Nigerian Distributors	10%
Automobiles Peugeot (France)	40%

The Head Office of Peugeot Automobile Nigeria Limited and the Assembly Plant are in Kaduna.

The Peugeot Automobile Company is managed by a Board of Directors, whose members are constituted as follows:

A representative of the Federal Ministry of Industries
A representative of the Federal Ministry of Trade
A representative of Kaduna State Government
A representative of the Nigerian Industrial Development Bank

A representative of the Nigerian Distributors
A representative of Automobiles Peugeot

The Chairman of the Board is appointed by the Federal Government of Nigeria and the Managing Director is elected by the Board of Directors.

In the spirit of the agreement, Peugeot (France) provides Peugeot Automobile Nigeria Limited with advice and assistance in the fields of Technology, Organisation and Training, essentially through a team of highly qualified French specialists whose main contribution is to prepare the progressive transfer of responsibilities to Nigerians.

Before we introduce the labour management relations in Peugeot Assembly of Nigeria, Kaduna, it will be rewarding to take a brief look at the historical background and trend of development of trade unions in Nigeria todate since such an exercise will help our understanding of the pattern of existence and operation of trade unions within business organisations generally and the Peugeot Assembly of Nigeria in particular which is the field of this research work. We may therefore wish to look at the formation or origin of trade union and labour management relations in Nigeria.

The Origin of Trade Union and Labour Management Relations in Nigeria

What is a trade union? The trade unions decree 1973[20], defines trade union as follows:

> Any combination of workers or employees, whether temporary or permanent, the purpose of which is to regulate the terms and conditions of employment of workers, whether the combination in question would or would not, apart from this decree, be unlawful combination by reason of any of its purposes being in restraint of trade, and whether its purposes do not include the provision of benefits for its workers.

After this attempt at the definition of what a trade union is, it may now be pertinent to take a look at the formation of the early trade unions in Nigeria.

The early Trade Unions in Nigeria grew up around the only establishment which was the Colonial Civil Service. It followed therefore that one of the very early unions to come into existence in 1912 was the Civil Service Union. It has been alleged that those who formed these early unions did not appear to understand the purpose of trade unionism. Professor Yesufu(1962)[21] has suggested that the main reason for the formation of the Civil Service Union was merely to match the existence of such unions elsewhere,

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[20] Trade Unions Decree No.31 of 1973, S1 (1)

[21] T.M. Yesufu, An Introduction to Industrial Relations in Nigeria, Oxford University Press, 1962, p.34.

notably in Sierra Leone. In fact, it was much later that the Union's aim was spelt out as 'to promote the welfare and interests of native members of the Civil Service'.

The existence of the Civil Service Union was followed by the formation of other unions like the Nigerian Railway Native Staff Union in 1919, the Nigerian Mechanics Union, the Railway Loco Drivers Union and a few employers' unions including the Motor Transport Union which came into existence during the same period.

It is to be noted that the aim of all these unions was to obtain better conditions of employment for their members even though the organisation of the unions was at their infancy. Following the formation of these early unions, more and more trade unions started to proliferate by leaps and bounds until it became necessary to formally control the formation of trade unions, hence the Trade Union Ordinance was passed and came into force on April 1, 1939. Henceforth, government involvement and active role in labour matters became manifest, especially after the Railway Workers Union demonstration to press the demand for cost of living award (cola) between 1939 and 1942. In 1942 the Department of Labour was formally created and was staffed by senior administrative officers. In the same year, the Trade Disputes and Arbitration Ordinance and the Worker's Compensation Ordinance were enacted.

All these helped to pave the way for collective bargaining. Consequently in an attempt to strengthen their position, the unions within the government establishment merged into the African Civil Service and Technical Workers Union while the other unions fused as the Federated Trade Unions of Nigeria. The Federated Trade Union soon drew up plans for consultation with the Department of Labour on labour matters and the protection of workers against discrimination and this enhanced the Union's popularity and support. At a conference of all trade unions in 1943, the two federated unions, the African Civil Service and Technical Workers Union and the Federated Trade Union further coalesced to give birth to the Trade Union Congress of Nigeria.

The aim and objectives of the Trade Union Congress as projected in its constitution include the following:[22]

i) to unite trade unions into one organised body;

ii) to deal with the general labour problems affecting workers in the whole country;

iii) to protect the legal status and rights of trade union organisations;

iv) to see to the proper organisation of trade unions;

v) to organise annually a congress of all trade unions;

vi) to establish a workers' newspaper.

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[22] See A.K. Ubeku, Personnel Management in Nigeria, Ethiope Publishing Corporation, Benin City, Nigeria, 1975, p.151

It will be recalled that the Railway Workers' Union led by Mr. Michael Imodu had engaged in the most vigorous activities which culminated in the 1939 demonstrations to press the demand for the cost of living award. The agitations led to a review of the cost of living allowances in 1942 but these were to serve as a catalyst to the great strike of 1945. By 1945, the only labour movement was the Trade Union Congress. The Congress received such tremendous support from workers that it was emboldened to demand an increase in cost of living allowance over the awards made in 1942. The government refused to give in and the Congress called out its members on a general strike which lasted 45 days. The strike was declared illegal by the government because it did not comply with the 21 days notice required by the then Defence Regulations before a strike action could be embarked upon.

Realizing the illegality of the strike, the President of the Union advised that the strike action should be suspended to enable the Union to give the required notice but other members of the union executive disagreed with him and he had to resign. This single act was to have very serious disastrous consequences on the future development of Trade Unionism in Nigeria for a long time as it led to the

disintegration and fragmentation of the federated trade union congress. Henceforth, the trade union factions metamorphosed into one form or other as affiliates of two major rival federated trade unions, namely; the International Confederation of Free Trade Unions (I.C.F.T.U.) and the World Federated Trade Union (W.F.T.U.). The rivalry between the unions continued until the 1973 Trade Unions Decree withdrew government's recognition of splinter unions mainly on grounds of lack of unity between the trade union factions. It was through such government regulation to curb fragmentations and rivalries between trade unions that the Nigeria Labour Congress (NLC) as we know it today emerged to enjoy government recognition as a major federation of Nigerian trade unions.

Registration of Trade Unions

Trade Unions are required by law to be registered before they can operate as trade unions, if they meet the conditions and definition of a trade union as provided under the 1973 Trade Unions Decree.[23]

Prior to the 1973 Trade Unions Decree, any five workers could come together to form a trade union and apply to the Registrar of Trade Unions to be registered and this unfortunate provision in the law led to a proliferation of trade unions in the country. But with

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23 Op.cit., No. 31.

the promulgation of the 1973 Trade Unions Decree, the situation has been ameliorated with the provision that the number of workers that could come together to form a trade union was now fifty.

Recognition of Trade Unions

Prior to the promulgation of the Trade Unions Decree of 1973, recognition of registered trade unions by employers was voluntary. This means that a union may be duly registered and issued with a certificate of registration from the Registrar of Trade Unions and the employer will not be obliged to recognise that Union for the purposes of negotiation. However, although the 1973 decree has not provided for compulsory recognition in every case, the situation has now changed with the following provision under the Decree:[24]

> Where there is a trade union of which persons in the employment of an employer are members and there is no rival trade union claiming to represent those persons, that trade union shall be entitled to recognition by the employer in accordance with the terms of a recognition agreement voluntarily entered into by the employer and union.

Consequent upon this, it has been argued by Ubeku(1975)[25] that by the operative clause in the decree that the union 'shall be entitled to recognition by the employer in accordance with the terms of a recognition agreement'

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[24] See S.22(1) of the 1973 Trade Unions Decree.

[25] Op.cit., p. 159

presupposes that recognition cannot be denied under the provision.

It is to be noted here therefore that the 1973 Trade Unions Decree has far reaching effects on the formation, organisation and stabilisation of labour management relations in Nigeria.

In retrospect, one can imagine the crisis ridden pattern of trade union development in Nigeria right from the nascent period to its present stage of growth. It is with this pattern of gruelling experience of growth in mind that we will now narrow down to take a look at the structure and existence of labour or trade unionism at Peugeot Automobile Assembly, Kaduna.

Existence of Labour or Trade Unionism in Peugeot Automobile, Kaduna

There are two labour unions formally recognised by the Management of Peugeot Automobile, Kaduna for the purpose of collective bargaining and trade negotiations. These are popularly known as the Senior Autobate otherwise known as the Automobile, Boatyard, Transport Equipment and Allied Senior Staff Association (ABTEASSA) and the Junior Autobate otherwise referred to as the Automobile, Boatyard, Transport Equipment and Allied Workers Union of Nigeria (ABTEAWUON). Both unions were registered with headquarters in Lagos and are popularly referred to as Autobate for short and henceforth referred to as such.

The Peugeot Automobile, Kaduna staff unions have actually been known to be branch units of the two labour unions until December 1982 when, owing to certain strained relationships between the Senior Autobate and its main body in Lagos, had to break off to form its own local Association known as PAN Senior Staff Association. The Junior Autobate has however continued to maintain relationships with the mother union in Lagos and has retained its status as a branch union. The PAN Senior Staff Association is not a formally registered trade union with the Registrar of trade unions in Lagos and their dealings with the Management of Peugeot Automobile, Kaduna has been purely on mutual understanding between the workers and the employer since they broke off from their mother union in Lagos.

Having discussed the structure of existing trade unions at the Plant, attempts will be made to take a more critical look at the role and performance of the unions and/or labour management relations at the Assembly Plant in the main content of this study after we have had an opportunity to examine the aim and objectives for the establishment of the Plant in the following chapter.

C H A P T E R T H R E E

GOAL OBJECTIVES

> The selection, definition, identification, interpretation, and pursuit of objectives are basic for effective management.
>
> McFarland(1979)[1]

A Brief Definition

Objectives are results that organisations propose and expect to achieve. Carefully planned goal objectives serve to integrate and coordinate the complex activities of an organisation. Since objectives are the results that organisations expect to achieve, there is need for knowledge of the organisation's objectives in order to be able to coordinate or transform otherwise random behaviour into logical and effective action. Hence Drucker(1955) in his contributions on the topic of 'Management by Objectives and self-control' has observed that "Each member of the enterprise contributes something different, but they must all contribute towards a common goal".[2]

The subject of goal objectives is related to planned achievement in the future in the sense that their attainment is distant in time and hence must be the subject of careful planning. Objectives may very in relation to time, such as broad and long-term objectives,

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[1] Dalton E. McFarland, Management: Foundations and Practices, Fifth Edition, Macmillan Publishing Co., Inc. New York, 1979, p. 145

[2] Peter R. Drucker, The Practice of Management, Bookprint Limited, Crawley, Sussex, 1955, Reprinted 1969, p.119.

others may be immediate and specific and yet, others may be in the intermediate range. Having said all that, one may wish to ask as to what are the merits or advantages of setting objectives.

Advantages of Setting Objectives

Whatever the range of objectives, the human factor is the axis around which all else revolve for the attainment of objectives. Therefore in discussing the advantages of setting objectives we will need to take into cognisance the personnel factor which is the subject of this study. I dare to attempt a proposition that no objective can be successfully achieved which isolates the human factor. Now, since objectives, as has been argued by McFarland(1979)[3], embody the basic ideas and fundamental theories as to what the organisation proposes to accomplish, it helps the work of the human beings (personnel) associated with the organisation to have meaning and direction. It follows therefore that there is the need to educate the persons associated with the organisation as to what organisation's objectives are, as it will be dangerous to assume that the organisation's objectives will be automatically understood.

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[3] Op.cit., p.149

Other advantages of setting objectives are that they provide a basis for guiding, leading and directing the organisation towards the achievement of its targets for which individuals within the organisation strive to accomplish. Progress toward the objectives can be observed and used to influence further efforts. Objectices also provide standards that aid in the control of human effort in an organisation in such a way that they are directed towards productive ends. Hence, the evaluation of current efforts requires observations of the degree to which selected objectives are being attained.

It is in this pursuit that McFarland(1979)[4] has argued further that individuals have a frame-work into which to fit their personal aims and ambitions and set objectives help to motivate and stimulate productive responses from such individuals towards the attainment of stated objectives. Objectives also help to provide the sense of unity, harmony, and accomplishment that are essential for cooperative effort.

Formulation of Policy Objectives

Having looked at what objectives are and their advantages, it might be worthwhile to briefly discuss who are the persons responsible for the formulation of policy objectives in an organisation. The top executives who form the apex of the organisation determine the over-all objectives that the subordinate members of that

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[4] Ibid., p. 149

organisation strive to achieve. These may range from Governing Boards, Trustees, Boards of Directors to Executive Committees who approve, authenticate, and disseminate the objectives to subordinates in the organisation.

The team in each case is normally guided by a Chairman in the performance of their leadership roles. Any member of the team may initiate a change in objectives or propose new objectives. They also have a responsibility for monitoring implementation of accepted policy objectives and approving or disapproving of subordinate objectives initiated at lower levels of the organisational hierarchy.

From the above definitional base we may now wish to analytically discuss the goal objectives for the establishment of the Peugeot Assembly Plant in Kaduna.

Goal Objectives of Peugeot Assembly Plant, Kaduna

The main objectives of establishing the Peugeot Assembly Plant in Kaduna as enunciated in the Agreement[5] between the Federal Military Government of Nigeria and Automobile Peugeot of France include the following:

i) to set up a Plant that will produce cars readily available to Nigerians at relatively cheap cost;

ii) to provide technical training in the field of Automobile manufacture and assembly for Nigerians;

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[5] Information on objectives for establishing the Assembly Plant was obtained through personal interview with a very Senior Management official who had access to the copy of the Agreement as I was denied access to it myself. (The official wishes to remain anonymous)

iii) to provide employment opportunities for Nigerians, incentives and motivation to manage their own Automobile Assembly Plant;

iv) to broaden the revenue base for the country.

It was also part of the agreement that 30% of the car assembly parts should initially be provided locally within the country as local contents and the per centage was to gradually incease with progress in time. The establishment of the industry was a three-phased programme.

Before we embark on further discussion of the above stated objectives it is relevant to state that organisational or public policy objectives are formulated in relation to the social environment and it is worthwhile to see how these relationships are in consonnance with societal obligations.

Societal Obligations

It is to be noted that the long-range goals of an organisation inevitably focus upon its contributions to the needs of society, tangible and intangible. Such contributions may be in the form of goods and/or services and the nature and extent of these contributions may change from time to time, as society or the organisation perceive shifting demands and needs. To what extent therefore is the Nigerian society's demand or need for Peugeot cars?

Production and Demand for Peugeot Cars

There is no gainsaying the fact that the popular demand for peugeot automobiles on our roads is to be doubted, In fact, in a consecutive daily survey for four random weeks conducted by the author at the Kaduna Central Market Garage to ascertain the assumption that peugeot cars are widely used as private and public transport, it was discovered that 90% of the far distant travel public transport from the Garage in the category of cars such as Saloon and Station Wagon, excluding buses, were peugeot products. This result was arrived at through a physical census of all long distant travel public transport (in category of cars only) to various parts of the country during the survey.

On the contrary, it was discovered during the survey too that peugeot cars were not so popular as Nissan buses and Datsun Cars for local (within Kaduna township) transportation service. Another survey conducted on the Ahmadu Bello Way, Kaduna during the same period to determine the popularity of ownership of peugeot cars as private or personal cars revealed that on the average, twelve out of every twenty cars that were counted within the average time of five minutes during peak traffic periods were peugeot cars. The census excluded buses and trucks.

Since objectives are statements of aims or purposes for which the organisation strives to accomplish, the extent to which the supply of peugeot automobile cars and products enjoy wide and effective demand makes the objective to provide the cars readily available locally to Nigerians sound. But as to whether the cars are provided cheaply in terms of cost is a relative issue and could be the subject of a fresh research work. It may however, suffice to content ourselves with the fact that the extent to which the government deliberately impose heavy protective duties on imported cars and also coupled with the fact that the larger components of the locally assembled cars are imported, make both imported and locally assembled cars relatively costly. This will be discussed extensively later in the subsequent chapter on appraisal of performance.

Provision of Technical Training

One other objective for establishing the Peugeot Assembly plant in Kaduna was to provide technical training in the field of Automobile manufacture and assembly for Nigerians. It is to be noted that public policy objectives entail thorough planning in all its ramifications. In fact, McFarland(1979) argues that "Effective planning requires top management direction

and support. It also needs an appropriate organisational climate in which planning is made meningful at all levels"[6]. It is the view of the author that the objective for such technical training as to prepare Nigerians in the field of automobile manufacture and assembly should not start with the establishment of an Assembly Plant without thorough formal educational preparation of Nigerians for such an assignment. One may argue that our Universities and Colleges of Technology have, over the years, produced a crop of Nigerians with the relevant theoretical and scientific background to be equiped with the technical-know-how for such an assignment, but the assumption has its flaws. Although one does not underrate the effect of on-the-job training, it is not enough to start technical training of the magnitude envisaged for the manufacture and assembly of automobiles on-the-job without sound formal and relevant education. The Nigerian political elite or leaders and educational planners since independence seem, to my mind, to have no clear vision and direction of goal objectives for our technological take off through sound educational planning and policies.

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[6] Op.cit., p. 137

Our so-called professionals and technologists who have gone through our higher institutional and educational mills are mostly half-baked due mainly to no fault of theirs but to the colonial structure of our educational system, lack of adequate instructional teaching aids and research facilities and the necessary incentives to both staff and students in the institutions. In fact, some of the newer politically motivated established Universities and Colleges of Technology have been so crippled of funds and qualified staff that they are no better than glorified secondary schools. The number of Federal and State Universities have risen from 5 in 1963 to 21 by 1984 and Colleges of Technology and Polytechnics from 2 in 1968 to 28 by 1984.

The proliferation of higher institutions in the country and the duplication of expensive courses like the engineering technology with glaring lack of adequate functional facilities, have been embarked upon without due regard for advice as contained in the report of the Ashby Commission(1960) on the future of Universities in Nigeria which stated in paragraph 34 of its recommendations that "Care must be taken to avoid unecessary and uneconomical

duplication of expensive courses".[7]

In addition to the unhealthy proliferation of these higher institutions, there is a retrogressive lack of interest and incentive for the products of our primary and secondary schools to pursue scientific and technologically relevant courses at the higher and middle level manpower development institutions because of their deficient base in science subjects. There is, therefore, an obvious decline or downward trend in enrolment of engineering technology courses in our universities relative to other disciplines. In order to buttress this assertion, we shall draw sample statistics from one of the older universities in the following table to show the per-centage engineering course enrolment relative to total degree course enrolments by Ahmadu Bello University, Zaria between 1962/63 to 1983/84 Sessions to attest to the point made here.

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[7] See Federal Ministry of Education, Investment in Education: The Report of the Commission on Post-School Certificate and Education in Nigeria; St. Clement's Press Ltd; London 1960, p. 45.

TABLE 3:1

Summary of Engineering Students Enrolment Relative to Total Enrolment of A.B.U. From 1962/63 to 1983/84 Sessions

YEAR	ENROLMENT IN ENGINEERING	TOTAL ENROLMENT OF THE UNIVERSITY	PERCENTAGE ENROLMENT
1962/63	134	425	31.52
1963/64	129	558	23.11
1964/65	177	719	24.61
1965/66	216	956	22.59
1966/67	152	914	16.63
1967/68	227	1,366	16.61
1968/69	319	1,745	18.28
1969/70	330	2,351	14.03
1970/71	378	2,820	13.40
1971/72	373	3,840	9.71
1972/73	397	5,052	7.85
1973/74	421	6,050	6.95
1974/75	396	6,739	5.87
1975/76	389	7,651	5.08
1976/77	445	7,321	6.07
1977/78	505	7,327	6.89
1978/79	512	7,672	6.67
1979/80	477	8,959	5.32
1980/81	466	11,681	3.99
1981/82	479	13,300	3.60
1982/83	623	14,023	4.44
1983/84	721	13,562	5.31

A. From 1962/63 to 1978/79 A.B.U. produced 6 Ph.D holders in Engineering out of a total of 61 - approximately 10%.

From 1962/63 to 1978/79 A.B.U. produced 43 M.Sc/ M. Eng. holders in Engineering out of a total of 538 - approximately 8%.

B. In 1977/78 the total 1st degree students enrolment in all Nigerian Universities stood at 41,334 out of which only 3,081 were in Engineering and Technology, i.e. 7.45%. The corresponding Post-graduate degree figures were 1,679 and 49 respectively, i.e. 3%.

Source: ABU Publication (Compilation from Digest of Statistics, Vols. I - III).

From the above table it is clear that our older universities have engaged in the production of high level technical manpower for about 22 years now, albeit in the downward trend. The question that immediately comes to mind then is how far has this turnout of manpower influenced our economic and technological growth? The answer is not difficult to come by and it is that the contributions have been intangible because technical training policies have not been specially planned or directed toward specific objective of technological orientation for economic industralisation. This is why most of the complex industrial Establishments rely more on foreign expertise for their technical installations and maintenance rather than on locally trained indigineous Engineers and Technicians.

Qualitative Technical Education

The need for qualitative technical training cannot be over-emphasized for a nation embarking on a techological break-through like ours. This is why the training of our Engineers and Technicians must be with some specific objectives in mind rather than offering training and education for its own sake, which is an exercise in a vaccum. For example, most Nigerian Engineers know very little about the practical aspect of their profession, hence a Mechanical Engineer may not be able to detect the fault in his car let alone talking of putting the fault right, but a roadside mechanic will easily detect such fault and put it right. While the indigineous trained Mechanical Engineer will be theoretically knowledgeable about the technical components and functioning of an automobile engine, he is ill-equipped about the practical installation, operation and maintenance exercise because of his deficient practical training orientation contrary to the practical-intensive training orientation of his foreign counterpart as was revealed by the sample opinion during the course of this study.

One may want to argue that the trained Mechanical Engineer, for example, is distinct from a technician whose training requires him to be conversant with the

operation and maintenance of engines while the Mechanical Engineer should be concerned with design, complex installations and close supervision of the technician for more complex installation assignments, but if the Engineer is deficient in the practical training and experience of installation, operation and maintenance of machines and equipments, how can he efficiently perform his expected role and assignments as an Engineer? Besides, the experience with the Nigerian Engineer, from random sampling, is that he is more of a sendentary 'Engineer-administrator' in an air-conditioned office rather than being a physically interested site Engineer, because he is probably ill-equipped and not sufficiently motivated by his training orientation which has not exposed him to serious practical aspect of engineering. The Nigerian Engineer is therefore what he is, not because he lacks the capacity and capability to compete and compare favourably with his foreign counterpart but he is technically deficient as a result of his training orientation not being tailored toward specifically directed objectives. We cannot hope to genuinely industrialise while we are dependent on foreign expertise. The only way we can break out of this cocoon is by redirecting the training of our Engineers and other professionals towards more productive

objectives of industrialisation than being contented with the production of theoretical Engineers and related professionals. For example, a sample survey of indigeneous trained Nigerian university graduate Engineers at the Assembly Plant revealed that 100% of them had no practical industrial attachment or training during the course of their studies while 100% of the high-level technicians who graduated from the Polytechnics or Colleges of Technology claimed to have varying periods of industrial attachment or training ranging from 3 months to 1 year during the course of their studies. Besides, their training courses were found to be more practical-intensive than their university graduate counterparts as was revealed by the comparison of the number of practical training lecture hours each of them claimed to have had during the course of their training courses.

A random survey of industrial Establishments also revealed that this last group of graduates had initial advantage on the job over their university graduates in the handling and operation of industrial machines and equipments, and this was found to have enhanced their labour marketability with industrial organisations in preference to their university graduates. In other words, it was more rewarding and beneficial to invest in qualitative human resource development that is equipped to effectively cope with the implementation of the country's development plan objectives than engaging in lip-service to industrialisation with

cosmetic establishment of prestigeous projects which are usually unsatisfactorily completed or are executed with expensive foreign assistance.

Such projects later serve as drains on the country's economy rather than being boosters to the economy if the choice of projects were based on economic rationalities that avoid misplacement of our priorities. This is why the issue of qualitative education is directly relevant to economic growth and development. It is in this connection that Professor O'Connel(1973) observes that not all kinds and quantities of educational development lead to economic growth. He argues that:

> In a country like Nigeria a widespread system of formal schooling is a condition for more rapid economic growth than would otherwise take place. The existing system has grown historically through the efforts of communities and families who realised that there were economic gains to be made for their members from schooling..... but the school system is wastefully run, is qualitatively poor, and is badly proportioned, spread and organised.[8]

From the above discussions, it is the contention of the author that the extent to which we have ill-trained indigneous automobile engineering professionals, the objective of establishing an automobile plant to provide technical training in the field of automobile manufacture and assembly for Nigerians amounts to putting the cart before the horse and this will certainly necessitate

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[8] James O'Connel, Education and Economic Growth: Some Reflections on the Nigerian Situation; Lecture delivered at Ahmadu Bello University, 1973, Memeographed, pp.6-7.

the foreign technical domination of the automobile industry whose existence and maintenance will be dependent on foreign expertise for a very long time to come. This is especially so as no country will willingly like to divulge the secret of her own technological discoveries to another country, no matter how close and the French technical partners are no exception in this case.

Provision of Employment Opportunities

Among other objectives of the Peugeot Automobile Plant is to provide employment opportunities for Nigerians, incentives and motivation to manage their own automobile assembly plant. In our earlier discussion above on the general theme of objectives we have observed that objectives embody the basic ideas and fundamental theories as to what the organisation proposes to accomplish and the necessity to educate the persons associated with the organisation as to what that organisation's objectives are, instead of assuming that the organisation's objectives will be automatically understood. We have also discussed the role responsibility of the top executives who form the apex of the organisation to determine the over-all objectives of the organisation which they approve, authenticate and disseminate to subordinates in the organisation.

From the author's impressions emanating from a sample opinion gathered from industrial workers at the Peugeot Automobile Plant, Kaduna, it does not appear that the majority of workers were aware of the real objectives of the Company. Apart from the employment opportunities provided to them and the awarness of profit motive of the Organisation, they did not demonstrate that they have extra stake of participatory incentive or motivation to manage the automobile assembly plant in the future as a collective and exclusive Nigerian owned Establishment.

This impression of the communication gap became manifest with the survey interview response to a question by about 95% junior workers to the effect that they were only concerned with doing their normal working day's job to earn their living, but nothing to do with looking forward to inheriting the Plant as an exclusive Nigerian owned Automobile Plant in the future, with probably brighter opportunities. The remaining 5% were undecided regarding their stake in the future of the Organisation.

The senior and intermediate members of staff held slightly different views from those of the junior staff members as about 51% of the sampled group thought that Nigerians have a promising stake in the future of the Assembly Plant, while about 48% of this group were sceptical about the continued profitable

existence and proper management of the Plant with the departure of the foreign counterparts. 1% was undecided.

Apart from the issue of lack of sufficient information by the generality of workers regarding the stated objectives, the crucial point about the soundness of this particular objective is closely linked with the issue of qualitative technical training and education discussed above. The question of the incentive and motivation to manage an exclusive Nigeria's own automobile assembly plant by Nigerians is dependent on the level of availability of relevant indigineous technical-know-how to creatively support the existence and maintenance of an automobile assembly plant. Although the Establishment of the assembly plant may give individuals associated with it or the government the encouragement to embark on measures that enable individuals to acquire the relevant technical education that qualifies them to eventually take over the management of the affairs of the automobile manufacture and assembly, it may well be that before then we have no alternative but to tolerate the foreign technical exploitation of our economic resources.

The second aspect of consideration is the extent of availability of raw material to feed the industry. Although the world is a symbaotic society with individuals and nations interacting on interdependent relationships

for their needs, as no nation can exist in a close society of self-sufficiency for all its needs, technological advancement provides that a country endowed with rich mineral deposits should economically expoit and develop such resources to its own comparative advantage and that of mankind. This cannot be said of Nigeria's iron ore deposit whose level of exploitation and development is still at incipient stage with our iron and steel industry's products presently unsuitable for consumption by an automobile production industry. We will therefore be at a cost-benefit disadvantage to establish an automobile industry with foreign expertise and nearly wholesome importation of the required raw materials to service the industry.

However, as to whether this particular objective is sound and desirable depends on the positive weight advantage attached to employment opportunities provided for Nigerians in the establishment compared to the disadvantage of foreign technical exploitation of the country's resources.

Broadening of the Country's Revenue Base

The last but by no means the least objective for establishing the Peugeot Automobile Assembly Plant, Kaduna includes the broadening of the country's revenue base. The Assembly Plant which was commissioned in 1975

was able by 1976 to record a production capacity of 15,000 cars. The figure had continued to increase steadily year by year until a target production record of 48,347 cars was reached by 1980. The sales record during the corresponding period however showed that the local production rate was short of demand as the record of sales in 1976 and 1980 stood at 35,890 and 65,714 cars respectively. Another peak period of production and sales disparity was in 1977 when local production figures stood at 23,000 cars while the sales record was 50,000 cars[9]. The short fall in supply to meet demand was supplemented by imported quota.

In addition to an earlier survey referred to at the beginning of this chapter, the above quoted production and sales figures have been used to prove the popularity and acceptability of peugeot automobile products by Nigerians. With such high demand and consumption rate of Peugeot Automobile products it is obvious that a substantial mangnitude of revenue was to be realised from sales to actually broaden the country's revenue base, but the technical implications of the realities could be explained to the contrary.

First of all, the near wholesome importation of raw materials for production of the intangible local content parts and the substantial importation of component parts for assembly of locally produced cars, in addition to the quota of imprted ready-made peugeot

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[9]The record of production and sales figures from 1976 to 1980 are obtainable from the PAN Information Brochure.

cars into the country to meet the short-fall in local production are responsible for a substantial drain on the country's economy rather than being a booster that can broaden the country's revenue base.

The high rate of importation of raw materials, components and, in fact, the foreign human technical skill that manages and manipulates the operation of the automobile industry to its 'exploitative advantage'[10] cannot be said, in any way, to broaden the country's revenue base. From these implications, it follows that at the end of the day when the chippings are all down it would be apparent that the country realises little or nothing from its 60% share in the industrial venture.

In a nutshell, the total appraisal of the objectives for the establishment of the Peugeot Automobile Assembly Plant, Kaduna could be viewed as premature since its establishment is to Nigeria's cost-benefit disadvantage.

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[10] This will be further explained with facts and figures in subsequent chapters.

CHAPTER FOUR

LABOUR RELATIONS

> Proper management of the labour relations function is critical for any organisation that must bargain collectively with employee organisations.
>
> Novit(1979)[1]

Labour Management Relations

Labour management relations as we attempted to briefly define in our introductory chapter deals with the relationships between an organised labour union and employer in an organisation, with the view of rationalising the maximization of socio-economic rewards and labour productivity by the members of the labour union on the one hand and the employer on the other. In other words, labour relations has to do with negotiation of the labour contract or agreement which consists of collective bargaining over the terms of all the matters that are summed up under the broad subject of wages, hours and working conditions including the unwritten psychological contract.

In fact, Novit(1979) has argued that the issue of labour relations is so crucial to an organisation that recognises the existence of a labour union within that organisation because decisions in negotiation between the two parties could have enormous consequences as has been observed by him when he said that:

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[1] Mitchell S. Novit, Essentials of Personnel Management; Prentice - Hall, Inc., Englewood Cliffs N.J. 07632; 1979,p.13.

> mistakes made on the side of leniency can saddle the organisation with excessive costs which it may have to live with for a long, long time. Attempts to be too strict can result in collective action such as slowdowns and strikes which can be extremely costly. The nature of dealing with a labour organisation is such that mistakes are extremely hard to rectify once committed.[2]

The job of labour negotiation or collective hargaining is therefore such a serious and intricate business which requires mature and experienced approach nurtured with the moderation principle of theory z[3] which is a moderating combination of the arguments in theories x and y on managerial decision-making and control.

The issue of labour management relations is aptly crucial for the existence and development of industrial organisations. Solutions to the complexity of the myriad of problems that arise from time to time cannot be limited to economic treatment alone, and hence solutions to such problems have to be examined in all ramifications of the behavioural sciences approach. Modern labour management relations has become so sophisticated that mistakes from lack of knowledge can cost the organisation its very existence just as its proper and healthy management can be a function of industrial prosperity. In fact, Stern

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[2] Ibid., p.13

[3] see R. Contino and R.M. Lorrusso, The Theory Z Turnaround of a Public Agency in: Public Administration, Review, Vol.42, No.1, January/February, 1982, p.66.

Note: The author of Theory Z in his book 'Theory Z Corporations' is William Ouchi.

and Pearse(1968) have rightly observed when they stated that "we need to utilize existing techniques of conflict resolution developed by the behavioural sciences to minimize the negative consequences of win-lose power bargaining"[4] Bass(1965) has remarked in the same vein when he said that "while management and economists have over-estimated the importance of pay, psychologists have under-estimated it."[5]

Trends in Labour Management Relations at PAN

The prevailing trends in labour management relations at the Peugeot Assembly Plant in Kaduna will be examined and analysed from the above perspectives and the application of the motivation concepts already discussed elsewhere in this study. Although one may be referring from time to time to the PAN Senior Staff Association, our main focus in this text shall be the Junior Staff Union or Junior Autobate otherwise known as the Automobile, Boatyard, Transport Equipment and Allied Workers Union of Nigeria (ABTEAWUON). The choice of the Junior Autobate is far from being arbitrary, because apart from being the group with the largest number of members it is the only existing legally registered and recognised labour union in accordance with the provisions of the 1973 Trade Unions Decree since the Senior Autobate broke ties with its mother

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[4] Irring Stern and Robert F. Pearse, Collective Bargaining: A Union Programme for Reducing Conflict, Personnel, May - June, 1968, p. 63.

[5] Bernard M. Bass, Organisational Psychology, Boston; Allyn and Bacon, Inc., Inc., 1965, p.76.

Union in Lagos with effect from December, 1982 and lost its legal status as a registered Trade Union with the Registrar of Trade Unions. The status of the PAN Senior Staff Association has already been defined elsewhere as existing on the basis of mutual understanding between the Association and Management.

Before embarking on any further discussion it might be worthwhile to assess the formidable strength or otherwise of the Union under discussion by examining the breakdown of the staff strength in the following table as at the end of June, 1984:

Table 4:1

Numerical Breakdown of Staff Strength by Divisions As at June, 1984

Division	Junior Staff	Senior Staff	Expatriate Staff
Plant	3,107	51	31
Personnel	259	23	4
Administration	102	12	1
Local Content and Purchases	16	10	7
Commercial	216	37	8
M.D's Office	17	5	6
Corporate Finance	7	6	1
Accounts & Budget	29	9	-
Total	3,753	153	58

Source: PAN Monthly Staff Disposition List for the month of June, 1984.

action and/or strikes. The supervisory and senior management staff are also excluded from membership of the union. The wide and popular acceptability of the membership of the labour union by the junior employees is due mainly to their perception of benefits and advantages to be derived from membership rather than any substantive or concrete benefits actually enjoyed as members of the union. In fact, in a rather absurd contradiction some members had expressed disappointment with the inability of union officials to effectively intervene to arrest most of the arbitrary dismissals and termination of workers' appointments by the Management in the past.[6]

In spite of the above aspersions against the union one could still argue that its popular membership is an indication that members do not merely perceive but enjoy some advantages and benefits from being members of the union, otherwise one saw no reason why members have not withdrawn since membership was not by compulsion. The existence of a body or union to negotiate with Management in collective bargaining on behalf of workers in the organisation is in itself an achievement, because the

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[6] This view was expressed by some of the union members interviewed at the Plant.

fact that Management is aware that there is an organised group or body to question and even oppose some of its organisational policies help to regulate the exploitative tendencies of the Management in the organisation. The role of the union in providing the worker with such protective umbrella is from all intents and purposes of immense advantage. It might also be informative to take a brief look at the union's source of funding at this stage.

(ii) Source of Union Funds

The funding of the Labour Union in Peugeot Automobile, Kaduna is through monthly levies imposed on union members which the Management assists the Union to collect by making deductions from members' salaries and paying such collections to the Union's bank account. Junior employee members of the union pay ₦2.00 while the Senior employee members of the Staff Association contribute ₦5.00 monthly.

The Union's finances are expended from time to time as and when the need arises to do so. Such expenditures could include travel expenses of union officials to attend meetings and assistance to members during industrial unrest.

Labour Relations Section

In any large organisation or establishment there is normally a Labour or Industrial Relations Section in the Personnel Division whose role it is to handle the day to

PERSONNEL DIVISION CHART

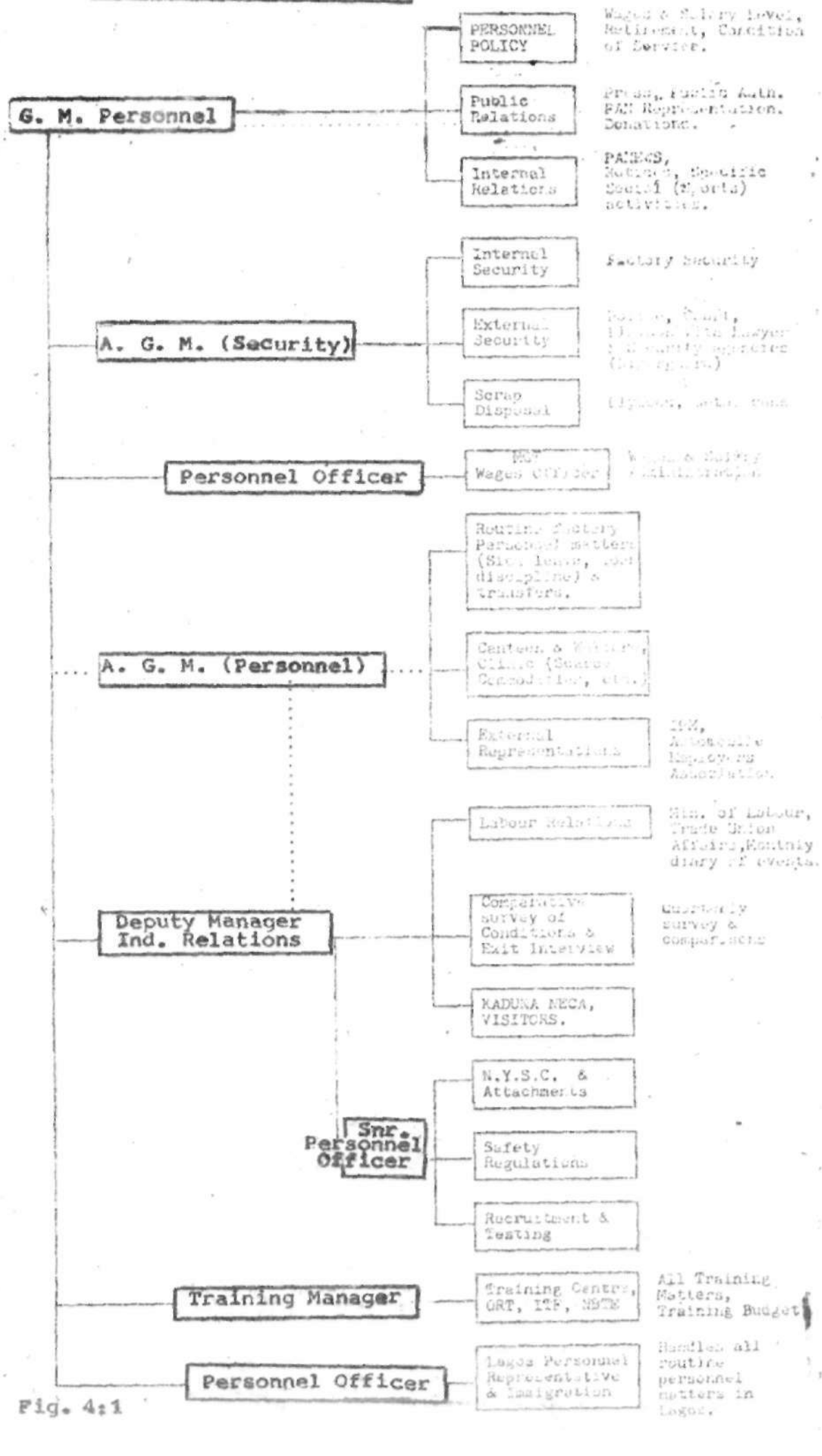


Fig. 4:1

Effect of Motivation on Union-Management Relationships

The Union-Management relationships at Peugeot Automobiles, Kaduna could be analysed from our earlier premise of social equilibrium, equity theory and the host of other motivation theories examined in chapter two of this study in order to ascertain whether or not the application of such motivation theories have any marked effect on cordial union-management relationships and in fact, on industrial or organisational development at large.

The Plant's Operations in Relation to Motivation Concepts

We have already noted that the concept of social equilibrium is concerned with dynamic working harmony among interdependent parts of the organisational system. The organisation under the equilibrium concept has to provide sound governing or operational codes to which workers are required to adjust in the spirit of the equity theory which relates to each worker's feeling and perception of fairness about the rewards received from the organisation. The rewards cover all types, including socio-economic and psychological rewards. If these expectations are not met or when the workers perceive inequity in their social and economic exchange with organisation,

the rate of absence, turnover, industrial action and all forms of labour discontent manifestly increase to destablise or disorganise industrial harmony and progress as related to the experiences of PAN discussed below.

(i) First Strike Action by the Union - December, 1975

It will be recalled that the Peugeot Assembly Plant was formally commissioned on 14 March, 1975 and by December of the same year it recorded its first industrial strike action with workers demanding a bonus pay which the Management of the Plant considered as premature demand on the grounds that the Factory had just started production. There was breakdown in communication between the Union and Management and the workers down tools and abandoned their jobs. The workers cartooned the Plant Manager, Personnel Manager and the Budget Controller while other Senior management staff were subjected to all sorts of blackmail and called upon to go.

The Federal Ministry of Labour officials and the Union Secretariat General Secretary from Lagos had to intervene in the impasse. The dispute was resolved and agreement was reached with one month's salary paid to the workers as bonus. It is to be observed however that one of the underlying causes of the protest which may not be manifestly clear to the casual observer was that the Company had started its operation with union workers on

a one-way communication base. The Company's contract of employment[7] which stipulated the terms of employment of workers was drawn solely by Management according to its wishes without reference to or discussion with the workers union who were to be affected by the conditions and terms of the contract. By implication one could argue that individual workers who signed the declaration to accept the terms and conditions of employment contained in the contract of employment had agreed to enter into tacit negotiation and acceptance of those terms. The logic may be correct, but the worker's union which is by law the mouth-piece and defender of the worker's rights through the collective bargaining process had not been given that opportunity and the workers' union had perceived Management's approach in a situation of inequity which must be corrected. The show of disapproval was only being vented in the demand for a bonus and once the demand was turned down this was immediately followed by a strike action.

The fact that the issue of collective bargaining on conditions of service was the remote cause of the first strike and not actually the demand for payment of bonus will be clearly seen and understood in the subsequent strike actions by the union.

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[7] See the 'contract of employment' annexed as Appendix I.

(ii) Second Strike Action by the Union - April, 1976

The second strike by the union which lasted for three weeks took place in April, 1976, four months after the first strike action. The demand on this second occasion was no longer disguised but directed at the point of collective bargaining and agreement on conditions of service, but Management could not immediately provide the conditions of service for negotiation. In a dramatic follow up, the workers' union produced a proposal of the conditions of service and requested the Management to go into collective bargaining with the Union on the draft conditions of service, but this request was turned down by the Personal Manager.

The union saw this as a slap on the face as it thought that its existence was not recognised by the Management and even if its existence was recognised, it saw its powers being seriously eroded. Consequently, the union without due regard for the stipulated provision of 21 days notice before it could embark on strike action, immediately asked the workers to down tools and they were called out on strike. The stalemate lasted for three weeks before the Federal Ministry of Labour officials and the General Secretary from the Union's Secretariat in Lagos came to resolve the dispute by getting the Management to agree to set the machinery in motion for the collective agreement on the conditions of service.

the basis for the 'Conditions of service'[9] which was inaugurated later in the year in November, 1977.

(iv) Fourth Strike Action by the Union - January, 1978

After the signing of the Collective Agreement the Federal Ministry of Labour's approval of the Agreement was required to make it effective. This approval was not forthcoming early enough and the Union thought that Peugeot Automobile was only using delay tactics in the implementation of the Agreement by inducing the Federal Ministry of Labour to collaborate with it in exploiting the workers. Again there was a breakdown in communication between the Union and the Company. Subsequently the Union called out its members on another strike which was to last for four weeks. This time around the workers embarked on a violent strike and demonstration which led to wanton destruction of the Company's properties amounting to about Nine thousand Naira.

It will be recalled that in addition to the issue of the delay in the implementation of the Collective Agreement, the Union brought in new demands which included the payment of transport and housing allowances to workers, car loans to intermediate staff, provision of recreational facilities and training scheme for workers and supply of

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[9]Also see the Conditions of Service annexed as Appendix III.

milk to workers in the paint shop. An additional area of grievance was the complaint on the continued victimization and intimidation of workers by Management.

The strike action was so serious and destructive that the union leaders were arrested and subsequently jailed for three months on charges of violating labour regulations by embarking on strike action without due notice and for wilful damage to Company properties. The strike action was not only an issue of litigation but attracted wide press coverage by most Nigerian Newspapers. In fact, one of the newspapers, the New Nigerian under a bold print front page caption or title of 'APARTHEID IN PEUGEOT PLANT?[10] Carried the news of the workers calling on the Federal Military Government to institute a Commission of inquiry to probe the allegations of mismanagement and racial discrimination that characterised the Peugeot Assembly Plant in Kaduna. The Secretary of the Workers Union at the time, Mr. Francis Aiyede was at a press conference quoted to have said that "only a probe panel could solve and expose the apartheid-oriented activities of the expartriate Managers at the Assembly Plant".[11]

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[10] New Nigerian Newspapers Limited, Ahmadu Bello Way, Kaduna, No. 3,723 of Monday 30 January, 1978, p.1.

[11] Op.cit.

However, no commission of inquiry was instituted but the Federal Commissioner for Labour appointed a Concilliator, Mr. P.J.O. Arewah from Lagos to look into the workers' Problems. The General Secretary and the Deputy General Secretary of the Union from Lagos were also involved in the conciliation meeting. In the process of conciliation, the Conciliator sent an urgent message to Lagos to obtain the Ministry of Labour's approval of the Collective Agreement of which the continued delay of its implementation was the root cause of the strike action. Once the approved Collective Agreement was received and the terms of approval were acceptable to the Management and the Union Sub-Stewards who now represented the workers union, since the substantive leaders had been arrested and sentenced to jail, the Collective Agreement was ready for implementation.

All other additional demands mentioned above except for the housing and transport allowances were agreed to by Management during the conciliation meeting. With the stalemate resolved the workers agreed to resume work. The Union's appeal to Management to help secure the release of their jailed leaders also yielded results as they were later freed but lost their jobs.

A Multiple Bar Chart Showing The Distribution Of The Average Annual Employment Of Junior Staff (March 1978 – June, 1984)

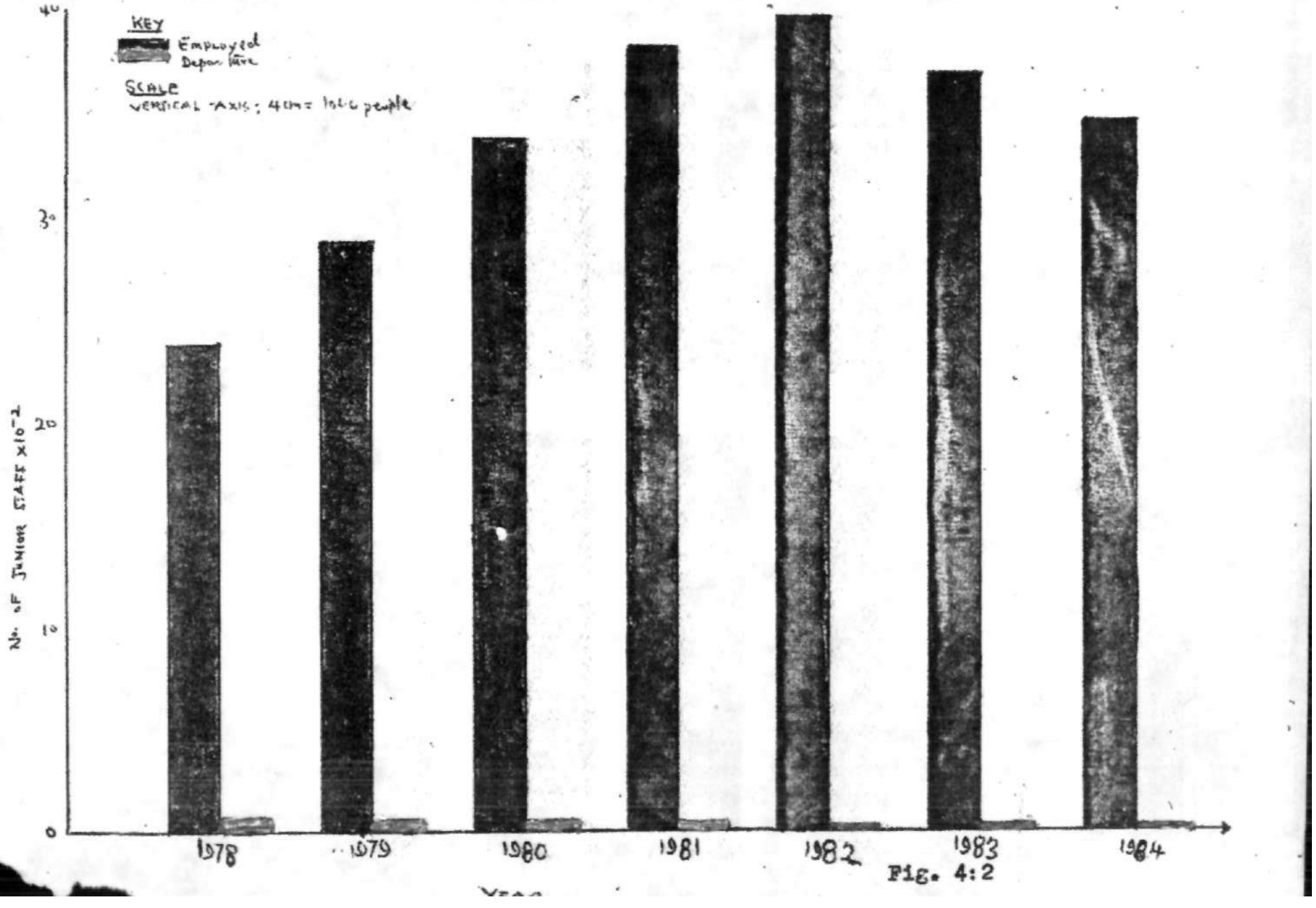


Fig. 4:2

Training and Development

The question of training either on-the-job, full-time local or external short and long course arrangements to provide training and development of the worker's skill and mind with the view of reorientating him and making him culturally and socially adjusted to his job in the new industrial environment cannot be over-emphasized.

This is where the demand for provision of training facilities included on the workers union demand list was relevant. Once the Plant provided a Training Centre it could train and give its employees relevant productive work education and even labour relations or trade union education which its employees, and in fact, the union leaders seriously lacked as we have earlier observed. The Plant ultimately established its Training Centre which formally took off in 1978 with the proposal of intensive and vigorous on-the-job training, mainly for its junior employees, and henceforth labour-management relations seem to have gradually and progressively improved for the better with the growing per centage of workers trained from year to year as can be observed in the following table showing the number of workers who have received one form of training or the other.

Table 4:2

Overall Staff Training Growth in PAN Since 1978

Year	Labour Strength as at December of each Year.	In Plant Training	External Training Local and Overseas	Annual Growth Ratio
1978	2,762	131	-	4.74%
1979	2,997	1,246	98	44.84%
1980	3,613	1,988	64	56.79%
1981	3,923	2,544	110	67.65%
1982	3,861	2,057	80	55.34%

Source: Panews: A Bi-monthly House Journal of Peugeot Automobile Nigeria Limited, No. 35, September/ October, 1983, p.6

It is to be observed that the years following the violent and destructive strike action of April, 1979 have been relatively peaceful with growing cordial labour-management relations, mainly due to intensified training orientation of the workers and the regulatory decision of the Union's Central Working Committee after the strike action, which stipulated, among other things, that all branch unions could not embark on any industrial action without the sanction of the Headquarters of the Union. Infact, there has been no serious incident of a strike action by the workers union to date after the April, 1979 strike action, except for the minor spontaneous workers' riotous reaction of December, 1982.

The December, 1982 Workers' Riot

The Workers were supposed to be paid their December, wages on 23rd December, 1982 but somehow the Company's bankers in Kaduna run short of cash and there was not adequate money to immediately meet the payment of the workers' wages. For some curiously dubious reasons rumours quickly and freely circulated among workers that the Management had deliberately decided to postpone payment of wages to workers until after the Christmas break for undisclosed reasons. Subsequently Management's explanation that the bank had not enough cash to enable them meet the immediate payment of their wages but that arrangements were being made to do so in conjunction with their Lagos Office were not taken seriously. The explanation later became frustratingly unacceptable to the workers who suddenly broke into a riotous action when another false rumours again quickly and freely circulated among them that the Lagos arrangement to meet the payment of wages had also failed.

The riot was however contained after the urgent message to the Plant's Office in Lagos to fly money to Kaduna for the payment of the wages eventually materialised and the workers were paid their wages before the Christmas break.

Effect of Staff Development in Industry

The effect of staff development in industry cannot be over-emphasized. A carefully planned, systematic and effective staff development contributes tremendously to the productive utilization of industrial labour force as has been the experience with Peugeot Automobile Plant in Kaduna. Once it had been able to surmount its initial critical labour relations problems and weathered through the violent storm of the series of strike actions it experienced, the plant has visibly witnessed progressive growth in structural expansion and production capacity with the era of improved labour-management relations.

A good number of workers have benefitted enormously from the training centre as the skills acquired from training courses mostly led to promotions of the benefactors and even lateral transfers that provided for better advancement opportunities in future. Nigerian employees in the senior and intermediate catefories actually benefit from the training arrangements with a few of them being advanced or promoted to senior management positions. The General Managers Administration, Personnel and Accounts/Budget are Nigerians, so also the Assitant General Managers Personnel, Security and Commercial are Nigerians. Before the completion of this study however, there was some major shake-up at PAN in

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the wake of a Military regime which brought in a new Chairman of the Board of Directors who fired the Nigerian General Manager of Personnel and an expatriate General Manager, Commercial who was replaced by a Nigerian while another Nigerian is also now acting General Manager of Personnel as replacement of the sacked General Manager.

Aspirations of Workers in a Peaceful Industrial Environment

We can now scientifically use our theoretical or conceptual postulations in this study as tools for observing the behaviour and aspirations of workers in Peugeot Automobile Plant during peaceful periods of labour-management relations with a view to comparing same to what obtains during crisis situations and periods of industrial instability already discussed.

It has been observed at times of industrial unrest how the functioning characteristics of the social equilibrium and equity theories have been proved with facts and figures of absenteeism, high staff turnover rate and lack of mutual trust and confidence resulting in frequent unothordox strike actions that existed in relations between labour union-management functions of Peugeot Automobile Plant, Kaduna. The stance and strategies in a peaceful environment are manifestly different as will be observed here.

Firstly, under a peaceful industrial environment the spirit of negotiation and collective bargaining is less loaded with suspicion and tension that prevail at times of crisis. Secondly, during industrial peace time, workers' aspirations are directed towards productive rather than counter-productive ends.

It may be pertinent to support this point with the case of a successful 'collective bargaining'[19] entered into in July, 1981 between the workers' union and the Management of Peugeot Automobile, Kaduna on a number of review issues affecting the workers' benefits such as gratuity, burial grant, break overtime, death benefits, night work meal allowance and uniform laundry which were peacefully resolved and agreement duly signed without recourse to industrial action which had characterised previous relationships. After the negotiated agreement without crisis the workers' union felt treated with some degree of respect in line with Maslow's esteem need in the hierarchy of need principle or theory, and this motivated workers to take their jobs more seriously.

Once the Union and Management discovered that it was in the interest of their mutual advantage to relate on peaceful terms, the expectations motivated both

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19 See copy of the Agreement annexed as Appendix VI.

parties towards increased effort to improve labour-management relations. Thus, the Behaviour Modification Theory or concept of Skinner(1953) is aptly applicable to the ultimate achievement of their perceived objectives from the visibly quantifiable reward of harmonious development. This, no doubt, goes along way to reinforce union-management relationships towards the greater achievement of industrial peace and healthy development. This has also been found to be related to the individual worker's behaviour towards the accomplishment of his assignments at the Plant. Most workers at the Plant viewed the successful performance of their task assignments in expectation of some perceived reward. Indeed, one responsdent at a factory interview asserted that he believed in working hard to earn his promotion. In other words, it was his conviction and expectation that hard work was capable of attracting the positive reward of promotion to him like others before him, with the increased financial and social status recognition that go with it.

The ambition of this same respondent or factory worker was, according to him, to become the supervisory head of his section because of the perceived advantages of being sectional head that are quantifiably visible to him. His perception of reward which motivated him into achievement oriented action can be said to validate the organisational

behaviour modification concept of Skinner(1953)[20]

Comparative Analysis of Motivation Levels Among Workers In Advanced and Developing Economies

In our discussion of Maslow's primary and Secondary needs in chapter two, it has been argued that primary needs are satisfied through economic behaviour. People earn money as a medium of exchange to purchase satisfactions for physiological and security needs, while their higher order or secondary needs are satisfied through symbolic behaviour of psychological and social content.

There is the school of thought among behavioural scientists, notably Davis(1972), who believe that the satisfaction of primary needs predominate as motivation elements for workers in industrial organisations of developing economies with abundant labour force (mostly unskilled) and high rate of unemployment. On the other hand, the secondary needs are likely to be the dominant ones in advanced or developed economies with provision of welfare facilities to its citizens, who even if they were not employed would not be as desparate as the unemployed worker in the developing economy without such welfare facilities or allowances.

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[20] B.F. Skinner, Science and Human Behaviour, New York The macmillan Company (The free press), 1953; and B.F.Skinner, Contingencies of Reinforcement, New York: Appleron, Centruy Crafts, Inc., 1969.

[21] Keith Davis, Human Behaviour at work: Organisational Behaviour, Fifth Edition, Tala McGraw-Hill Publishing Company Ltd., New Delhi, 1972, Reprinted 1977-1980, 581pp.

It is in this respect that Davis'(1972) observation becomes relevant when he argued that:

> what the need-priority model essentially says is that gratified needs are not as strongly motivating as unmet needs. That is, employees are enthusiastically motivated by what they are seeking, more than by what they already have, but move forward with enthusiasm only when they are seeking something else. In harsher terms, people work for bread alone only when there is no bread.[21]

It follows therefore that the need-priority model's application as a motivation element to workers in industrial organisations in both advanced and developing economies is a matter of degree relative to the worker's unmet needs. It should be noted however, that classification of needs is somewhat artificial because in absolute reality all needs are interacting together within the whole person.

From the above comparative analysis one may wish to state from empirical observation that the categorisation of the motivation characteristics of workers in Peugeot Automobile, Kaduna tally with the rationalisation expressed in the comparison except that one may wish to add that allowance could be made for cultural behaviour deviations from one environment to the other.

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[21] Ibid., p.47

Having discussed thus far, one could now observe or attempt the summation as to whether or not prudent labour management relations, among other variables, could be a vital function of industrial growth and development, but this should be the subject of our preceding and conclusion chapters.

production phase was designed to meet the production capacity of eighty cars a day and this level of production was achieved using only one shift of factory workers.

(ii) Second Production Phase - 1977-79

The second production phase witnessed tremendous structural expansion programmes especially in buildings. The Badagry Spare Parts Store/Warehouse in Lagos was built during this period. Other expansion programmes included the Commercial Delivery Centre, the CKD parts Storehouse, installation of two electricity generating Plants of 3,000 KVA each, the construction of bore holes and four large water storage tanks, all in the Plant premises or site in Kaduna. The original factory buildings were also expanded to meet increased production capacity. This second phase, was no doubt, a major expansion period for the Peugeot Assembly Plant. The Badagry spare parts Warehouse was primarily built to service Peugeot car distributors throughout the country who are supposed to have and maintain standard garages to provide their customers with efficient car service facilities.

The Commercial Delivery Centre was necessary for storage of assembled cars awaiting delivery while the completely knocked-down (CKD) parts storehouse was for the storage of imported spare parts. The installation of the generating plants and construction of boreholes were to forestall any disappointments from the unreliable dependence on NEPA and the Water Board for supply of power and water. This, in effect, meant that the Plant had plugged the loopholes of any external disruption of production resulting from irregular supply of power and water. It is to be noted that the Training Centre for in-service or on-the-job training of serving staff was also built during this period.

The projected production capacity of 160 cars per day during the period was achieved, but with the introduction of two shifts work for factory workers.

It should be noted however, that the level of achievement in production attained in the first and second phases were punctuated by series of industrial strike actions by the workers, leading to frequent factory closures already discussed in chapter four. This led to the irregular maintenance of the production capacity achieved with shortfalls in supply in each case, and this did not stabilise until much later in the third phase when relations improved to put an end to factory closures resulting from industrial controversies.

(iii) Third Production Phase - 1980

The expansion programme of the third production phase was supplementary to the major expansion programmes of the second production phase. This period mainly witnessed the further extension of factory buildings and facilities to cope with increased production and introduction of further

brands of cars while earlier models of peugeot cars like the 404 series were phased out. The 505 model of peugeot car was introduced during this third production phase and more and more new series of both the 504 and 505 models continued to be produced while the earlier models of 504 have also been phased out in accordance with what the Organisation claimed to be the changing tastes of customers. The model of cars so far phased-out and those in production are shown below:

Table 5:1

List of Peugeot Car Models Phased-out and those Currently Produced by 1984

Models Phased-out	Models in Production
Peugeot 404	Peugeot 504 GR/Ord.
Peugeot 504 GL	Peugeot 504 GR/AC
Peugeot 504 GR (ordinary)	Peugeot 504 SR
Peugeot 2000	Peugeot 504 S/W
	Peugeot 504 S/W/AC
	Peugeot 505 GL
	Peugeot 505 SR
	Peugeot 505 SL

Source: Interview Notes during Field Study.

A production capacity of 240 cars per day was envisaged in the third phase and this was not only achieved but that target was exceeded by mid 1982 when production stood at 262 cars per day.[2] However, this production height which has since dropped could not continue to be maintained due to the economic recession which resulted in the restriction on importation of the required assembly parts.

(iv) Comparision of Production to Sales (Demand)

It is to be noted, as shown below, that even though production capacity progressively increased with each expansion phase of the Plant, the demand for peugeot cars were still in excess of production as can be seen from the yearly production and sales (effective demand figures).

One can see from the histogrammic statistics of production and sales figures below that supply still had to be supplemented with imported cars in order to meet demands.

Up to mid July, 1984, the Peugeot Assembly Plant in Kaduna was quoted by its Managing Director, Mr. Lange, to have produced 300,000 cars since it commenced production in 1975.[3]

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[2]Source of information was from field interview notes.

[3]New Nigerian Newspapers Limited, Ahmadu Bello Way, Kaduna, No.5,701 of 17 July, 1984, p.6, column 2.

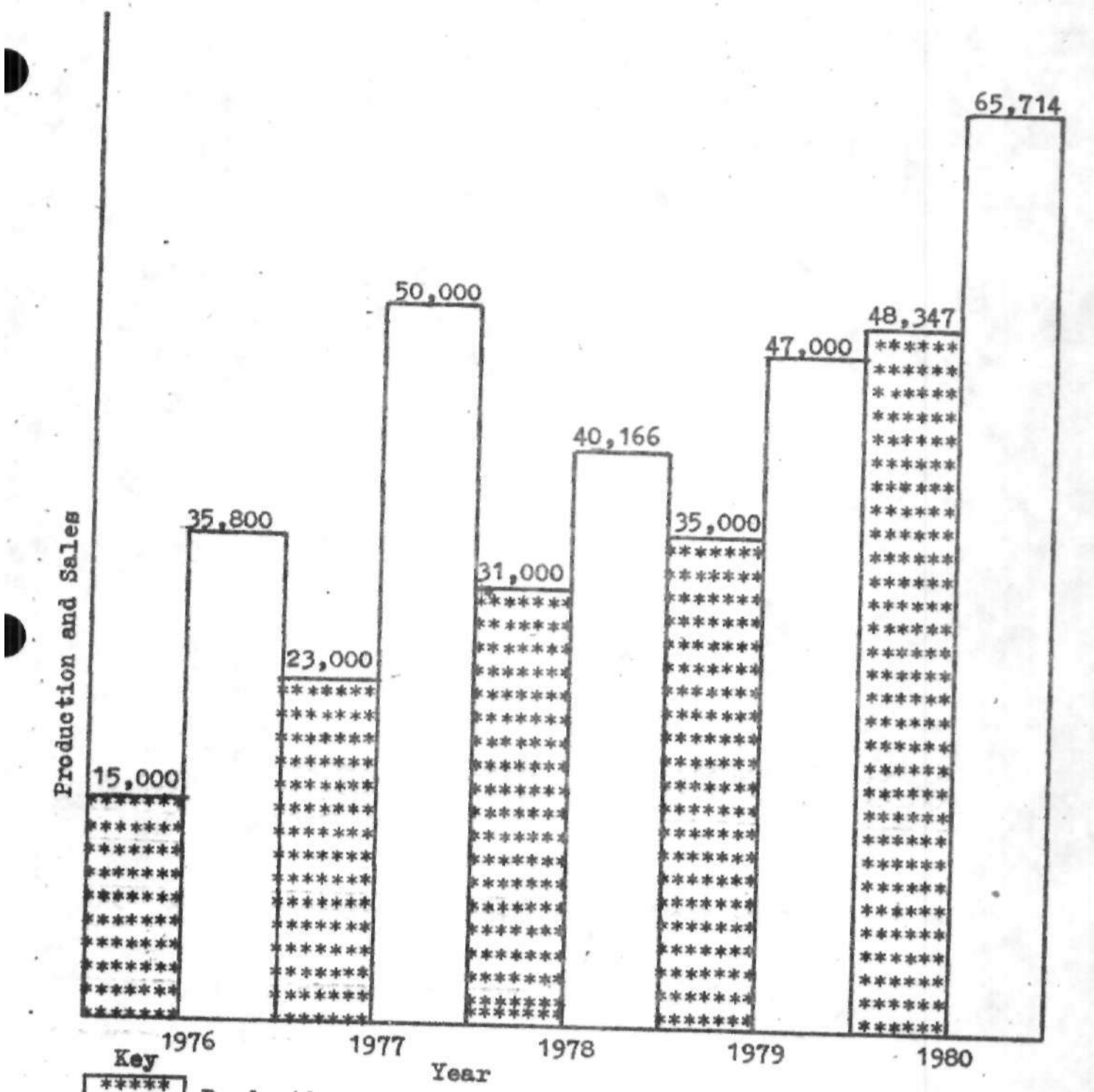


Fig.5:1 Histogram showing Production and Sales from 1976-1980

Source: PAN Publication (Brochure).

In relation to one of its stated objectives of making peugeot cars readily available to the people, Peugeot Assembly Plant of Nigeria has achieved tremendous success in the production and marketability of its product in Nigeria. The popularity of their product can be attested to by the fact that demand visibly exceeds production as shown in Fig. 5:1. Therefore in relating performance to the objective of 'setting up a Plant that will produce cars readily available to Nigerians at relatively cheap cost,' it is to a certain extent being successfully satisfied, although at very high cost. This is not also without its excruciating cost to the country's economy, in terms of damage to foreign reserve earnings resulting from massive importation of assembly parts.[4] It may be pertinent to note that apart from the relative advantage of making the cars readily available locally to Nigerian consumers, the individual buyer does not enjoy any financial relief from buying locally assembled peugeot cars whose prices are more or less prohibitively inflated. In fact, Professor Shekarau Aku, Head of Mechanical Engineering of the Ahmadu Bello University is quoted to have observed that

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[4]This will be looked at more critically when we discuss the issue of local content parts.

"the prices of Nigeria-assembled vehicles are the highest in the world."[5] The current (May, 1985) factory prices of the various brands of Peugeot cars are are stated below:

Table 5:2

Current (May, 1985) Factory and Controlled Distributors' Prices of Peugeot Cars

Car Brand	Factory Price	Distributors' Price
Peugeot 504 GR/Ord.	₦12,057.00	₦12,957.00
" 504 GR/AC	₦12,333.00	₦13,233.00
" 504 SR/AC	₦13,201.00	₦14,101.00
" 504 S/W/Ord.	₦11,963.00	₦12,863.00
" 504 S/W/AC	₦13,890.00	₦14,090.00
" 505 GL/AC	₦14,442.00	₦15,342.00(No Radio)
" 505 GL/AC	₦14,973.00	₦15,873.00(With Radio)
" 505 SR/AC	₦17,360.00	₦18,260.00
" 505 Executive	₦18,200.00	₦19,100.00

Source: Price Information obtained from the Sales Department of PAN.

Considering the fact that the individual buyer cannot easily buy a car directly from the factory except through a distributor or commissioned agent who strives to maximise his own profit margin further rockets the prices of these cars far above their already very high

[5] Sunday Nigerian Newspaper Limited, Ahmadu Bello Way, Kaduna, No.206 of 5 may, 1985, p.1, column 1.

approved prices. One can, under the prevailing circumstances, argue that it is cheaper to import than to buy locally assembled peugeot cars in Nigeria without government's protective tariff charges. To the extent that such high prices of locally manufactured cars are maintained as has already been observed above by Professor Aku that the prices are the highest in the world, the venture can rightly be discribed as exploitative and therefore requires government regulation.

Importation of Assembly Parts and Technical Skills

The operative word in the first objective which we have been discussing is 'produce' which cannotes that peugeot cars will be produced in Nigeria. Whether 'produce' here can be interpreted to mean local prospecting of the crude raw materials from beginning to the end-product of rolling a car out of the factory mills or the total importation of the ready-made parts from France plus French technical skill to assemble the parts into a car in Nigeria, is a relevant focal point of attention here. The understanding was to be a combination of partly imported and locally prospected raw materials at the initial stage with the view of gradually making production locally self-sufficient in the ultimate and with the progressive transfer of the management

to Nigerians.[6] But the contrary is the case today and who is to blame for not checking this aparent violation of the terms of agreement but the government. The issue of the local content parts will be further looked into below.

(i) Local Content

It was part of the Agreement for the establishment of the Peugeot Plant that initially 30% of the assembly parts were to be obtained locally in Nigeria as 'local content parts' and that the per-centage was to gradually progress beyond that until the 100% mark was to be attained with time. However, ten years after the inception of the Plant, the 30% local content parts requirement is yet to be met. In fact, the intangible per-centage that is locally obtained is also indirectly imported because the local industries that supply the local content parts heavily depend on imported materials and in some cases foreign skills as well to the disadvantage of the country's economy.

(ii) Local Content (CKD) Parts Production Industries

A random survey of the local content suppliers revealed that some of them who claimed to have factories for the production of the local content parts existed only in name and postal address, operating other

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[6] This fact was made evident in the Terms of Agreement for the establishment of the Assembly Plant as has earlier been discussed in chapter three.

businesses. For example, A.B.C. Nigeria Limited which has inherited the premises of J. Allen Motors, Kaduna which folded out of business, operates motor distribution business and has no factory for the production of foam pad for which it is a major supplier to Peugeot Automobile, Kaduna.

Although this Company claims that its foam production factory was under construction it is still the supplier of foam pads to the Peugeot Automobile Assembly Plant. It is bvious from the logic of the case that A.B.C. Nigeria Limited is simply a dealer in foam pads, yet it has an expatriate General Manager as a technical partner of the Nigerian Managing Director to satisfy the legal conditions for the establishment of the factory which was yet to take off. The enormity of the situation is that this 'so-called' local content parts supplier who is 100% an importer and/or dealer of the commodity is in business to make profit when it makes supplies to Peugeot Automobile Plant who knowingly pays exhorbitantly for the commodity, ostensibly to satisfy the local content agreement with the Federal Government. But the same commodity could have been procured at a much cheaper rate if the Peugeot Automobile imported or bought it directly from the source of the genuine producer or manufacturer of the commodity. The pain of it all is that at the end of the day, the total burden of cost of production is

passed on to the consumer who has no alternative but to buy the peugeot car at a prohibitively high cost. His lack of choice is compelled by government action with the restrictive tariff arrangement that makes it almost impossible to import cars into the country. This undue protection of the local motor industry by government who does not seem to show enough interest in the strict implementation of the terms of agreement for the establishment of the Plant further escalates the exploitation of the helpless consumer.

Another supplier, International Parts Industry which supplies Peugeot Automobiles Nigeria Limited with starter motor, window, wiper and alternators similarly exists nominally without a factory. The company has claimed that its factory for the production of the items supplied to PAN is under erection yet the company is classified as a local content supplier - what a mockery?

Quite a number of the local content CKD Parts suppliers who claim to be manufactures are in this camouflaged robes to the ultimate disadvantage of our national economy. For example, Brossette Manufacturing Company which is a renowned French foreign business organisation specialising in household furnishing is the local content CKD parts supplier of motor jacks and pedal system assembly to the plant. What happens in most cases is that the 'so-called' local content

CKD parts are either completely imported in some cases or a substantial proportion of the raw materials of those CKD parts which efforts are made to manufacture in Nigeria are imported, but the Company's Production Manager shamelessly claimed during the course of the author's sample survey, that the Company produced some of the items with local raw material without proof of source of such materials in Nigeria.

In response to a question, PAN's Assistant Manager, local contents CKD parts told the author that it was impossible to utilise the products of the country's Iron and Steel Industry for almost any car parts production as at now because the Industry is yet to produce flat metal mostly suitable for the production of car assembly parts, but the author was astonished by the claims of some local content CKD parts' suppliers that their factories or Companies were producing some of these component parts with local raw materials which the author found difficult to believe, especially where they failed to disclose their Nigerian source of raw materials.

One such fake industry, is the Leman Industries in Kaduna which claimed to have a factory utilising local raw materials for the production of car door frames which it supplies to PAN, but the location of this industry whose address supplied to PAN is simply

Nassarawa Road, P.M.B.2208, Kaduna without a plot number cannot be traced todate. When PAN was later contacted if they could assist the author to trace the location of this industry there was no positive response to the request. There has been no reply to the letter posted to the P.M.B. address by the author todate too.

A.B.G. Electronics is PAN's supplier of Radio Cassettes. When this Company was visited by the author to ascertain the extent of its local content production of this item it was discovered that the Company imports its own CKD parts 100% and only specialises in the assembly of electronic equipment. However, the Company which has two top Nigerian Managing Directors, two German General Managers, Production and Technical and one Egyptian Engineer has embarked on a colossal venture and process of importing tooling machines which will ultimately produce most of its CKD parts in Nigeria. The author considers this as a step in the right direction, especially when fully operational the Company might be able to diversify to utilise local raw materials in the production of some of its CKD parts because a tooling industry is very crucial to any genuine technological development.

There is a German based industry at 7, Malari Road in Kano which actually produces exhaust pipes locally with importation of its raw materials too. The Company is one of PAN's local content CKD parts suppliers of exhaust pipes, seat frames, steering column and gear change transmission. The Nigeria Engineering Works with its factory located at Plot 49, Trans Amadi Industrial Layout, Port-Harcourt is also one of those local content industries which are making genuine efforts, although through importation of substatial proportion of their raw materials to produce their CKD parts locally in Nigeria. The Company supplies PAN with wheel rims, wheel carriers and pressed parts.

Polyplast Nigeria Limited with location at 18, Dantata Road, Bompai, Kano supplies PAN with upholstery, seat cover components and door panels; Triplex safety Glass Nigeria Limited, Ibadan, which supplies PAN with glasses and a host of others are among those industries that make genuine efforts to produce CKD parts in Nigeria although through importation of most of their raw materials for now. Another not so encouraging point about most of these industries is that their real ownerships are foreign based while Nigerians are used as cosmetic partners in the industrial business. Few of the industries that are genuinely Nigerian-owned are among those who fake ownership of non existent

factories that supply local content CKD parts to PAN as dealers or importers of such parts. A cursory look at Appendix VII which presents the details of the supposedly 41 local content CKD parts industries in Nigeria may help to illuminate the points raised.

It is therefore no wonder that the New Nigerian editorial comment of August 2, 1984 has also rightly assessed the situation when it observed in part that "After ten years in production, less than one third of the component parts used by Peugeot Automobile of Nigeria (PAN) are obtained locally. Worse, the industries that supply the 'local contents' rely heavily on imported raw materials to produce them."[7] But the Management of the Assembly Plant in their deceptive and continued exploitation bid linked with the exorbitant car prices already discussed, have claimed the following yearly progressive local contents achievement as shown in the table below:

Table 5:3

Yearly Local Contents Achievement, 1978-1983

Year	Percentage
1978	7%
1979	10%
1980	13%
1981	16%
1982	24%
1983	30%

Source: Panews; A Bi-Monthly House Journal of Peugeot Automobile Nigeria Ltd., No.37, January/February 1984, p.7.

[7] New Nigerian Newspapers Ltd., Ahmadu Bello Way, Kaduna No. 5,715 of Thursday, 2 August, 1984, p.1, (Editorial).

In addition, the Management of the Assembly Plant asserts that its Technical Division directly monitors, supervises and sometimes invest in the local content industries to ensure quality and standard of the local content parts and also to encourage mass production of tools.[8] But rather than show genuine interest in the assistance of the development of these local industries towards utilisation of local raw materials, the Company conspires with such local content industries to maximise their exploitation of Nigeria's economy through extra intensive importation of raw materials other than those directly for the Assembly Plant, but for the local content industries where they also have interests. A list of such local content industries located in various parts of the country has already been referred to above.[9]

In fact, in furtherance of their deceptive claim of achievement, the Management of the Assembly Plant told the Federal Minister of Commerce and Industries, Dr. Mahmud Tukur, when he paid a visit to the Company early in the year of 1984 that the level of local content achievement by the Company had risen to 35% by 1984, but the Minister disagreed with the claim and relied on the Nigerian Institute for Social and Economic Research's technical advice (unpublished) that

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[8] See Panews, A Bi-Monthly House Journal of Peugeot Automobile Nigeria Ltd., No.37, January/February, 1984, p.7.

[9] See Appendix VII.

PAN achieved only 15%.[10] All these point clearly to the intentions of the French-counterparts to exploit the Nigerian economy to their own advantage.

This fact is also buttressed by the New Nigerian editorial comment of August 2, 1984 which has the following to say in part, of the Vice-President of Peugeot Automobile of France, Mr. Boillot when he called on the Federal Government to grant his Company import-free duty for spare parts and raw materials after paying a courtesy call on the Head of State, Major-General Muhammadu Buhari:

> The Vice-President did not consider it appropriate to apologise for his Company's lawless conduct during the past ten years. Enough reason to suggest that our French-counterparts in PAN are only interested in what they get from the country without corresponding benefit to Nigeria. They seem determined to maintain their stranglehold over us. And they will not stop unless they are stopped. It is our duty to do it.[11]

In other words, the existing business relations whereby the French-counterparts enjoy favourable exploitative profit to Nigeria's disadvantage was already a serious matter for concern and as if that was not enough, the Vice-President of Peugeot Automobile of France was asking for import-free duty for spare parts and raw materials in order to worsen the country's already bad economic situation.

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[10] Panews, A Bi-Monthly House Journal of Peugeot Automobile Nigeria Ltd., No.38, March/April, 1984, p.2.
Note: All efforts to obtain NISER's (unpublished) work in this area for further details proved abortive.

[11] Op.cit., p.1

One expected a more genuine approach to the issue of the country's economic underdevelopment from the Vice-President of the Company if he had suggested ways and means of prospecting for those imported raw materials in Nigeria, but he did not, because it is obvious that way, they cannot maximise their exploitative profit to Nigeria's disadvantage. Certainly, the onus rest on the government to stop it by redirecting our priorities towards a more productive and beneficial exploitation of our untapped resources.

Appraisal of Technical Training to Nigerians in the Field of Automobile Manufacture and Assembly

The appraisal of performance in relation to the second objective of Peugeot Assembly Plant of Nigeria, Kaduna which is 'to provide technical training in the field of Automobile manufacture and assembly to Nigerians' may now be undertaken. The only visible way of assessing the success of performance in this area is to enumerate the number of Nigerians entrusted with top managerial positions of responsibility in the technical field of the Plant. The response of course, is that there is no single Nigerian in such a position, ten years after the establishment of the Plant but in order to placate political reactions, one or two Nigerians have been elevated to top positions of General Managers Administration and Personnel, but certainly not in the crucial technical field. Besides, those Nigerians so elevated to positions

of responsibility are no better placed, because they do not possess corresponding executive powers to their positions, as executive decisions are still vested in the hands of the French-counterparts.

There is no gainsaying the fact that the failure of performance in the attainment of this particular objective is inherent and in-built into the selfish approach to the concept of technological development itself. No country wants to divulge to others the secret of its technological discoveries beyond the convetional scientific or scholarstic publications. This is so because the technologically developed countries want to maintain their pride for such prowess and secondly, to maintain their economic exploitation of the underdeveloped countries to their own advantage. Under the circumstance, the underdeveloped countries will only be decieving themselves if they are to rely wholly on the developed countries to give them 'magic key' to the gates and doors of the technological mansion. The effort to get through to the mansion lies squarely on them and no one else, as the idea of transfer of technology can never be a realistic approach to technological development. Whether we systematically go through all the steps for obtaining the key to the mansion or gate-crash into the mansion is immaterial,

but the crucial and bitter fact is that we can never get into the mansion on the back or ticket of someone else. We just have to develop our own technology.

Provision of Employment and Opportunity for Nigerians to Manage their Own Plant

In evaluating the level of performance towards the achievement of the third objective which is 'to provide employment opportunities for Nigerians, incentives and motivation to manage their own Automobile Assembly Plant', one is constrained to examine the recruitment pattern of staff into the different cadres of service, level of awareness by workers of the organisational objectives, incentives and motivation to workers and the relative level of industrial harmony which is a function of prudent labour-management relations.

(i) The Recruitment and Selection Process in PAN

Following our conceptual approach to recruitment and selection in chapter two, it might be worthwile to compare and contrast what obtains in Peugeot Automobile of Nigeria, Kaduna. The Assembly Plant has a Personnel Division that is charged with responsibility for the general staffing policies of the Company including recruitment, training, discipline, promotion, termination and dismissal from service.

situation by sending candidates for selection tests to the Company's Training Centre, with qualified instructors in virtually all fields of the Company's operations, instead of the previous practice of engaging factory staff to conduct such tests.

The Recruitment Officer is responsible for collation of selection test scores and arranging interviews for the final selection of employees, which results are normally ratified by the General Manager, Personnel Division, before letters of offer of appointment are issued to successful candidates. To the extent that the recruitment and selection process is considered fair and justifiable in relation to theoretical concepts, one can presume that the required right calibre of staff are recruited for the Company's operations; but whether this has any significant effect in relation to the level of achievement of the particular objective of the ultimate management of Nigeria's own Automobile Plant will be discussed shortly after the assessment of other variables.

It is to be noted however, that the foreign French technical staff of the company are directly recruited by Peugeot Automobile of France.

(ii) Level of Awareness of Organisational Objectives by Workers

As has already been discussed in chapter three, whatever the range of objectives, the human factor is the axis around which all else revolve for the attainment of objectives. For the organisation to achieve its targets therefore, individuals within that organisation must as of necessity be informed of what the objectives were that they were, as individual workers, required to accomplish. The awareness of individual workers about organisational objectives motivates and stimulates productive responses towards the attainment of stated objectives which satisfy the personal aims and ambitions of the worker, but the lack of this awareness can lead the worker to set his own personal objectives or ambitions that are counter-productive to the set objectives of the organisation.

One expected therefore, that there should have been a high level of awareness of this organisational objectives in Peugeot Assembly of Nigeria, Kaduna, and especially so when one realised the importance of such education and elightenment. Unfortunately it was observed from the study's findings that there was a complete lack of effort on the part of the Plant's Management to formally disseminate information regarding its organisational objectives.

In fact among the sampled group of workers, especially junior workers at the Plant, 100% of those sampled in response to a question as to whether they were aware of the objectives for which the Plant was established responded that it was for profit-making motive and no more. When further asked as to whether the objective of profit-making was diseminated to them by the Organisation, 95% of the sampled group responded to the effect that they knew that on their own without being formally told and from the way they were being pushed around without one minute of rest while on duty by Plant Supervisors. The remaining 5% who were mostly labour union activists said that Management ocassionally reminded them during certain demands and collective bargaining or negotiation meetings that the Organisation was a profit-making venture and without profits their demands could not be met and this was how they became reassured of the Organisation's objective even though they had known about this by themselves previously. This particular group was asked whether they know about the Organisation's other objectives beyond that of profit-making, the response was negative.

When those group of workers who are mainly office workers were interviewed as to whether they knew something about the objectives for which the Plant

was established, this group which included Managerial staff was able to state other objectives which excluded profit making, but included making cars locally and readily available to Nigerian consumers of Peugeot cars; the transfer of automobile technology to Nigeria and to train Nigerians in that field. When this particular group was further asked whether they ever had access to the terms of agreement between the French Partners and the Nigerian government or any of the Organisation's official documents relating to what the Organisation's objectives were, their response was negative. In response to another question, some of them agreed that their knowledge of the organisational objectives were based on speculative thinking rather than any conscious effort on the part of the Management of the Organisation to educate the workers on what their organisational objectives were.

There were several divergent views in response to the question as to whether the sampled group thought that the Assembly Plant was actually making profits. The response of the junior workers at the Plant was unanimously in the affirmative with the supportive reason that customers' demands were far above supply of Peugeot cars which were being sold at highly escalative prices.

Others, especially the intermediate and senior staff members who were mostly office workers expressed divergent views on the same question ranging from the view point of some who said that the federal government did not conceive the establishment of the Plant as a profit-making venture but the intention was to promote automobile technology transfer to Nigeria, others said that they did not know whether or not the Organisation was making profits because it had not declared dividends since its inception and yet others agreed that the Organisation was making colossal amount of profits which was being cleverly siphoned to France by the French technical partners under the tricky arrangements of importation of car assembly parts (CKD) which was beyond the business understanding and control of the Nigerian partners of the organisation.

The author seem to agree very strongly with the views of the last group because of the high level of secrecy with which the financial revelations of the Organisation was being kept from the public. If there was nothing to hide, why is there such high level of secrecy about the Organisation's financial performance? This is the million dollar question that the author is yet to find the answer.

Once the workers perceived the Plant's organisational objectives differently, namely; as an exploitative establishment concerned only with the maximisation of profits, the workers' own /objectives were then set towards the maximisation of immediate financial and social rewards. Once this could not be met, it resulted in lack of mutual trust and ill-feelings which led to the series of crisis that have already been discussed in chapter four. This, in effect, were the counter-productive aspects of the error of omission on the part of the Plant's Management for failure to diseminate organisational objectives to workers. This would further be discussed in our assessment of the level of incentives and motivation to workers under our assessment of the relative level of industrial harmony.

(iii) Assessment of the Relative Level of Industrial Harmony

Although the awareness of organisational objectives by workers is necessary, it is alone, not a sufficient condition for the achievement or attainment of organisational objectives, but the assessment of other variables like the amount and quality of incentives or motivation that can induce the workers in the organisation to successfully accomplish their assigned tasks towards the achievement of organisational objectives will be considered.

It should be appreciated as we have discussed in chapter four that the Plant started its operations without soliciting and obtaining the confidence of its workers' union whose demands were usually met through strike actions. In the first place, the Company issued its Contract of Employment without complying strictly to the terms of contract of employment as provided under the Labour Decree, 1974.[12] The Company failed to enter into negotiation with the workers' Union, in accordance with the relevant provisions of that Decree, to arrive at a negotiated or Collective Agreement which was to form the basis for the written conditions of employment.

The issue of the Collective Agreement became the bone of protracted contention between the Management and the Workers' Union. Although the Company commenced operations in 1975 it was not until two years later in November, 1977 that the conditions of employment or service was provided. The 'Conditions of Service for Senior and Intermediate Staff'[13] was even much later in January, 1980 - five years after the Company commenced its operations.

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[12] See the Contract of Employment Terms and the salient Provisions of the Decree annexed as Appendix VIII.

[13] The Terms and Conditions of Service for Senior and Intermediate Staff are annexed as Appendix IX.

(iv) Preferential Medical Privileges

A cursory look at the conditions of service for both senior, intermediate and junior staff will reveal certain preferential differences. Although one agrees that there could be graduated differences in privileges to reflect seniority in grades, cases of fundamental difference were potential issues of industrial malcontent. For example, while the senior and intermediate staff members and their families (wife and four children and two children respectively) were entitled to medical treatment at the Company's expense, the junior staff families are completely denied of such privileges.

When one considers the low financial earning power of this grade or level of workers, it is then that one can properly appreciate why they need to enjoy such privileges, even in preference to the senior and intermediate staff who were financially well-off and in a position to shoulder such burden of responsibility because of their privileged economic and financial status. Although a separate written 'Medical Scheme'[14] for senior and intermediate staff is provided, there was no such provision for junior staff beyond the pronouncement of the limitations of medical treatment entitlement by the worker alone as stipulated in the conditions of service for junior staff.

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[14] See Copy of Medical Scheme for Senior and Intermediate staff annexed as Appendix X.

In fact, from sample opinion of junior workers at the Plant, 90% of them complained about the discriminatory treatment which they described as 'apartheid' in matters of motivational privileges. The remaining 10% either did not want to express clear opinion on the issue or were satisfied with the existing arrangement. Such preferential treatment as this cannot be said to constitute an incentive or motivating factor to the worker to make his optimum contributions towards the achievement of organisational objectives.

(v) House and Settling-in Allowances

Another area of preferential treatment is in the provision of housing or housing allowance and payment of settling-in allowances to only senior staff members of the Company. Settling-in allowance is paid to an officer on transfer to assist him in securing and paying for housing accommodation in his new station during transfers. Here again, it is pertinent to mention that in order to wade off industrial malcontent it is rational to spread motivational incentives and privileges across the various segments of employees, no matter how thin this was applied. It was in line with this concept, I believe, that the Company recently introduced the payment of ₦12.00 minimum and ₦18.00 maximum housing allowance to its junior staff members based on a 10% rate of the

worker's monthly salary.[15]

(vi) The Company's Provident Fund and Life Insurance Cover

The junior staff members do not also benefit from the Company's pension and Life Insurance Scheme as these privileges are not extended to them. Apart from the gratuity arrangement of three weeks pay for each completed year of service, the junior members of staff are not entitled to pension and Life Insurance facilities and this, no doubt, affects their motivation to duty and overall performance. The Company's Provident Fund is distinct from the National Provident Fund towards which every worker was required to contribute 5 per-cent of his salary as a pension scheme.

(vii) General Fringe Benefits

Apart from the above-mentioned limitations, a wide range of fringe benefits are provided for both senior, intermediate and junior staff members of the Company, ranging from annual leave and leave allowances, transport allowances, annual bonus for all workers in addition to non-accident bonus for certain category of workers only, free canteen meals, shift allowances, out station allowances to burial allowances etc. A comprehensive 'table of fringe benefits'[16] provided by the Company as at 1984 can be referred to in Appendix XI.

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[15] This information obtained from the Personnel Officer of the Organisation is yet to be inserted in the existing staff conditions of service brochure.

[16] See Appendix XI.

However, it is surprisingly interesting to observe during the course of this study that the wide range of fringe benefits presently provided to workers, especially the junior workers, have been provided as the direct result of the workers' strike actions to demand for these benefits. Under such prevailing circumstance, the level of mutual trust between workers' union and Management are usually taken with a grain of salt. It is no wonder then that the Peugeot Automobile of Nigeria Branch Area Council Chairman of the ABTEAWUON, Mr. Monday Ma'aji, at the forum of launching the workers' Union Almanac on Saturday, March 3, 1984 said, among other things, while enumerating the Executive Committee of the Workers' Union achievements during their tenure of office that "Having spoken of achievements, it is pertinent to also mention a few areas where we have not succeeded but the struggle is on till final victory."[17] In other words, the Workers' Union views its relationship with the Management of Peugeot Automobile of Nigeria on the issue of demands for improved conditions of service as a matter of combatant struggle. Where lies the stimulating honour and propelling force of incentives and motivation, if these became the subject of such hot struggles?

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[17] Op.cit., p.8

(viii) Training and Promotion

The training facilities provided at Peugeot Automobile of Nigeria's Training Centre and supplemented with other external courses can be assessed as having achieved alot, at least in elevating and ameliorating the quality of life of workers who enjoyed the benefits of promotion after their training courses, in some cases the promotions were coupled with lateral transfer of jobs. From sample opinion, the majority of workers in the Establishment are highly appreciative of the training arrangements as being beneficial to the generality of workers.

It is pertinent here however, to note the Company's terms and conditions for promotion which include the following:

(i) No officer of the Company may be promoted until he has completed his probation period and has been confirmed in his appointment.

(ii) The authority to upgrade daily-paid workers in the factory is vested in the Head of Department who shall liaise with the Personnel Manager.

(iii) Promotion shall be subject to the existence of a vacancy in a higher post and the suitability of the person to be promoted. This will be judged on grounds of efficiency, experience, higher qualification and the Head of Department's recommendation. On the whole however, all matters of promotion will be decided by the Company.[18]

[18] See Chapter Five of the Terms of Conditions of Service for Junior Staff in Appendix III.

The terms and conditions for promotion appear modest and attractive on paper but there were instances during the course of field study where workers had openly expressed disappointment and traced their non promotion to lack of god-fatherism. The sample opinion gathered from the study however revealed that such complaints and allegations were isolated cases which could not be confirmed by majority opinion, but in all honesty and in order to project a semblance of justice and fairplay devoid of suspicion, there was need to have a central Appointments and Promotions Committee to screen all appointments and cases of promotions in all units of the Company so as to objectively detect and remedy all cases of victimization and impropiriety. This does not exist presently with the present system of appointments and promotions in the Company.

In concluding the assessment or evaluation of this particular objective of providing employment opportunities for Nigerians, incentives and motivation to manage their own Automobile Assembly Plant, one could in the light of the foregoing discussions arrive at the conclusion that to the extent that there was no conscious effort to inculcate in the workers, the concrete existence of the Company's objectives and to voluntarily provide incentives and motivation towards the achievement of these objectives, performance was considered and judged to be far below expectation.

The period of relative industrial harmony enjoyed in the eighties depended on the Company's realisation to conceed to most of the Workers' Union demands on it.

Evaluation of the Objective of Broadening the Country's Revenue Base

Before we delve into the issue of evaluation of this objective it might be interesting to mention and also to observe that the Peugeot Assembly of Nigeria, Kaduna is specially very reserved regarding any disclosure about its finances which it has kept from public knowledge since the commencement of its operations several years ago. This is not only kept from public knowledge but also from research scholars who are deprived of such information. The author was not only dismayed but despaired at the level of secrecy regarding financial details.

One was also at a loss to understand why the general administration of the Company kept all records in French up to as late as 1978 when the Federal Commissioner of Commerce and Industries directed that records be translated into and kept in English from then on. This deviant action of the French partners of the Company was deliberately embarked upon in the first place, despite the fact that they were aware from the word go, that English was to be the official language of the Company.

The Role of Political Direction

The concept of political freedom and direction is crucial to the socio-economic and technological development of any nation. Political independence and development in itself presupposes the ability and capacity of the political elite to take independent decisions and to formulate sound policies for the achievement of a country's defined national development objectives without foreign interference and influence. It is from this view-point that one wishes to take a critical observation of the development planning strategies in Nigeria right from the British colonial rulers of the country through to the present day administration as unrealistic approach to technological development. There is a visible lack of genuine ideological and structural educational base directed towards the realistic achievement of any ideological or national objective so far.

One thing that stands out clearly and which attention must also be drawn to is the inability of successive post-independence Nigerian administration to physically restructure our economic development strategies in line with the Nigerian tradition and culture and away from the inherited alien system prone to colonial and neo-colonial exploitation as has been revealed by this study. There must be a government backed-up action and campaign for the

extensive mobilisation and socialization of Nigerians towards a beneficial restructuring of our educational system to be talent and technologically rewarding. In fact, it will not be an overstatement to recommend the establishment of special technological research commissions to approach the issue of our developmental priorities more realistically.

It will be recalled that the Agreement to establish the Peugeot Assembly Plant in Nigeria was signed in 1975 during the Third National Development Plan. The project is one of those that could be classified as politically prestigious because it does not, apart from providing certain level of employment to Nigerians, satisfy any of Nigeria's economic development objectives or strategies expressly stated in successive development plan documents. The objectives revolve essentially around self-reliant economy, reduction of massive importation and balanced development.[20]

The Peugeot Assembly Plant in Kaduna has since its operation from 1975 todate embarked on massive importation of its assembly contents. The hue and cry about its Ngerian local contents supply is cosmetic and aptly deceptive, because the Nigerian local content parts suppliers are by and large importers of their own raw materials and sometimes

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[20] See Third National Development Plan, 1975-80; p.29 and the Fourth National Development Plan 1981-85, vol.1, Published by the Federal Ministry of Planning, Lagos, (January, 1981) p.37.

finished products as well. The ultimate consequence of its establishment is that it is more of a drain on the Nigerian economy than a revenue generating and beneficial venture. It is in this respect that one shares the views of Osammor(1985) when he expressed among other things in a Daily Times article that "It could be said that the establishment of the Peugeot Automobile Plant (PAN) in Kaduna and Volkswagen of Nigeria (VON) in Lagos, should not have been the first priorities. Nigeria should have concentrated on the production of raw materials for the basic industrial needs."[21] In fact, the New Nigerian editorial of Thursday August 2, 1984 in a more embracing and elucidating expression has the following to say about the Assembly Plant when it stated, among things, that:

> .... initial hopes that PAN was going to operate in Nigeria as a Nigerian Company remains a distant dream. Neither the raw materials being used nor the personnel assembling them are derived from this country contrary to the terms of the agreement and reasonable public expectations such as this.
>
> After ten years in production, less than one third of the component parts used by PAN are obtained locally. Worse, the industries that supply the 'local contents' rely heavily on imported raw materials to produce them.

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[21] Vincent O. Osammor, Caustic Soda and Chlorine Indicate Status of Development in: Daily Times Newspaper No.278,167 of Thursday 25 April, 1985, p.3, column 2; Daily Times Newspapers Ltd., 3,5 and 7 Kakawa Street, Lagos.

> The skilled labour for the operation and maintenance of plants are also imported. Instead of earning or conserving foreign exchange, PAN and other assembly industries constitute a drain to our already ruined foreign exchange reserves. Sad, especially when we know that the company managed to operate these ten years without declaring any profit.[22]

From the above revelations, one cannot but agree with the fact that once it was discovered that the state apparatus and structures for our development strategies were founded on fragile and unsuitable base, the onus rested on our political elite to rechannel the course of developmental approach away from the neo-colonial and imperialistic interests that have continued to render us economically subservient and pepertually underdeveloped.

We cannot blame our problems of under-development on colonialism and neo-colonial manoeuvres, twenty-five years after political independence without any genuine effort on our part to rechannel the course of events.

We need more than anything else, a well-defined national objective to which efforts will be geared towards its achievement, but to do otherwise will amount to roaming aimlessly without charting a course to a particular destination. Once our destination was

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[22] op.cit., p.1

identified, the next approach would then be the quickest means of how to get to that destination. Subsequently, all other things else, like the restructuring of our educational system, the placement of our values, orientation, socialization and mobilization process will then be rightly directed at the achievement of the stated and accepted national objectives.

The failure of successive Nigerian governments to come to terms and grips with the solution to our economic and technological under-development lies in the unrealistic approach to the whole issue. Hence, the success of the present military administration will depend, to a large extent, in the ability and capacity of the administration to avoid the mistakes and economic recklessness and myopia of successive governments, but to chart a clear pattern of national objectives towards which the masses of our people are effectively socialized and mobilized to achieve.

CHAPTER SIX

> The challenging opportunities that are inherent in every industrial organisation for people to assume responsibility, achieve status, acquire new skills, learn, develop, exercise creativity become apparent once this area of collaboration is carved out.
>
> McGregor(1958)[1]

SUMMARY OF FINDINGS

The Research Study's Findings

This chapter attempts to summarise the findings of the study. We have, in our introductory chapter, postulated certain hypotheses which as a result of our findings from this study have to be proved or disproved. We have also discussed certain motivation theories or concepts whose application to the study has proved rewarding in our clearer understanding of the entire subject matter of the study, but it is intended in this chapter to again rationalise the role of such theories and practice.

The survey research methodology has been used in the conduct of this research work. Performance and the achieved level of success of the Assembly Plant was measured both in relation to the stated objectives of the organisation and its physical growth and development.

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[1]Douglas McGregor, "The Scanlon Plan Through a Psychologist's Eyes" in Frederick G. Lesieur (ed.), The Scanlon Plan: A Frontier in Labour-Management Cooperation, John Wiley and Sons, Inc., New York, and the MIT Press, Cambridge, Mass., 1958, p.92.

It will be recalled that as it has been discussed in chapter two, the proposal to establish a Peugeot Assembly Plant in Nigeria crystalised with the signing of an agreement to this effect between the Peugeot Automobile of France and the Federal Military Government of Nigeria in August, 1972 with the cardinal objectives as stated therein and extensively discussed in chapter three. The ratio of share capital investment in the project being 60 to 40% for Nigeria and Peugeot Automobile of France respectively. The details of the equity structure and membership of Board of Directors are as stated in chapter two. The Assembly Plant was formally commissioned on 14 March, 1975 when it commenced production. As part of the original agreement, 30% of the component assembly parts were to be provided in Nigeria as 'Local Content Spare Parts'. However, only 15% of this was achieved after ten years of PAN's operations in the country and worse still when one realised that this achievement depended on importation of raw materials and technical skills even under the visible collaboration of PAN who claimed to have invested in most of those local content industries to ensure quality control, standard and mass production o of the tooling (CKD) parts.[2]

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[2]This information on PAN's level of collaboration with the local content production industries was obtained from the Assistant Manager (Local Content) during field interview.

The study has revealed PAN's performance to have fallen far below expectations in relation to its stated objectives, especially with particular reference to the issues of its local content spare parts acquisition and over-invoicing of imported assembly parts[3] which have contributed immensely to the prohibitively exploitative price of locally assembled peugeot cars sold to Nigerians. PAN directly imports 85% of its assembly spare parts while 15% is through local suppliers in Nigeria in the attempt to fulfil the local contents terms of agreement. This singlar exploitative act negates the very fundamental objectives for the establishment of the assembly plant which was to readily and cheaply produce cars for sale to as many Nigerian consumers with the remote effect of broadening the country's revenue base. The objective of providing Nigerians with the relevant expertise through on-the-job training which would prepare them for the progressive take-over of the industry as a purely Nigerian automobile production industry has also remained a distant dream yet to be attained.

The study also took a further critical look at the issue of production of local content spare parts and came up with the result that there can never be any genuine local assembly spare parts production until Nigeria's iron and steel complex was able to produce

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[3]The result of this research finding also agrees with the Federal Government's views regarding over-invoicing of imported motor assembly parts. See Guardian Newspaper Vol.3, No. 768, p.1, Col.5 of Thursday 25 July, 1985.

flat metal which is the suitable raw material for automobile industrial consumption.

The present phase of Nigeria's iron and steel industry can only produce metal rods which are unsuitable for consumption of automobile industries. The consequence of this is that all genuine efforts at the intangible local assembly spare parts production have been and will continue to be dependent on importation of raw materials which has constituted an unpleasant drain on our foreign exchange reserves which ultimately affects the country's economy at large.

Sample opinion survey during the course of this study has also revealed that the price of imported foreign assembled peugeot cars would have sold for about half the price that the locally assembled peugeot cars in Nigeria were selling, with high rate of frequent increments in prices, if the local motor assembly industry were exposed to the competition of a free and open market forces without the current strict and protective importation regulations by the national government. It was revealed from the same source that imported peugeot cars from France were selling in the neighbouring Republics of Niger and Cameroon for less than half the price of locally assembled peugeot cars in Nigeria. Shocking enough, even though Nigerians pay exhorbitantly for peugeot products, Nigeria does not in any way profit financially from its 60% share capital investment in the business venture because the company has not, in its ten years of operation, declared any dividend.

Apart from providing job opportunities to Nigerians, the Assembly Plant has not satisfactorily met any of its cardinal objectives as enunciated in the terms of agreement for its establishment. It was alwo discovered that there are no visibly conscious efforts on the part of the national government to resourcefully and actively intervene to encourage the establishment of tooling machines industries for the production of industrial spare parts which is a basic strategy or approach to industrialization. The study has painfully revealed that to the extent that the basic requirements, in terms of local raw materials exploitation and tooling of spare parts remain undeveloped, for that long will the existence of the Assembly Plant continue to remain an unprofitable venture to Nigeria.

Besides the issue of assembly parts, the fact that foreign technical skill was also being hired at unrealistic rates in relation to productivity and the low level of the country's economy when one discovers that an expatriate General Manager and the Managing Director earn salary emoluments ranging from ₦30,000.00 to ₦35,000.00 per annum respectively, less other allowances and service benefits, also aggravates the situation. The unchecked high rate of massive importation of CKD component parts and the prohibitive cost of hiring technical skill are computed into the production cost of peugeot cars which is ultimately borne by the

unprotected consumer who is constantly harrassed by the ever increasing high prices of peugeot cars.

To the extent that PAN imports CKD parts and is in collaboration, and in fact, in conspiracy with dubious and unrealistic local content spare parts suppliers whose activities have been mainly responsible for the escalation of peugeot car prices in Nigeria, their existence can be rightly and correctly described as exploitative to both the individual consumers of peugeot cars and to the Nigerian economy.

(i) Transfer of Technology

As has been argued elsewhere in this study, the expectation of Nigeria amounts to getting the French technical partners in the Establishment to willingly divulge to Nigerians the secret of French technology of peugeot car manufacture and/or assembly under the unrealistic technical development strategy known as transfer of technology. The author considers this development approach as highly deceptive and unrealistic. The development of technology for any country could be achieved through the concerted effort of its people embarking on its own scientific and technological discoveries or even the theft of the secret of existing discoveries which are never willingly transfered.

If assessed in terms of cost-benefit analysis, the extent to which Peugeot Automobile Nigeria Limited exists to Nigeria's economic disadvantage, it is a prestigious political 'white elephant' project devoid of sound economic rationalisation. The fact that its existence is premature has actually been confirmed by the findings of this study and the following observation of the Head of Volkswagen Group worldwide and the Chairman of the Board of Management of Volkswagen-werk AG, Mr. Carl Horst Hahn when he said that "The prices of cars assembled in Nigeria will remain higher than comparative cars overseas, until there is large-scale assembly of the cars and an increase in use of local components."[4]

It will be recalled that we have argued in chapter five and to some extent in this chapter that the performance of Peugeot Automobile Nigeria Limited in relation to the genuine acquisition of local content car assembly component parts is anything but questionable, but for reasons perturbingly unknown to the author, the government does not seem to show enough concern to arrest the ugly situation, and the author is not alone in his bewilderment because the New Nigerian Newspapers in an editorial comment of 2 August, 1984 drew government attention to the fact that "our French partners in the business seem determined to maintain their stranglehold

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[4]See Guardian Newspaper Vol.2, No.453, p.1, Col.1 of Wednesday, 12 September, 1984.

over us and they will not stop unless they were stopped and that it was our duty to do it."[5]

Despite the failures of the Plant in relation to its stated objectives it still recorded some appreciable growth and development in some areas, albeit exploitative development, and the process of that development is the core of this study. In order to come to the positive conclusion as to whether or not efficient labour management relations gives rise to high labour productivity which we have postulated as a necessary, though not alone, a sufficient condition for industrial growth and development, we have to briefly summarise the relationships of other intervening variables as already extensively discussed in chapters four and five.

The history of labour-management relations in Peugeot Assembly of Nigeria, it will be observed from our discussions in chapter four, had been characterised from its initial operations with series of strike actions and all forms of industrial unrest arising from what could be considered as imprudent management of industrial relations. The Management it will be recalled, had

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[5]See New Nigerian Newspaper No.5, 715, p.1, Col.1 (Editorial) of Thursday, 2 August, 1984.

deliberately delayed the signing of a collective agreement with the labour union on the terms and conditions of employment which was ultimately resolved through the series of strike actions that were precipitated. Subsequently other demands for improved conditions of service were achieved through strike actions, which portrayed faulty management of industrial relations that aided the development of such unhealthy union-management relations. Improved union-management relations was later achieved through the concerted intervention and efforts of the Federal Ministry of Labour and the Central Working Committee of the Workers' Union in Lagos.

Once lasting solutions were found to the series of industrial unrests that dominated the initial activities of the organisation, it later settled down to work with appreciably visible expansion in production capacity as observed in chapter five, from the initial production of 80 cars to 262 cars per day which exceeded the projected target of 240 cars per day by 9.17%, but this could not have been achieved without relative industrial harmony which later resulted from the organisation's concession to a number of demands from the workers' union. Whether the incentives were voluntarily conceeded or not is a different issue altogether, but the fact remains

that for any industrial organisation to thrive successfully, it requires industrial peace and the workers must receive certain level of motivation in order to induce their positive productivity. The series of industrial unrest that precipitated in Peugeot Assembly of Nigeria, Kaduna following the agitation for improved conditions of service were inspite of the fact that the actual rate of wages to workers was reasonably high enough because the least paid worker receives far above the federal government's minimum wage level of ₦125.00 per month, but this did not stop the demand for other socio-economic incentives including the social recognition, racial equality and the dignity of the worker as a human being by Management whose organisational approach was perceived by the workers as an 'apartheid' organisation as has already been extensively discussed in chapters four and five

That the prevalence of peaceful industrial relations will lead to the development of the organisation is a valid assumption as was witnessed in Peugeot Automobile Nigeria Limited during its era of harmonious industrial relations which correlated with its period of peak production capacity that even exceeded its production target by 9.17%. It will be recalled that in our discussion of the social equilibruim concept, we agreed that a system is said to be in social equilibrium when there is a dynamic working harmony among interdependent parts of the

system, while the equity theory relates each person's feelings of fairness about rewards received from an organisation. Once this balance was attained, the hitherto disequilibrium level of relationships between the worker's union and the Management of PAN was once again normalised. The motivation theories X and Y, Maslow's priority of needs to Skinner's behaviour modification model etc., have been witnessed to have direct practical relationships to human behaviour in industrial or organisational setting as revealed by this study. There may be slight differences in their conceptual approaches but all the motivation theories discussed in this study have been found to have the common product of eliciting the worker's high, if not optimum productivity subject to the socio-cultural behaviour deviations in the developed and developing economies already discussed in chapter four.

(ii) Peculiarities of the Nigerian Worker's Attitude to Work

It has been discovered from the revelations of this study on organisational or industrial behaviour that the Nigerian worker has not exhibited any peculiarities that radically differentiates his work behaviour and attitude from others, that would warrant any derogatory and subjective reference of inherent laziness and unpatrotism

being arrogated to him. The study has shown that the Nigerian's attitudinal behaviour to work is not in any way obnormal and this is confirmed to the extent that his behaviour is within reasonable regulation by modern personnel management techniques.

However, the study has identified that faulty educational planning and the misplacement of development priorities have been detrimental and responsible for the retardation of Nigeria's rate of technological development and nothing to do with the workers' poor attitude to work. The study has also gone further beyond bureaucratic organisational behaviour to establish that the average self-employed Nigerian worker is equally a very industrious and hardworking individual. A sample survey of self-employed Nigerians in various trades within Kaduna metropolis has revealed this opinion.

As part of this study, the result of random opinion gathered from a sample survey of individuals who have privately owned small businesses in Kaduna metropolis ranging from ownership of mechanical workshops, electronic workshops, trading enterprises to agricultural enterprises etc. reveals a very high performance rate resulting from hard work of the individuals engaged in such small scale business organisations. Infact, 95% of the sampled group traced their present level of successes to sheer hard work and the efficient

management of the meagre resources with which they had started their business enterprises.

The relatively low level of success by the remaining 5% especially those in the agricultural industry had been traced to natural forces beyond their control which include lack of rains and general weather conditions that did not favour good agricultural yields. Some of those engaged in poultry business had to completely fold up because of what they described as lack of feeds. Others who raised loans as investment capital for their businesses traced their relatively low level of successes to the harsh conditions of the loans either from individuals or banks and yet others in this 5% group traced their failures to the present harsh economic recession which was responsible for the liquidation of their businesses. Others simply did not possess the know-how. In all cases of low level of successes or business liquidation, the rate of performance had not been traced to laziness of the individuals engaged in those businesses but due to other variables or reasons beyond their control.

The point one is trying to establish here is that the average Nigerian worker's attitude to work cannot be attributed to laziness and unpatriotism contrary to the subjective notion held in certain quarters. While the Nigerian worker in self-employment may be more dedicated to his job, working from dusk to dawn with little periods

of break in order to achieve his set personal objectives, the relatively lower level of dedication and other limitations of the same worker in a bureaucratic organisation is traceable to causes of educational career orientation and socialization not directed to the achievement of well-defined and planned development objectives. Such disintegration in unplanned objectives detracts the workers' concentration of efforts and loyalty to the bureaucratic organisation.

This study's summary of findings has to be concluded with the proof or otherwise of our hypotheses but before doing so, it has to be noted that we have examined quite a number of variables from chapters two through to five including the method and pattern of recruitment in Peugeot Assembly Plant, Kaduna but whether the quality of staff recruited has any relationship with organisational behaviour or not has been linked in our discussion in chapter two to what selection and promotion tests were designed to measure and whether this could be reliably achieved. When we consider that the reliability of tests to measure intellectual and technical ability and capability of individuals under given situations are prone to inaccuracies, the use of tests become a subjective issue, but it is yet the only proven practical means by which such a measure could be contemplated.

Once it was agreed that the mode and pattern of personnel selection in Peugeot Assembly of Nigeria, Kaduna, with personnel being our major variable of focus in this study, conformed with the conventional method of labour selection as discussed above, whether aliens or Nigerians, had been recruited for service at the Plant. The question then arises as to whether the prudent or imprudent management of such suitably recruited labour force could be functional or dysfunctional to industrial growth and development, and this brings us to the issue of our first hypothesis. This is that 'efficient labour management relations gives rise to high labour productivity which is a necessary, though not sufficient condition for industrial growth and development'.

Following the result of our investigations from this study, we arrive at the conclusion that the initial phase of the Assembly Plant witnessed imprudent management of labour relations characterised by series of industrial unrests which retarded production capacity. The improvement in labour management relations later ushered in a period of relative industrial harmony which gave rise to accelerated increase in production capacity of the Assembly Plant that exceeded its projected target by 9.17%. To that extent, our first hypothesis has a positive result.

However, the second hypothesis 'that a high rate of monetary reward alone to workers in an industrial organisation constitutes enough motivation or incentive to the worker to offer his optimum productivity' cannot be said to have a positive result. Instead the study has revealed its negative extent when workers of the Peugeot Automobile Nigeria Limited, Kaduna still engaged in series of strike actions to back-up their demands for improved conditions of service which included socio-economic and physchological needs not directly related to more monetary rise in their rate of pay which was already relatively high. The workers sought socio-economic and psychological recognition beyond issues of pay which included training needs, health security for workers in the paint workshop to be given regular supply of milk and the removal of the Plant Manager who was once kidnapped for what the workers described as his 'dehumanizing apartheid' behaviour to them.

It should be observed that once the workers' grievances and demands, among others, which were not direcly related to pay rise were conceded to, a period of industrial harmony which gave rise to the Company's increased production capacity was witnessed without any visible increase to the workers' pay. The experience of this study negatively contests this hypothesis and it may be relevant to state that a percentage rise in pay does not necessarily give rise to a corresponding rise-

in productivity, as this is also related to other variables including socio-economic and psychological incentives provided by the industry to the Workers at a particular period in time.

To the extent that industrial harmony or peace was achieved by meeting those demands which were not visibly and directly related to satisfaction of monetary rise in pay before a high level of productivity which even excelled the organisation's production target by 9.17% was achieved is a proof of the negative extent of this second hypothesis. This, however, practically attests to the validity of the motivational concepts highlighted in the course of this study too.

CHAPTER SEVEN

Human Relations recognizes that the human resource is a specific resource.

Drucker(1955)[1]

C O N C L U S I O N

Government Role in Development Administration

The preceding chapter has largely dwelt on the study's findings which are statements of facts or revelations on the true state of affairs relating to the topic of the research study. Since the essence of scientiffic study is normally directed at improving the human lot, research discoveries or results only become worthwhile with implementation. It is here that the role and direction of government as a centripetal force is crucial in coordinating and harmonising the centrifugal forces inherent in the multi-dimensional facets of development already defined in detail in chapter one and discussed in the main text of this study.

It is intended in this concluding chapter to summarise the observations on the role of the Nigerian governments and especially the national government's approach to the development efforts of the country. This will however be with particular reference to successive governments' politico-economic culture in shaping the technological development destiny of Nigeria and thereafter to offer recommendations.

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[1]Peter F. Drucker, The Practice of Management, Bookprint Limited, Crawley, Sussex, 1955, p.272.

The prevalent politico-economic culture of the Nigerian political elite since independence, be they in "Agbada" or Khaki, towards industrialization has been erroneously in favour of transfer of technology which is a deceptive approach to any realistic industrialization or technological development. The successive Nigerian governments since independence have, instead of redirecting our priorities, embarked on the establishment of prestigious projects, one after the other in the name of transfer of technology even when we do not in some cases, possess the technical capacity to instal and effectively maintain the complicated machineries and the operative techniques involved in such ventures, to the extent of our economic disadvantage. For example, the technology of the Kainji Dam Project was imported from Canada, Peugeot and Mercedes Assembly Plants in Kaduna and Enugu respectively from France, Volkswagen Assembly Plant in Lagos from Western Germany, the Bauchi Leyland Truck Assembly Plant from Britain and the Kaduna Oil Refinery Plant from Japan and so on and so forth.

This form of technological development approach has, if anything, made Nigeria technologically dependent on the countries mentioned above and others, from which we have purportedly imported one form of technology or the other. The deception in this form of importation of technology lies in the fact that Nigeria remains

technologically tied to the aprons of those countries for importation of service spare parts and worse still, at the mercy of their foreign technical skill for the major maintenance of such industries for as long as Nigeria can neither manufacture service spare parts nor possess the technical know-how to undertake complicated and major maintenance service of the plants as has been the case with what is happening to most of the projects mentioned above.

To the extent that there is no concerted effort at Nigeria's technological discovery, such projects will only exist to provide goods and services to Nigerians at a long run economic disadvantage to the country and the individual consumer as exemplified by the burden of prohibitive high price of peugeot cars on consumers. The transfer approach does not lead to genuine economic and technological development after all.

RECOMMENDATIONS

(i) Achievement of Objectives

The result of investigations from this study has revealed that the performance of Peugeot Assembly of Nigeria, Kaduna in relation to all its stated objectives is very far from being achieved as its area of recorded success is so intangible compared to its entire objectives. Even in its area of successes, the tilt has been towards exploitation of Nigeria's economy.

It is recommended therefore that Peugeot Assembly of Nigeria should adhere more strictly to the honest achievement of its declared objectives, possibly with government surveillance to ensure conformity. It's expoitative tactics on the issue of importation of car assembly parts to the detriment of Nigeria's economy and without due regard for the genuine development and utilisation of local material resources needs to be seriously checked. This can be achieved through the active development and cooperation of our iron and steel industry.

The continued partnership relationship between Nigeria and Peugeot Automobile of France to Nigeria's economic disadvantage but to the favourable economic interests of the French partners in the venture gives cause for serious concern requiring immediate positive government intervention towards the achievement of stated organisational objectives.

(ii) Appointment of a Neutral Appointments and Promotions Committee

The crucial and sensitive issue of appointments and promotions in Peugeot Assembly of Nigeria, Kaduna which is presently mainly handled and controlled by the Personnel Division of the Establishment with one or two individuals (the officer's Head of Department and the Personnel Official concerned) deciding the future of the employee in matters of promotion was suspect with all sorts of wild but unsubstantiated allegations.

Such allegations could be dispelled, or at least, considerably reduced with the appointment of a neutral appointments and promotions committee with membership representation from all the major Divisions of the Plant to screen all appointments and promotions in the spirit of justice and fair play. This, no doubt, will further improve the issue of labour management relations which is crucial to the subject of industrial/organisational growth and/or technological development.

(iii) National Objectives Under Purposeful Leadership

It is to be noted from this study that there is a crucial need and importance for clearly stated objectives with which the performance of an organization is measured. Defined objectives thus provide the base and guide along the path that organisation struggles to successfully march to its destination. Without defined objectives organisation's activities become haphazard and uncoordinated with the attendant problems of the inability to achieve or measure success in any tangile form or concrete terms. So it is with a nation without clearly defined national objectives.

Nigeria is neither a capitalist nor a socialist state, and its development stance as a mixed economy state is so badly "mixed up" in the absence of any deliberate attempt by successive governments since the attainment of independence in 1960 to clearly define the objectives of any chosen form of development approach for which the people are socialized and mobilized towards the achievement of its set goals.

What one observes in the muddle is the conspicuous taste of the civilian administrations for a corrupt form of capitalist approach to development and its reversal by the military administrations' taste in favour of some 'dis uised' socialist approach which has no real root, as political power continues to alternate between the civil political elite and the military elite in Nigeria.

It is recommended that clearly defined national philosophy objectives generally acceptable to Nigerians, preferably determined in a referendum, be set out for the purpose of planned development strategies, socialization and mobilization of the people. It then becomes irrelevant whether it is a civilian or military government that wields political power because either of the two would only now strive to achieve more or less along the continuum of the chosen form of development approach, devoid of the present haphazard approach characterised by development plan pronouncements regarding an egalitarian society inspired by 'the spur of the moment' government policies whose implementations are in a vacuum without national philosophy objectives. For example, our frequent changes in educational policies since independence are not related to serious national objectives that would lead to genuine technological development.

Once national objectives have been clearly defined and accepted to the people, all other variables will be harnessed in the grand plan for development strategies towards the achievement or attainment of such national objectives under loyal and dedicated leadership, exemplary enough, to command unquestionable followership in the service of the country.

(iv) Educational Reform

The need to reform, restructure and even revolutionise our educational system towards result oriented objectives cannot be over-emphsized. The present system of providing general education without practical relevance to the technical and allied professions subjects our approach to human resources development to all forms of inadequacies that tend to aggravate our underdevelopment.

The recent introduction of a new education policy of '6-3-3-4 system' whereby a child was required to spend 6 years of primary education; 3 years each of junior and senior secondary school education and 4 years of university education to replace the hitherto '6-5-2-3 system' which is 6 years of primary education; 5 years of secondary education; 2 years of higher school education and 3 years of university education is, to my mind, not far reaching an educational reform.

What the new education policy has tried to do is to manipulate and streamline the number of years spent in each phase of primary, secondary and university education with a slight modification in the secondary school phase to include junior and senior divisions. The modification has introduced compulsory technical education into the junior division of the secondary school phase with proviso for those who cannot cope with real academic stuff to break their education in the junior division of the secondary school phase and take to further vacational training or go into the labour market in search of job opportunities, while only those who are academically sound proceed to complete the senior division of the secondary school phase of their education.

In the first place, the conventional secondary schools at this initial stage have no adequate resources in terms of facilities and technical educators to effectively teach the technical subjects that have been introduced into the new curriculum. Secondly, a period of three years of junior secondary school intruction is not adequate for a child of very tender age to acquire enough technical skill to be thrown out into the labour market, if he fails to secure admission into any vocational school and such schools are so few any way. He is also not qualified for admission to courses offered in the Colleges of Technology or Polytechnics.

The new system does not also adequately provide enough room for children of late mental development.

The new education policy has therefore adopted half-measure approach to our developmental strategy and cannot be accepted as a far-reaching educational reform geared towards the achievement of a realistically planned tehnological development objective. There is therefore the urgent need for the replacement of the new education policy with another one that would meet well-defined national needs and aspirations as well as lead us to a world of self-sufficiency and self-reliance. A drifting and purposeless education means that the nation too will have no sense of direction because it is education that prepares the citizens to participate meaningfully in national development efforts. Nigeria cannot therefore afford to continue to operate an education system that has not well-defined philosophy objectives. The country needs an educational revolution that will inculcate the right type of values into its citizens. The planlessness in our education system is manifested in the large unemployment of graduates from the country's higher institutions of learning and who have not acquired the relevant skills to jobs available in the labour market.

What one would have loved to see under the new education policy was a radical restructuring of the school curricula that provides for a combination of intensive technical and academic courses that are reflective of our cultural heritage and tradition with strong bias for practical agriculture and technology orientation in the secondary school education phase, without any break into junior and senior divisions. Under such an arrangement every secondary school graduate would have equal opportunity and choice of career pursuit after he must have been exposed to adequate acquisition of theory and technical skills that would have prepared him to cope with the challenges of the labour market or further studies in accordance with his professional inclination in the university or college of technology. The curricula for education at post-secondary school level should also provide for adequate practical and industrial orientation for undergraduates in the sciences and professions during their training courses to prepare them for the required technological break-through.

It is with the above suggestions that one recommends that our educational system be radically restructured away from our colonial educational legacy in order to adequately provide for the needs of technological advancement relevant to our culture and tradition.

For as long as we continue to approach the issue of our socio-economic and technological development with half measures, for that long shall we continue to be economically subjected to the calous exploitation of the imperialist multi-national corporations of the developed and advanced economies of the world whose economic interests are counter-productive to the development of the underdeveloped economies of the developing world.

(v) Industrial Revolution

Once we have set ourselves the goals an objectives which we sought to achieve as a nation, there was need to promote national awareness campaign to socialize and mobilize our people on the need to work hard for accelerated industrial and technological development of a self-sustained economy. Towards this end it is recommended that our research institutes and institutions of higher learning be adequately financed, provided for and commissioned to undertake deliberate scientific investigations leading to discoveries that can harness and develop our human and material resources into an enviable and technologically industrialised economy that is far less dependent on the developed economies of the world.

In the short run, there was need for the federal and state governments to closely monitor and direct, as necessary, the activities of the existing industrial Establishments with foreign participation and partnerships that tend to exploit our economy to their selfish foreign advantage under the cumbersome arrangement of imported technology.

Appendix I

PEUGEOT AUTOMOBILE (NIGERIA) LIMITED

Assembly Plant
P.M.B. 2159, KADUNA NIGERIA

NAME:_____ DATE:_____

SURNAME:_____ PAN NO.:_____

ADDRESS:_____ PLACE: PAN Assembly Plant KADUNA SOUTH.

_____

Dear Sir/Madam,

CONTRACT OF EMPLOYMENT

I have pleasure in offering you appointment with the Peugeot Automobile (Nigeria) Limited, Assembly Plant, KADUNA South, as: _____ in the _____ Department on a basic salary of ₦____ per month with effect from _____, 19___

The appointment is subject to the following terms:

(a) GOOD CONFIDENTIAL REPORT from your previous employer. Should the confidential report be unfavourable, your appointment would be terminated forthwith.

(b) RESIGNATION/TERMINATION OF APPOINTMENT:

Period of notice to be given by either party shall be as follows:

1. One day notice - Less than three months' service;
2. One week notice - three months' service but less than two years;
3. Two Weeks notice - two years service but less than five years;
4. One month notice - five years or more.

The periods of notice specified above exclude the day on which notice is given.

(c) MEDICAL CERTIFICATE OF FITNESS:

"The production of satisfactory Medical Report of fitness issued after a Medical Examination by the Company's Medical Officer or any Registered Medical Practitioner as the Company may decide".

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(d) RATE OF WAGES:

Basic Salary Per month - Rate for one hour normal time **N o r m a l** hours of work in the month. Periodicity of payment of wages - 25th of each month or the nearest working day before.

(e) HOURS OF WORK:

The hours of work are as follows:-

Week days (Monday - Friday included) 45 hours weekly

Normal work 7.00 a.m. - 12.00 noon
1.00 p.m. - 4.00 p.m.

Morning Shift 6.00a.m. - 12.30p.m. with 30 minutes break in the morning, and 30 minutes break between 2.30 and 3.00 p.m.

Evening Shift 2.30p.m. - 11.00p.m. with 30 minutes break in the afternoon, and 30 minutes break between 11.00 and 11.30p.m.

or any special timing according to the need of the job.

(f) OVERTIME:

Work authorised after the normal working hours is paid at the conventional formula of:

- Ordinary days - time and a quarter
- Sundays - time and a half
- Public Holidays - double

Overtime period - when the normal time in paragraph (e) above has been worked by the employee during the week.

(g) ANNUAL LEAVE

This is normally granted at the time when the machineries and equipment of the Company are being overhauled.

CATEGORIES	LEAVE DURATION	LEAVE ALLOWANCE
Under ₦97 per month	21 days	₦30.00
₦97 to ₦237	21 days	₦40.00
Daily paid (basic salary)	15 days	₦15.00

Public holidays are excluded from leave duration.

PUBLIC HOLIDAYS.

All gazetted public holidays by the Government must be observed and paid for but employees who fail to resume duty a day preceeding or a day after the expiration of any public holiday will forfeit his/her wages covered during the holiday period.

(h) SICK LEAVE:

Sick leave benefit will be granted to you on production of a medical certificate obtained from the Company's registered Medical practitioner within 4 hours of your first absence from work at the following rates:

12 working days in a period of one calender year and sickness requiring a longer period of treatment or recovery - a maximum of two months on half pay, and in the case of accident arising from and in the course of employment, the provisions of Workmen's Compensation Act or any Statutory Provision amending or replacing it shall apply.

(i) CASUAL LEAVE:

Where an employee desires to attend to urgent private affairs casual leave may be granted up to a maximum of 2 days during any one leave year. Where an employee requests for extra days on the approved days mentioned above such extra days shall be regarded as without pay.

(j) MATERNITY LEAVE:

(a) Permanent female employee shall be entitled to maternity leave.

(b) Maternity leave shall be at half pay payable when resuming duty and shall extend over a period of six weeks before and six weeks after confinment. Any extention beyond this period shall be without pay.

(c) If a female employee on probation becomes pregnant her appointment shall be terminated but less than six weeks before the estimated time of confinment. Consideration may however, be given for her re-engagement after the birth of the child.

(k) SHIFT ALLOWANCE:

Shift allowance is paid as follows:-

(a) Assembler & General Operational Staff - 15k per shift for one week

(b) Team Heads - 30k per shift per night for one week.

(c) Supervisors - ₦1.40 per shift per night for one week.

(l) PROBATION PERIODS:

The probationary period is minimum of three months or any longer period not exceeding four months as may be extended by the employer. In the case of unsatisfactory service, the appointment would be terminated by either party with appropriate period of notice.

(m) OPENING OF GATES:

You are to use Gate II or Gate IV near D.I.C. for coming in and going out of the Factory. Gate I (main gate) is strictly for Senior Staff, Top Management and distinguished guests and other visitors. The periods for Opening of Gates II and IV for all Personnel and workers are as follows:-

Morning Shifts:- 5.30a.m. - 6.00a.m. in and out workers
Normal Work:- 6.45a.m. - 7.00a.m. in workers only.
Morning/Evening Shift: 2.00p.m. - 3.00p.m. in and out workers
Normal Work:- 4.00p.m. - 4.30p.m out workers
Evening Shift:- 11.00p.m. - 11.30p.m. out workers
Special authorization shall be produced in conformity with above specifical periods for in coming and out going from the Factory. All personnel or workers wishing to pass in and out of the Factory via the above gates have to be in possession of the following:-

1. Identity Card;
2. Output authorization for special reason during working hours.

(n) BREAK INTERVALS:

During the break period you must leave your working place. You are not allowed to stay in your place of work in the Factory or offices. Anybody who is caught or seen in the Factory, in the offices, or in a car with no cause will be disciplined accordingly.

(o) STAFF MOVEMENT:

During working hours if you leave your place of work in the Factory you must have authorization signed for you by your Shop Foreman (Form 79). If you have to leave the Factory, you must have absence authorization signed by your Head of Department. Such period will not be paid for and will be considered as absence with permission. All authorised absence covered by a collective agreement must be paid for.

(p) ABANDONMENT OF EMPLOYMENT:

An employee will be deemed to have abandoned his employment with the Company if he is absent without permission for four consecutive days. In that case, he/she would have forfeited his/her right to leave and other benefits and shall be liable for dismissal. And the salary will be computed up to and including the last day you worked.

(q) MEDICAL ATTENTION:

The Company's registered medical practitioner visits the Company's Clinic on the following days:-

- Mondays	2.00p.m.
- Tuesdays	2.00p.m.
- Wednesdays	2.00p.m.
- Thursdays	2.00p.m.
- Fridays	2.00p.m.

All sick workers must report their cases to the Nursing Sister incharge of the Company's Clinic.

They are not allowed to go to the hospital direct without passing through this channel during working hours. In the case of workers who fall sick after working hours, say in their respective houses and happened to go to the hospital, such workers would be responsible for their medical expenses incurred.

(r) CLOCKING:-

"Every employee is required to be punctual in arriving at place of work. Clock in for person, bad timekeeping will be considered a breach of discipline". If an employee is late for at least three times in a month he will be issued with warning letter.
"Any employee who checks in or signs for another will be liable to summary dismissal".
During the change of shifts, workers of the evening shift must be in their respective places of work for 5 minutes before the starting of the second shift in preparation for their duty.

(s) WARNING:-

An employee who commits a disciplinary or professional infraction shall be warned in writing.
Where the employee has been warned in writing three times, the third warning shall be final and attracts termination of his/her employment. (The Management reserved the right not to go through this process in respect of employees under Probation).

(t) Telephone, Post Office Box and Copying Machines:

The use of the telephone and the copying machines by an employee for private purpose is not allowed except with the prior consent of the Management.
We can accept employees getting their personal mail through the Company's private mail bag, but all personal mail must be collected during break periods.

(u) UNIFORMS:

All employees must wear the uniforms provided to them in their places of work.

Appendix I

(v) PROTECTIVE CLOTHING OR EQUIPMENT:

Every worker who has been provided with protective clothing or equipment must wear them while working, and any one who fails to wear them will be subjected to normal disciplinary action.

(w) CANTEEN FACILITIES:

There is a Staff Canteen situated within the premises of the Factory and the opening hours are as follows:-

MONDAYS	FRIDAYS
10.00a.m.	11.30a.m.
12.00 noon	1.00p.m.
6.30p.m.	8.00p.m.

(x) All other aspects not covered by the above clauses will be subject to the regulations and instructions as may be adopted by the Company from time to time and by the provision of the labour Decrees or any Statutory Provision amending or replacing it shall apply.

You are requested to signify your acceptance of the above appointment by signing, dating and returning the duplicate copy of this letter to the Personnel Department.

Yours faithfully,

for:PEUGEOT AUTOMOBILE NIGERIA LIMITED.

(J.C. FOUROT)
PLANT MANAGER.

Dear Sir,

I hereby acknoledge receipt of one copy of the Contract of Employment of PEUGEOT AUTOMOBILE NIGERIA LIMITED. I fully understand that this Contract of Employment sets out the Company's Rules and Regulations and Conditions of Employment for its Staff.

_____
S I G N A T U R E

DATE:_____ WITNESS TO SIGN_____

Appendix II

THE COLLECTIVE AGREEMENT BETWEEN THE MANAGEMENT OF PEUGEOT AUTOMOBILE NIGERIA LIMITED AND THE AUTOMOBILE AND METAL WORKERS UNION (PEUGEOT AUOTMOBILE BRANCH - KADUNA

This Agreement entered into this ..... day .... of ..... between the Management of Peugeot Automobile Nigeria Limited (herein after called "Company) of the one part, and the Automobile and Metal Workers' Union, Peugeot Automobile Branch Kaduna (herein called the "Union") of other part.

WHEREAS it is the desire of the parties to this agreement to promote mutual understanding and co-operation.

Whereas it is necessary, in order to achieve this aim without strife, that rules and regulations should be jointly formulated by both parties to govern their relationship.

AND WHEREAS all agreement articles within should be based in consideration of Laws of the Federal Republic of Nigeria as they apply to the private sector.

AND WHEREAS the conditions negotiable shall be improved working conditions of employment.

WHEREAS the Company and the Union recognise the principle of collective bargaining and in pursuance, Thereof had set up the Negotiation Council. And whereas meetings for the purpose of negotiating a collective agreement have been held.

Now therefore this agreement wiitnesseth as follows:

(v) Conduct which causes danger to the life or safety of other people;

(vi) Bribery or corruption;

(vii) Stealing, pilfering or attempting fraud;

(viii) Drinking alcoholic drinks in the Company's premises or being found worse for drinks;

(ix) Smoking in prohibited areas;

(x) Fighting on the premises;

(xi) Dishonesty, embezzlement, etc. or criminal offence;

(xii) Repeated and frequent absence from duty for four days without permission shall be dismissed on the fifth day.

(xiii) Duration of Warning Letters:

An employee who commits an offence less serious than those enumerated at (i)-(xii) above will be given a warning letter which will remain in force for eighten months.

ARTICLE IV SENIORITY

The Company and the Union recognise that promotional opportunities and job securities in the events of promotion lay-off should increase proportionate to the length of continuous service and that in the administration of this Article the intent would be that full consideration shall be given to continous service in such cases. However, it is agreed that in all cases of promotion, the following factors be fully considered.

(a) Efficiency;

(b) Merit;

(c) Seniority;

However, where it becomes necessary for the Management to lay-off workers, the principle or criterion to be used should be "first last out".

(a) New employees shall have no seniority status until they have completed a probationary period of Ninety (90) calendar days' after which their seniority dates from the date of appointment.

(b) Seniority shall be on job basis "unless otherwise provided for by this agreement".

(c) Time off shall be counted as continuous service without deduction of time lost when an employee is sick, injured, or leave of absence or called back before the sixth month provided the period of absence is not longer than the time spent for the service of the Company.

(d) Seniority and merit shall be governing factor in determining job promotion and recalls, in accordance with the following rules:

(i) "Whenever a new post is created or vacancy occurs in any established post, the Management shall fill such post within the department whenever possible".

(ii) "If as a result of a reduction in the work force, job elimination or combination (as a result of application of the job bidding procedure of this agreement) an employee is

transferred to a post in another department he retains his seniority".

(iii) "Seniority shall terminate whenever an employee quits; is discharged for just cause or retires under the Company".

ARTICLE V MEDICAL FACILITIES, SAFETY SICK BENEFITS AND WORKMEN COMPENSATIONS

1(a) The Company shall make reasonable provisions from time to time for the safety and health of its employees during the hours of their employment and furnish the employees with protective devices and wears, where necessary.

2(b) The Company shall provide in the Factory premises adequate medical facilities for the benefit of employees reporting sick or requiring first aid.

(c) When an employee reporting sick is recommended by the Company's medical officer to be treated at an approved hospital, the Company shall on production of a genuine receipt certified and approved by the Company's Medical Officer refund to the employee the cost of the treatment; however, the Company will not be liable to pay such refund in any case in which an employee's illness has been due to veneral disease, alcoholism, use of narcotics or any other personal indiscretion of the employee. The Company also does not accept liability to refund the cost of surgical treatment, the provision of artificial limbs or the cost of hospitalisation, optical or dental treatment except in cases

where the Company is bound by the Workmen's Compensation Act, Factory Act and the Labour Decree to accept such liabilities in accordance with these laws and any future amendments thereto. Subject to/the overall provision that an employee's illness is not due to veneral disease, alcoholism, use of narcotics or any other personal indiscretion, the Company has agreed to raise sick leave benefits as follows:-

From 12 days full pay to one month full pay,
From 2 months half pay to one month half pay,
In any period of twelve calendar months, and
Three months retention - without pay.

(d) In all cases where such benefits is applied, satisfactory evidence must be produced to the Management within forty-eight (48) hours to show that he was unconscious at the time of illness by the employee concerned or his relative together with a medical certificate from a registered Medical Practitioner. The Company reserves the right to conduct a medical examination on the applicant through the Company's Doctor.

ARTICLE VI LEAVE AND ALLOWANCES

1. Annual Leave

(a) After completion of twelve months service, an employee shall be entitled to paid Annual Leave, but the Management reserves the right to stagger staff leave, if necessary, to meet the exigencies

Appendix II

of its operation. The leave schedule are according to the particulars below:-

Staff below ₦100 per month - 21 days from ₦30 to ₦35 Leave All
₦101-₦220 per month - 21 days " ₦40 to ₦45 " "
₦221-₦325 per month - 21 days " ₦40 to ₦60 " "
Daily paid workers - 15 days ₦30 Leave Allowance

(b) An employee shall receive his pay and leave allowance, latest a day before proceeding on leave.

(c) When an employee falls ill within 48 hours before proceeding on annual leave, and is granted sick leave by a medical practitioner, then the commencement of the leave shall be deferred till the expiration of the sick leave period.

(d) The Management shall endeavour to grant annual leave. At the request of either party - the worker or the Management - leave on duty may be granted. No request for leave on duty shall be entertained for two consectutive years.

(e) Where leave on duty is granted by the Management, the employee concerned shall be entitled to his annual leave allowance on pro-rata basis.

2. Casual Leave

The Management may, at its discretion grant an employee three days Casual Leave with full pay in any period of one calendar year, additional Casual Leave days may also be granted without pay subject to the exigencies of the service and circumstances surrounding the request.

3. Maternity Leave

1. It is agreed that female permanent employees shall be entitled to Maternity Leave raised from 50% to 75% as follows:-

(a) Six weeks before confinement

(b) Six weeks after confinement.

2. Where a female employee is absent from work after Maternity Leave in accordance with Section 3 Sub-Section 1 above as a result of illness, certified by a registered Medical Practitioner to arise out of her pregnancy or confinement which renders her unfit for work, she will be entitled to additional leave as provided under "Sick Leave" in this Agreement.

ARTICLE VII REDUNDANCY AND SEVERANCE PAY

Definition: Redundancy is an involuntary and permanent loss of employment through no fault of the worker, caused by an excess of manpower in any section or sections of the Company.

1(a) Whenever a reduction in the work force is necessary, employees with less than 90 days service with the Company shall be immediately laid off, If further reductions are necessary employees shall be laid off in accordance with their job - wide seniority, i.e. the young employees in point of service shall be laid off first, provided the Company shall have the right to retain exceptionally good employees.

(b) The Company shall notify the Union in writing one month in advance of reasons and extent of anticipated redundancy, failure to do this by the Company shall qualify workers so affected to one month basic pay in addition to other redundancy entitlements contained in this Agreement.

(c) Redundant employees shall be recalled to work in accordance with their job wide seniority when employment opportunities exist in the Company after lay offs. No new hands shall be employed provided redundant workers desire to return to the employment of the Company.

(d) The Company agrees to introduce redundancy pay to the employees declared redundant as follows:-

i) (a) Below three years - one week pay in additional to other entitlements;

(b) In additional to normal entitlements, workers with over three years but not exceeding ten years - one week basic remuneration for each year of service;

(c) 10 years service - three months basic remuneration;

(d) Thereafter additional years - 50% of the monthly basic remuneration for each year of service.

ii) Travelling expenses to employees places of recruitment;

iii) Payment in cash of part of Annual Leave entitlement on pro-rata basis.

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ARTICLE VIII HOURS OF WORK AND OVERTIME

1. The standard working hours of all employees of the Company shall be 40 hours a week.

2. Arrangements of working hours shall be as follows:-

(a) Non-Shift Employees:

Monday - Friday 7 a.m. - 4 p.m. (with 1 hour break)

(b) Shift Employees:

Morning Shift - 6.00a.m. - 2.30p.m. (with 30 minutes break)

Night Shift - 2.30p.m. - 11.00p.m. (with 30 minutes' break).

3. Where an employee is asked by the Company to work during part of his break or the whole of his break time, he shall be entitled to payment of time and half.

(a) The Company shall provide time clocks in the various sections and departments to facilitate the observance of accurate time for resuming and closing.

(b) Major changes in working hours of employees on shift shall be effected by mutual agreement/ collective bargaining by the parties to this agreement.

Overtime

1. All employees may be required to work overtime according to the exigencies of work.

2. The work in excess of normal working hours shall be paid as follows:-

Monday - Friday - Basic Rate plus 25%

Saturday & Sunday - " " " 50%

Public Holidays - " " " 100%

3. Shift worked on Saturday and Sunday as part of the normal week will be paid at the basic rate.

4. Overtime will be calculated to the nearest half hour on a daily basic. Periods of less than half an hour will not be carried forward. However overtime is not obligatory.

5. Night Shift Allowance

Employees working on night shift will be paid night shift allowance increase from 15k to 30k per night shift.

Supervisors - ₦1.40 per night shift.

ARTICLE IX MISCELLANEOUS PROVISIONS

1. TRAINING:

(a) The Company shall arrange for the training of employees both locally and overseas for higher position in the Company.

(b) Seminars shall be conducted internally and externally for personnels in Supervisory Grades on the duties of a Supervisor and on Industrial Relations.

2. ANNUAL BONUS:

Bonus would be paid depending on production target. The Management shall inform the Union accordingly.

3. PENSION SCHEME:

(i) Retirement: An employee shall retire at 45 voluntarily or be retired if he attains 55 years of age.

(ii) Gratuity: Such an employee shall receive one month's pay for every year of service rendered on the completion of ten years or a self retirement at 45 or retired at 55 years.

(iii) Long Service Awards: The Company shall, as a mark of appreciation offer employees who served the Company loyally and continuously as follows:

(a) A certificate, a medal and a one month's basic salary to an employee who completes 10 years in the service of the Company.

(b) Thereafter a bonus equivalent to one month's basic salary for every additional 10 years of service.

5. ADVANCES:

(a) The Company shall grant loans to employee who apply for loans to take tuition related to his/her job, provided the following criteria are met and compiled with. These are:-

1) The submission of invoices of study materials bought e.g. textbooks, tuition etc.

2) The school fees receipt is submitted to the Management.

3) Such courses are related to his/her job(s).

4) There is no such training facilities within the Company.

(b) An employee who passed any recognised examination on the job he is doing shall be elevated subjected to vacancies. One quarter of the worker's salary shall be paid as incentive.

6. UNIFORM:

(a) The Company shall introduce laundry allowances of 50k per month to employees who are provided with uniform until the washing machines are bought.

7. CANTEEN: The Company shall provide a well equipped Canteen for the use of the employees.

8. JOINT INDUSTRIAL COUNCIL:

The Management and the Union shall create a "Joint Industrial Council" with equal representatives, which shall meet monthly on such matters as drawn up in the constitution.

ARTICLE X CONFLICT WITH THE LAW

1. In the event of any provisions of this Agreement are found to be in conflict with any state or national laws now existing or hereafter enacted, it is agreed that such laws shall supersede the conflicting provisions in the Agreement.

2. In case any competent Government of the Federal or Nigeria and/or its states provide by legislation for any or all benefits stipulated in this agreement shall supersede the provisions of the Agreement only if they are superior.

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ARTICLE XI NON DISCRIMINATION

There shall be no discrimination by reason of age, sex, creed, colour or nationality and all employees will be paid of the established basic rate, hourly rate or rate range for the job assigned except as otherwise provided in this Agreement. The rule of equal pay for equal job shall operate.

ARTICLE XII WAGES GUARANTEE

1. The Company agrees to pay the straight earning to the employees involved in the following:-

   (i) Experimental or development work i.e. launching of a new product;

   (ii) Time lost due to mechanical break down or power failure - provided the workers have not been informed in advance i.e. 24 hours;

   (iii) Time lost due to stock abnormalities,)
)24 hours
   (iv) Time lost waiting for materials.)notice

2. INCREMENT

   (a) The Company shall grant increment twice in a year. Effective dates shall be 26th May and 26th November annually.

3. (a) The Union and Management shall have right during the term of the Agreement to re-open any of the provisions for negotiation by giving a twenty-one (21) days notice of such intention to the Company. In the event of such notice unless otherwise mutually changed or altered by the Union and Management.

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Appendix II

4. ACTING APPOINTMENT

Where an employee is required to perform the duties of a post in a higher position continuously for a period in excess of one month he shall be paid 50% of acting allowance equivalent to the different (if any) between his salary and the minimum salary of the grade for the post in which he is acting. Such acting appointment shall not exceed six (6) months he should be confirmed or otherwise.

ARTICLE XIII CO-OPERATIVES UNDERTAKINGS

Whenever the Union provide legal proof of authority to run any Cooperative Society the Company shall be willing to provide reasonable support for such ventures by allowing the Society to run Factory Food Canteen and provide a suitable building for Cooperative Store if need be.

ARTICLE XIV WELFARE

2. CHEMICAL ALLOWANCE:

Employees working as Spray Painters and Battery Room workers shall be paid ₦3.00 monthly chemical allowance due to the nature of their job. The effective date is from the date of this agreement.

3. DEATH COMPENSATION:

The Company agreed to pay any compensation due to workers in the events of any accident in the course of employment. The Company shall pay ₦60.00 in the case of natural death as burial expenses.

4. SPORTS:

The Company shall encourage sports.

5. CASH ALLOWANCE:

(a) Only the Cashier would be paid Cash Allowance.

(b) Accident free bonus of ₦5.00 per month would be paid to a driver.

ARTICLE XV OPERATION OF COLLECTIVE AGREEMENT

This agreement shall come into force and operate from ..... At any time after ..... years either party to this Agreement may give twenty-One (21) days notice in writing expressing its wish to amend or renew the Agreement. In such an event a meeting of the Joint Industrial Council shall be called for the purpose.

ARTICLE XVI DURATION OF COLLECTIVE AGREEMENT

The Management and the Union agreed that this contract shall be binding on both parties as follows:-

(a) That any new measure during the terms of this agreement shall be subject to the concurrence of both sides;

(b) That the Agreement shall be in force for twenty-four calendar months from its effective date but not exceeding..... months unless rectified by both parties.

(c) That this agreement shall Constitute Management/Union relation.

(d) That the effective date of the Agreement shall be .....

Appendix II

(e) However, if both parties agree, and subject to the current circumstances and if deemed fit, both parties shall agree to extend its period of peration.

ON BEHALF OF THE COMPANY:

(J. C. FOUROT)
PLANT MANAGER

(JIBRIN K. DOKO)
PERSONNEL MANAGER.

ON BEHALF OF THE UNION:

(KOJO FORSON)
PRESIDENT

Appendix III

TERMS AND CONDITIONS OF SERVICE PEUGEOT AUTOMOBILE NIGERIA LIMITED, NOVEMBER 1977

INTRODUCTION

Every Junior employee of Peugeot Automobile Nigeria Limited hereinafter called "the Company" shall be subject to these Regulations and Conditions. The Company reserves the right to waive, alter, add or cancel any part of the Rules and Regulations for the time being in force as the change or circumstances may demand.

The employee is required to serve the Company faithfully and to obey all lawful instructions given to him.

Every employee must regard any specialised business knowledge or secrets as confidential and must not disclose them to any unauthorised person.

Every employee must devote the whole of his time, ability and energy during working hours to the Company. He is not allowed during the working hours to engage in any private business or trade.

No employee may accept secret commissions, take bribes, negotiate sales, undertake private profit making activities or ask for any reward for favours done or promised.

No employee is permitted to engage in gambling, betting, buying or selling lottery tickets, or to consume alcoholic liquor during business hours.

CHAPTER ONE

RECRUITMENT:

1. Before employment, all employees will have to undergo a medical examination to be undertaken by a registered Medical Practitioner appointed by the Company. In the case of women they must go through a pregnancy test. After passing the medical examination an employee will be appointed on probation.

2. All employees will be placed on a probationary period which will normally be three months, or such longer period not exceeding four months as may be decided by the Company. The services of any employee on probation can be dispensed with at any time during the probation period subject to staturoty notice being given to him in writing in accordance with Labour Decree No. 21 Article II of 1974.

3. After completion of the probationary period, if an employee is found suitable, his appointment will be confirmed and he will be regarded as a permanent employee of the Company.

RETIREMENT:

4. The Company will normally retire an employee on reaching the age of 55 years, or at any age if the employee is declared by a Medical Officer, duly approved by the Company, to be incapable of performing his duties, by reasons of infirmity of mind or body which is likely to be permanent and which renders his services to the Company ineffective. An employee may voluntarily retire from his service with the Company upon attaining the age of 45 years. The Company may in special circumstances extend the services of an employee on attaining the age of 55 years by a maximum of 5 years.

REDUNDANCY:

5. The Company reserves the right to declare any employee redundant. The selection of employees who are to become redundant will be strictly in accordance with the provisions laid down in the Labour Decree No. 21 of 1974 with particular emphasis on Part I Paragraph 19 which describes the principle of First Come Last Out.

CHAPTER TWO

RATE OF PAY:

1. All posts are paid in accordance with the responsibilities attached thereto. The salaries or wages shall be notified to employees in writing at the time of appointment.

LETTER OF APPOINTMENT:

2. Salary, wages and such other emoluments as may be payable to an employee shall be set out in the employee's letter of appointment and in such other notices that may be received by the employee from the Company from time to time.

CHAPTER THREE

SCHEDULE OF DUTIES:

1. In addition to the normal duties covered by his job title, an employee may be required to perform such other duties as the Company may assign to him from time to time.

Appendix III

CHAPTER FOUR

WORKING HOURS:

1. Employees of the Company will normally be required to work 40 hours a week as follows:

KADUNA

Day Workers	7.30a.m.	-	12.00 noon
	12.30p.m.	-	4.00 p.m.
	Monday	-	Friday
Shift Workers			
A Shift	6.00a.m.	-	2.30p.m.
B Shift	2.30p.m.	-	11.00p.m.
	Monday	-	Friday.

During the change of shifts, workers of the evening shift must be in their respective places of work for 5 minutes before the start of the second shift in preparation for their duty. During these hours of work suitably spread out rest intervals of 30 minutes on the aggregate will be allowed to each person by the Head of Department.

Some variation in hours of work may be necessary in some departments. This shall be determined by the Head of Department concerned within the same authorised total of hours worked.

LAGOS

Lagos Head Office operates a clocking system as follows:-

Between 7.30a.m. and 9.00a.m.	- Reporting time
12.45p.m. - 1.15p.m.	- Lunch break
Between 3.30p.m. and 5.30p.m.	- Closing time

Saturday work is only compulsory for employees who do not complete their 40 hours for the week.

CHAPTER FIVE

PROMOTION OF STAFF:

1. No officer of the Company may be promoted until he has completed his probation period and has been confirmed in his appointment.

2. The authority to upgrade daily-paid workers in the Factory is vested in the Head of Department who shall liaise with the Personnel Manager.

3. Promotion shall be subject to the existence of a vacancy in a higher post and the suitability of the person to be promoted. This will be judged on grounds of efficiency, experience, higher qualification and the Head of Department's recommendation. On the whole however, all matters of promotion will be decided by the Company.

PROCEDURE FOR AWARD OF SPECIAL BONUS:

4. This award will be made at the discretion of the Management on the following occasions:-

(a) When an employee makes an invention or improvement of benefit to the Company;

(b) When an employee through act of initiative or extra ordinary vigilance prevents an accident which may be of serious consequence to the Company or individuals.

(c) When an employee performs a very distinguished service of benefit to the Company.

5. The special bonus can take any of the following forms:

(a) Monetary award

(b) Commendation

(c) Special Holiday

CHAPTER SIX

LEAVE:

1. A leave year shall extend from 1st day of January to 31st day of December.

ANNUAL LEAVE:

2. (a) Annual leave shall mean an employee's vacation entitlement during one calendar year.

(b) In Kaduna, annual leave shall be taken during the closing of the factory. In Lagos annual leave will be decided in each Division by Divisional Heads according to the necessities of service.

(c) The Company may require some of its Kaduna employees to proceed on leave outside the factory closure period, not withstanding Clause (b) above, mainly for the purpose of maintenance or other related reasons.

(d) Where leave is deferred, it shall be taken up in the following leave year at a time convenient to the Company.

(e) Deferred leave shall not prejudice an employee's total leave entitlement.

(f) An employee on annual leave shall be on full pay for the duration of leave.

(g) All applications for leave shall be forwarded to the Personnel Office through the Head of Department.

(h) An employee who is dismissed shall forfeit all his earned leave.

(i) Daily-paid staff who are regularly employed shall be granted 15 days leave on full pay each year, and payment of such wages during the leave period shall be calculated at the normal daily rate during the whole of the vacation.

LEAVE ENTITLEMENT:

3. Annual leave entitlement and allowances are set out in the folder at the end of this handbook.

PRO-RATA LEAVE:

4. (a) Pro-Rata leave is proportion of an employee's vacation leave granted before the completion of a full leave year.

(b) An employee may be allowed to proceed on leave before he is due for vacation only in exceptional circumstances at the Company's discretion.

CASUAL LEAVE:

5. Where an employee desires to attend to urgent private affairs, casual paid leave may be granted up to 5 days in addition to annual entitlement during any leave year. Requests for additional extra days, if approved, shall be regarded as without pay.

Appendix III

SICK LEAVE:

6. (a) Sick leave may be granted to an employee on the production of a medical certificate within 24 hours of the employee's first absence from work, issued by a Medical Practitioner approved by the Company.

(b) Sick leave on full pay may be granted up to a maximum of 30 working days for workers in a leave year, provided there is reasonable prospect of eventual recovery. Where the sickness is, in the opinion of the Medical Practitioner approved by the Company, one that requires a long period of treatment or recovery a maximum of two months sick leave with half pay shall be granted. The sick employee shall be required to submit a weekly medical report to the Company until he returns to work.

(c) If the employee is hospitalised, this report shall be sent directly to the Company by a Company recognised medical practitioner attending to the employee.

INVALIDING:

7. If the period of illness exceeds the total sick leave entitlement the appointment of the employee may be terminated by the Company without notice.

MATERNITY LEAVE:

8. (a) Only permanent female employees shall be entitled to maternity leave.

(b) Maternity leave shall be at 75% of her pay, payable when due and shall extend over a period of six weeks before and six weeks after confinement.

(c) If a female employee on probation becomes pregnant, her appointment shall be terminated not less than six weeks before the estimated time of confinement. Consideration may however be given for her re-engagement after the birth of the child.

(d) With effect from the date of delivery and for a period of six months the female employee shall be allowed half an hour twice a day during her working hours for the purpose of nursing her child.

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LEAVE TO PERFORM PILGRIMAGE:

9. (a) An employee may be granted leave of absence to undertake the Holy Pilgrimage.

(b) Any such leave shall be counted against his annual entitlement.

(c) Leave of absence above maximum entitlement necessary to complete the Holy Pilgrimage shall be unpaid.

RESUMPTION OF DUTY AFTER LEAVE:

10. It is the responsibility of every employee to report in person to his Head of department or to his new office on resumption of duty after leave.

ABSENCE WITHOUT LEAVE:

11. An employee who absents himself for four consecutive days from duty without leave renders himself liable to dismissal from the service of the Company. The onus will rest on him to show that the circumstances do not justify the imposition of the full penalty.

CHAPTER SEVEN

SALARY ADVANCE:

1. A salary advance will be granted subject to the following:-

(a) That the employee applies for the advance in writing and that the Personnel Manager's approval is obtained.

(b) No employee shall take more than one salary advance within the same financial year. The amount borrowed must not exceed one month's basic salary and be recovered within a period of 3 months by instalments deducted from the employee's salary beginning in the month following the receipt of the loan.

(c) No advance or wages shall be paid to an employee who is liable at that time to repay any part of a previous advance to him.

FREE TRANSPORT FACILITY:

2. An employee will be provided with free transport facilities when he is on Company's business with the consent and knowledge of the Company. The class of travel by train is as follows:-

₦1,500p.a. and above	2nd Class
Below ₦1,500p.a.	3rd Class

CHAPTER EIGHT

MEDICAL FACILITIES:

1. The Company has a special contract with Medical Practitioners who will provide free medical treatment for employees.

   (a) Provided that a person's illness is not due to self-inflicted injuries arising out of his own negligence, venereal disease, alcoholism or the use of narcotics, the Company will bear the cost of the employee's prescribed medical treatment including consultation fees, X-ray, medicine, drugs, injections and the cost of emergency surgical operations which cannot reasonably be performed in a State Hospital.

   (b) The Company will not however assume responsibility for the cost of any dental, opthalmic, aural, maternity or venereal disease treatment nor that of artificial limbs or surgical appliances.

   (c) Medical treatment will not be provided for employees' families.

   (d) Payment will be on condition that the employee receiving medical treatment will permit the medical officer to render a report upon his illness as required by the Management.

ACCIDENTS AND INJURIES AT WORK:

2. (a) Any accident or injury occuring to an employee during the course of his employment must be reported at once to his immediate superior officer so that appropriate first-aid measures may be taken.

   (b) In the interest of his own safety and that of other employees, a worker must take the greatest care in his work to prevent the occurence of accidents. No worker may work on a machine unless he fully understands it, and has had the appropriate instruction. If he is at any time in doubt he must consult his superior.

(c) The Company is bound by the Workmen's Compensation Act and will pay all liabilities due under the act and relevant amendments thereto.

CHAPTER NINE

MISCONDUCT:

1. Misconduct is an act, omission or behaviour detrimental to the good name of the Company or to discipline and proper administration within the Company.

SERIOUS MISCONDUCT:

2. Serious misconduct is defined as any conduct likely to endanger the lives or safety of others, or of Company's property, or the efficiency and progress of tasks or operations.

TERMINATION & DISMISSAL:

3. The main difference between termination and dismissal is the degree of gravity of the misconduct which determines it.

TERMINATION:

4. If an employee's service is terminated, he still retains the benefit or a notice period, or payment in lieu of same, as well as salary and any other emoluments accruing up to the end of the notice period.

DISMISSAL:

5. A dismissed employee does not enjoy a notice period. He only receives pay and any worked overtime up to the date of separation and forfeits all other monetary entitlements.

6. Employees guilty of serious misconduct shall be summarily dismissed. Examples of offences necessitating dismissal are:-

absence from duty without leave (see Chapter 6, last sentence).

conviction for a criminal offence during the course of or before employment. (The employee upon conviction shall not be entitled to any emoluments from the date of his conviction).

failure to disclose a previous conviction for any criminal offence upon first appointment.

corruption
drunkeness on duty,
gross dereliction of duty,
gross insurbordination,
gross misuse of machinery or equipment,
smoking in prohibited areas,
stealing or fraud,
use of violence,
signing or clocking in for another employee.

An employee dismissed in accordance with the Company's regulations shall not be entitled to free transport to his place of recruitment.

7. In general, an employee's services may be terminated for misconduct which does not merit dismissal but does necessitate the cessation of his employment.

8. Employment shall be terminated if after entry of three written warnings in his personal record, an employee commits a further offence desrving disciplinary action.

TERMINATION FOR INEFFICIENCY:

9. An employee's services shall be terminated after a series of acts and omissions not amounting to misconduct but sufficient to indicate that he is incapable of discharging his duties efficiently.

NOTICE OF TERMINATION:

10. The Company shall give notice of termination as follows:

1. One week notice	- three months' service but less than two years;
2. Two weeks notice	- two years' service but less than five years;
3. One month notice	- five years or more.

1. For staff under probation see Chapter 1 Paragraph 2.

TERMINAL SALARY AND ENTITLEMENTS:

12. In addition to salary in lieu of notice, the terminated employee is entitled to the following up to the date of termination:

(1) salary and other allowances

(2) Pro-rata leave allowance

(3) Pro-rata leave pay.

Procedure for Termination:

13. No employee shall be terminated until:-

(a) he has been informed in writing of the grounds on which he is being considered for termination;

(b) he has been given an opportunity to explain his conduct;

(c) the Company has considered his representations and the recommendation of the Head of his Department.

SEPARATION BY RESIGNATION OF APPOINTMENT

14. A permanent employee may at any time resign his appointment by writing to the Company. He shall give notice as under the heading "Notice for Termination" above or pay salary to the Company in lieu of notice.

15. An employee will be free to withdraw his resignation notice within the specified notice period, subject to the approval of the Company.

16. An employee who ceases to attend duty before the end of the notice period or before his resignation is accepted shall be deemed to be absent without leave and therefore be liable to dismissal.

17. Any debts or monies owing to the Company by an employee leaving its services must be deducted from the employee's terminal salary and other emoluments before he is paid off.

INTERNAL DISCIPLINARY CODE

18. If an employee's offence is not serious enough to attract summary dismissal or termination of his appointment, he may be subjected to any one of the following disciplinary measures:

letter of advice

warning

suspension.

LETTER OF ADVICE

19. An employee who commits a minor disciplinary offence shall be advised in writing.

WARNING

20. (a) An employee who commits a serious disciplinary offence shall be warned in writing.

(b) Where an employee has been warned in writing three times the third warning shall be the final one.

(c) If an employee is late for at least three times in a month he will be issued with a warning letter.

For Head Office Staff, bad time-keeping will be considered a breach of discipline which may attract a letter of advice or warning as the case may be.

SUSPENSION:

21. Suspension of an employee from duty will take place if he is found guilty of an offence which warrants stricter disciplinary action than a written warning. The Head of Department will make the recommendation for approval and processing by the Personnel Department. Such suspension from work will be without pay and should not exceed a period of seven working days for one offence.

COMPANY'S PROPERTY:

22. Any employee whose appointment is terminated or who is dismissed must surrender all the Company's belongings entrusted, supplied or loaned to him before final departure.

CHAPTER TEN

NATIONAL PROVIDENT FUND:

1. All employees are required to contribute from their earnings to the N.P.F. in accordance with the current legislation.

Appendix III

INCOME TAX P.A.Y.E.:

2. Deductions will be made from employee's salaries in accordance with the requirements of the current income Tax Legislation.

CHAPTER ELEVEN

TRAINING:

1. The Company may provide facilities for the employees to develop their skills through training suitable to the Company's needs as follows:

ON THE JOB TRAINING:

2. This type of training is provided when the employee joins the Company and shall be part of the employee's introduction to his job.

IN SERVICE TRAINING:

3. This type of training is a combination of both practical and theoretical courses relevant to jobs within the employee's department.

EXTERNAL PROFESSIONAL COURSES:

4. Selected employees may be sent on professional course at the discretion of Management. Such training may lead to nationally or internationally recognised qualifications. The scope of training varies considerably and may be on a full-time or part-time basis in Nigeria or overseas.

5. The cost of courses and examination will be borne by the Company and a suitable financial packet arranged to cover salary, accommodation and expenses.

6. If the training has led to the award of a professional qualification, an honorarium will be awarded of one quarter of the employee's current gross monthly salary.

7. Employees who on their initiative gain admission to a professional institution may be granted unpaid study leave to complete their course. Every effort will be made by the Company to re-employ them subsequently.

8. Attendance on professional training may be dependent on the selected employee undertaking to serve the Company for an agreed period thereafter.

CORRESPONDENCE COURSES AND EXAMINATIONS

9. Confirmed employees who wish to take correspondence courses and sit for professional examinations will be encouraged to do so providing that:

   (a) the profession is relevant to the needs of the Company.

   (b) the application is approved by the Head of Department, who will take into consideration the level of performance and general suitability of the individual.

10. Selected candidates will be allowed paid study leave once per year to take examination according to the published time table.

11. On application, the Company will make a loan over 3 years to cover the cost of tuition and examinations on production of invoice of study materials, courses and examination fees.

12. On production of writteen evidence of successfully passing examinations previously approved in paragraph 9, the Company will award an honoratium of three quarter of the candidate's gross monthly salary.

FUTURE EMPLOYMENT:

13. Successful candidates in all professional trainings and examinations will be earmarked to fill job vacancies at levels reflecting their new qualifications.

CHAPTER TWELVE

OVERTIME:

1. (a) Overtime is payable to employees only when overtime work becomes necessary and is so recognised or authorised by the Company.

   (b) Overtime is payable only to those whose grades are entitled to it.

Appendix III

(c) Rates of overtime are as follows:-

(i) first 40 hours Monday - Friday at normal basic rate;

(ii) any excess time over 40 hours Monday to Friday overtime at 125%

(iii) any excess time over the 40 hours working week performed on Saturday at 125% (now 150%)

(iv) any excess time over the 40 hours working week performed on Sunday at 150%

(v) any excess time over the 40 hours working week 200% if done on a public holiday.

CHAPTER THIRTEEN

TRADE UNION MEMBERSHIP:

1. The Company recognise the Union as the exclusive barbaining agency for all employees except:

(a) Supervisory/Senior Staff

(b) Confidential Staff (to include Confidential Secretaries of all Management Staff).

2. The following may be members of the Union if they wish but may not to be called out on strike or used to intimidate or interfere in any way outside their normal duties during a strike:

(a) Security Staff

(b) Medical Staff

LEAVE FOR TRADE UNION BUSINESS:

3. An employee elected or selected for duty as an official representative or employee of a Union, National or International Union, or for any State, Country Council, City or Local Union Council whose assignment will take him from his employment with the Company, shall upon written request of the Union, National or International Union and at the discretion of the Company receive unpaid leave of absence for the period of his service. Seniority shall accumulate throughout the period of absence.

Appendix III

CHAPTER FOURTEEN

1. While the Company will take reasonable precautions to ensure the safety of employee's personal property brought on the Company's premises, no responsibility or liability will be accepted by the Company in respect of loss or damage to such Property.

   (a) Bicycles, motorcycles and cars are parked on the Company's premises at the owners' risk.

   (b) Where the Company provided clothing for the employee he will be responsible for maintaining it in a clean and presentable form.

   (c) Where special provision is made for the storage of employees' outdoor clothes, etc. the rules governing the use of such locker rooms must be strictly kept.

TELEPHONE AND POST OFFICE BOX:

2. The use of the telephone by employees for private calls is not permitted except with the prior consent of the Management. Employees may receive letters addressed to them at the Company's address, but the Management will not accept responsibility for such private mail through the Company's Post Office Box or address. Under no circumstances may the Company's address or Postal Office Box be used for any employee's private business.

SECURITY SEARCHES:

3. No goods, packing cases, motor parts or other material may be taken out of the premises by any employee without first obtaining permission in writing. The Company has the right at all times to search any employee or to examine any parcel or property being carried by an employee in the premises, or to take any other suitable precautionary security measures.

UNAUTHORISED MEETINGS:

4. No meetings which have not previously been authorised in writing by the Management may be held on the Company premises. Any employee attending an unauthorised meeting on the Company's premises shall be liable to disciplinary proceedings.

Appendix III

LEAVE RATES:

Categories	Leave Duration	Leave Allowance
(a) Under ₦100.00	21 days	₦60.00
(b) ₦101 - ₦220.00	21 days	₦80.00
(c) ₦221 - ₦325.00	21 days	₦120.00
(d) Daily paid Employees	15 days	₦30.00

Appendix IV

AUTOMOBILE, BOATYARD, TRANSPORT EQUIPMENT
AND ALLIED WORKERS UNION OF NIGERIA.

Motto: TOWARDS WORKERS HAPPINESS

P. A. N. LIMITED
T D | -8 MAY 1979 | DC
S D | | PROD
STAFF | RECEIVED | PER

Your Ref
Our Ref
Date 2nd May, 79

Postal Address
P. M. B. 1031 Yaba
SECRETARIAT
9, Kubi Close,
Ebute-Metta (West)
Apapa Road,
Lagos.

CENTRAL WORKING COMMITTEE MEETING OF AUTOMOBILE, BOATYARD, TRANSPORT EQUIPMENT AND ALLIED WORKERS UNION OF NIGERIA AND DECISIONS TAKEN

The C.W.C. of Automobile, Boatyard, Transport Equipment And Allied Workers' Union which met on the 1st of May, 1979, deliberated soberly on a number of burning issues affecting the Union and ended up with vital conclusions.

1. (a) Industrial action of its Peugeot unit in Kaduna was lamentably characterised by kidnapping the Plant Manager of the factory; damage to company's property; beating and manhandling of Senior Staff by a group of junior workers.

(b) Much as the Union upholds the legitimate right of the workers to apply work-to-rule system in ventilating their grievances, the Union frowns and condemns without reservation use of violence in achieving this end.

2. (a) The Union recognises that if these workers had sufficient Trade Union educat ion, they could have not behaved the way they did. The Union equally realises the cogent fact that no responsible Organisation can exist without discipline and accordingly has withdrawn recognition of the branch Officials, dissolved the branch Executive and shall set up a caretaker committee to represent the interest of the workers in the Peugeot Automobile (Nig) Ltd.

2. (b) On humanitarian ground, and to avert the possibility of imprisonment of our members now standing trial, the Union is to enter into dialogue with the Lawyer in Kaduna who is handling court case involving our members in order to give widows mite legal aid.

2. (c) The C.W.C. also call on all the Units of the Union not to embark on any industrial action without the sanction of the Headquarters of the Union.

Appendix IV

3. The Union set-up adhpc committee to undertake expeditious investigation of inhibitive factors which contributed to frequent retrenchment of workers in the Motor Trade. Report of the committee must be submitted to the C.W.C. within two weeks to allow appraisal of it and during the period workers in the Motor Trade to be mobilised and poised to receive the C.W.C. further decision on the report.

T.O. Kwomen
General Secretary

JUNIOR STAFF MONTHLY EMPLOYMENT STATISTICAL RECORD

MARCH, 1978 - JUNE, 1984

Months	Jan		Feb		March		April		May		June		July		Aug		Sept		Oct		Nov		Dec		Average	
Years	Empl	Dep	Empl	Dep	Empl	Dep	Empl	Dep	Empl	Dep	Empl	Dep	Empl	Dep	Empl	Dep	Empl	Dep	Empl	Dep	Empl	Dep	Empl	Dep	Empl	Dep
1978					2391	8	2066	83	2147	64	2210	68	2326	65	3370	32	2214	112	2222	86	2401	80	2496	30	2384	63
1979	2556	141	2416	65	2780	67	2520	20	2684	91	3021	67	3034	39	3012	18	3069	71	3069	43	3053	51	3039	39	2854	59
1980	3098	55	3217	48	3248	50	3270	83	3308	35	3354	51	3369	27	3398	85	3398	85	3473	79	3567	27	3686	25	3366	54
1981	3716	87	3715	46	3760	42	3741	56	3772	55	3845	34	3874	16	3875	16	3879	69	3909	50	3939	52	3951	66	3831	49
1982	3958	47	3955	58	3976	45	3994	29	3986	25	3970	15	3961	12	3958	5	3943	28	3923	15	3899	31	3897	21	3952	28
1983	3839	44	3799	41	3756	45	3706	51	3674	15	3656	23			3625	43	3587	33	3553	28	3531	21	3513	29	3658	34
1984	3482	20	3463	17	3441	22	3422	20	3416	21	3409	15														

Appendix VI

THE JOINT UNIT COMMITTEE CONSISTING OF REPRESENTATIVES OF PAN MANAGEMENT AND THE PAN UNION OF AUTOMOBILE, BOATYARDS, TRANSPORT EQUIPMENT AND ALLIED WORKERS UNION OF NIGERIA MET ON 1ST AND 2ND JULY 1981 AND DISCUSSED THE FOLLOWING AGREEMENT

GRATUITY

All junior employees who have spent a minimum of five years continuous service will be entitled to gratuity on retirement, resignation or termination (but not summary dismissal) at the following rates:

- Five years and above but less than ten years: 3 weeks basic salary for every complete year of service.

- Ten years and above: One month basic salary for every year of service subject to a maximum of twenty four months salary.

BURIAL GRANT

Two hundred naira will be paid towards the burial expenses to the family of a deceased worker.

BREAK OVERTIME

The working hours will remain as 6.00 a.m. to 2.30 p.m. for morning shift and 2.30 p.m. to 11.00 p.m. for afternoon shift. 30 minutes break will be allowed while another 30 minutes will be treated as break overtime and paid at the normal rate of 125% on each workday.

DEATH BENEFITS:

A death grant will be paid to the accredited beneficiaries of a worker who dies while in service. The grant will be one year basic salary for natural death and one and half years basic salary for a worker killed while on active duty.

NIGHT WORK MEAL ALLOWANCE:

Since canteen service is not available during the night, workers who work overnight (i.e. between 11.00 p.m. & 6.00 a.m.) will be paid meal allowance at the following rate:-

Levels I/II - ₦2.00 per night work

Level III - ₦3.00 " " "

MEMORANDUM OF

[illegible] to provide a [illegible] agreed by the Company.

PERIOD

This [illegible] will be in force for at least two years.

SIGNED

MANAGEMENT

Alhaji M.D. Abba
PERSONNEL MANAGER

Mr. J.M. Ogbuoji
Recruitment & Industrial
Relations Officer

Mr. S. Ifeparicla
Chief Management Asst.

UNION

Mr. Michael O. Salami
NATIONAL OIL WORKERS U.C.
(KADUNA AREA COUNCIL)

M/Martin Aire
Chairman (NUPENG Branch)

Mr. Elisha Dogara
Secretary (NUPENG Branch).

DATE: [illegible]

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PAN/PUR -

PRESENT SUPPLIERS
1984

PAN LTD LOCAL PARTS SUPPLIERS

	SUPPLIERS NAME	SUPPLIERS ADDRESS			PRODUCTS
		HEAD OFFICE	FACTORY	TELEPHONE/ TELEX	
1.	A.B.C. NIGERIA LTD (ACI LTD) MR. HERR General Manager	Development House, 9th Floor 18/19 Ahmadu Bello Way, P.O. Box 1359 - KADUNA.	Under erection	3551 - Ext:294	Foam pads (16 items)
2.	ABG ELECTRONICS ALH. BAWA GARBA Managing Director	AP 2 Gombe Road, Kaduna	BK 1 & 2 Tafashiya Road, Kaduna	Ph.243178 Tlx 71351	Radio Cassette (6 Items)
3.	A.B.M. MR. MUKHERJEE General Manager		Sapara Street - Ikeja Ind. Area, P.O.Box 23, Ikeja Lagos.	Ph.933662 Cbl.ABLEAD	Batteries (1 Item)
4.	A.E.P. (Nig.) Ltd., (Philips) VAN DONGEN TORMAN Managing Director		KM 16 Ikorodu Road, Ojota P.O.Box 1921 Lagos.	Ph.932825-6 Tlx. 21297	Radio Cassette (22 Items)
5.	AGIP NIG. LTD., MR. M. TILDE	37 Marina, Unity Hourse, P.O.Box 921,	Ahmadu Bello Way P.O. Box 247, Kaduna	Ph.660255 Tlx.21504	Power Steering Gear Oil

PAN LTD. LOCAL PARTS SUPPLIERS PRESENT SUPPLIERS 1984

	SUPPLIERS NAME	SUPPLIERS ADDRESS			PRODUCTS
		HEAD OFFICE	FACTORY	TELEPHONE/ TELEX	
6.	AUGUSTMOON PLASTICS MR. A. OLATOYE Managing Director		SW8/1142B South-West Ring Road, P.O.Box 1281, IBADAN.	Ph.411883 Tlx.31187	P V C Hoses (4 Items)
7.	AUTO COMPONENTS LTD. MR. RAJAGOPAL Managing Director	P. O. Box 4349 Ikeja - Lagos	Plot 3 - Block IV OTTA Ind. Estate, Otta Ogun State		Aluminium die cast comp. (9 Items)
8.	BECKERS LAY TECH, NIG. MR. KULBERG General Manager	14 Raymond Njoku Road, P.O. Box 50438 Ikoyi Lagos.	Miver Close (113-117 Abraka Rd; P.M.B.2044 Boji-Boji Agbor-Bendel.	Ph.684454 Lag. Ph.680564 " Ph.25849 Agb.	Sound proof materials (4 Items)
9.	BERGER PAINTS MR. SUTHERAN-LOOT General Manager		Oba Akran Avenue, Ind. Estate Ikeja, P.M.B. 21052, Lagos	Ph.900031	Paints and Chemicals (9 Items)
10.	B L I N D E X MR. J. OBIYAN Managing Director	28 - Ajao Street, Surulere - Lagos	10 Coates Street, P.O.Box 6639 - Ebute Metta, Lagos.	Ph.832379	Batteries (1 Item)
11.	BROSSETTEE MANUFAC-TURING, MR. ZOLGER General Manager		4 Maichibi Close P.O. Box 447, KADUNA		Jacks & Wheel Brace, A/c Hoses Fuel, Tank & Pedal system Assembly (12 items)
12.	BUILDOMAT MR. YAZIGI Managing Director	208 Apapa Road Ijora P.O.Box 4283, Lagos	Industrial Estate, Egbe.	Ph.644090	Spare Wheel Cradle Body Hard-ware (41 items)

Appendix VII

PAN/PUR

PRESENT SUPPLIERS
1984

	SUPPLIERS NAME	SUPPLIERS ADDRESS			PRODUCTS
		HEAD OFFICE	FACTORY	TELEPHONE/ TELEX	
13	CAR COMPONENT IND. MR. D.A. OKWURAIWE Managing Director	36B Sabiu Ajose Crescent Surulere, P.O. Box 52164, Ikoyi Lagos	P.O. Box 627, Asaba Bendel State.	Ph. 837681	Safety Belts Sets (3 items)
14	CHEM. & ALLIED PROD. MR. TELFER General Manager	24 Commercial Road, P.M.B.1004, Apapa Lagos.	Adeniyi Jones Avenue, P.M.B.21072, Ikeja Lagos.	H/Q 847851 Fac 31571-2 Tlx 21446 & 21594	Paints and Chemicals (15 items)
15	DUNLOP NIGERIA LTD MR. SPENCER Managing Director		Oba Akran Avenue, P.M.B. 21079, Ikeja Lagos.	Ph.933611-3 Tlx 21315	Tyres (2 items)
16	D. V. C. DR. OBI Managing Director		7 Ayanlu Street; Isolo P.O.Box 1144, Lagos.		Sealers and Antigravel Spray (2 items)
17	FICHTEL & SACHS LTD MR. SCHONEMANN Managing Director	19 Joel Ogunnaike Street, Ikeja, P.O.Box 2115 Lagos.	Plot 11, Block V Ejigbo Road, Apakun Oshodi	Ph.961973 Tlx 26260	Friction Disc & Clutch (2 items)
18	GACOL CHIEF AKINRELE Managing Director	P.O.Box 1534 Lagos 46 Allen Avenue Ikeja Lagos.	Mile 1 Otta-Idiroko Rd., Sango Otta, Lagos.	Ph. Tlx 26220	Air conditioning Component (1 item)
19	INTENSIVE ARTS & ADVERT CO. MR. F.O.ADEBOWALE Managing Director		AP 6 New Bida Road Tudun Nupawa Kaduna		Sticker (1 item)

PRESENT SUPPLIERS
1984

	SUPPLIERS NAME	SUPPLIERS ADDRESS			PRODUCTS
		HEAD OFFICE	FACTORY	TELEPHONE/ TELEX	
20	INTERNATIONAL PARTS IND. MR. BERLIET Managing Director	10B Kainji Road, P.O. Box 9377, Kaduna	Under erection	Ph. 213165	Starter Motor-Window Wiper-Alternator(11 items)
21	ISOGLAS CHIEF F.O.AKINMOKUN Managing Director		Plot 17,Block E Oluyole Ind. Estate, P.O.Box 833, Ibadan	Ph. 412052 Tlx 31177	All glasses (9 items)
22	LEMAN INDUSTRIES MR. AFONSO General Manager		Nassarawa Road, P.M.B. 2208, Kaduna	Ph. 210393 Tlx 71341	Door frames (4 items)
23	MAKERI SMELTING CO. ANDREW BARTON Managing Director		58 Yakubu Gowon Way P.O. Box 653, JOS	Ph. 52777 Tlx 81114 NG	Wheel Weight (7 items)
24	MICHELIN MOTOR TYRES MR. J.P. DULEYRIE Managing Director	Ijora Causeway, P.O. Box 2842 Lagos.	Trans Amadi Industrial Estate, P.O. Box 527, Port-Harcourt.	Ph. 845763	Tyres (2 items)
25	N I A C O MR. S. CAVANI Managing Director		Jos Road Bye-Pass P.O. Box 853, ZARIA Kaduna State.	Ph. 3781	Ignition Coil & Horns(3 items
26	NIGERIA ENG. WORKS MR. PACHISIA Managing Director	Liaision Office: Mr. Buthada 1A Junction Rd, P.O. Box 970, Kaduna Tel. 216358	Plot 49 Trans Amadi Ind. Layout, P.O.Box 519, Port-Harcourt	Ph.331180 P/H Ph.335180 P/H 680578 Lag.	Wheel rims Wheel Carrier Pressed parts (5 items)

Appendix VII

PAN/PUR

PRESENT SUPPLIERS
1984

	SUPPLIERS NAME	SUPPLIERS ADDRESS			PRODUCTS
		HEAD OFFICE	FACTORY	TELEPHONE/ TELEX	
27	NIGERIA HOECHST LTD MR. W. HILDEBRANDT Managing Director	A1 Ahmadu Bello Way P.O.Box 464 Kaduna	70 Trans-Amadi Ind. Layout, P.M.B. 52229 PORT HARCOURT	Ph. 213263	Frigen (2 items)
28	NCCACO MD.MR G.WILHELMS MR SCHNARE		Maichibi Road P.O.Box 1423, Ind. Estate Kaduna South	Ph.216746 Tlx 71376	Harnesses and Cables (47 items)
29	NOLMAN PRODUCTIONS COMPANY MR.S. SHONOLA Managing Director	31 Awoyokun Street Ikorodu Road Mushin Lagos	90 Mafoluku Road, Mafoluku Oshodi, Lagos St.	Ph. 935351	Stickers (2 items)
30	NORTHERN NIG.FIBRE PROD. LTD MR. RAZAAR General Manager		Old Aiport Road, P. O. Box 694, JOS	Ph. 53333/4 Tlx 81127	Carpets (10 items)
31	ONAJOBI IND. LTD. CHIEF E.O. ONAJOBI Managing Director		Ilishan-Ijebu Remo P. O. Box 128, Shagamu	Ph.844553	Carpets
32	PACE ENGINEERING ALH. BAJEHSON Managing Director		No.1 Kaduna North Station Road, P.O.Box 877 Kaduna.	Ph. 213393	Filling of Batteries
33	PANTEX MR. CANAAN Managing Director	38 Agege Motor Road P.O.Box 97; Alakija Mushin - Lagos	See S.P.N. Industrial Estate Egbe KWS	Ph.844842 832616 Tlx 21527	Instrument Cluster, Clocks Gauges, Cables (11 items)

PRESENT SUPPLIERS
1984

	SUPPLIERS NAMES	SUPPLIERS ADDRESS			PRODUCTS
		HEAD OFFICE	FACTORY	TELEPHONE/ TELEX	
34	PENTERS MR. N.P.UGBOAJA President		6 Fadeyi-Aladura Street Ikeja - Lagos	Ph. 934271	Chemicals (3 items)
35	POLYPLAST NIG. LTD MR. GAZAL Managing Director		18 Dantata Road, Bompai P.O. Box 135, Kano	Ph. 2227 Tlx 77186	Upholstery and Seat Cover Components, Door-panels. (50 item
36	RADIATORS NIG. LTD MR. ACKHURST Managing Director	Western House 18th floor, 8/10 Broad Street	Plot 75, Trans Amadi Ind. Layout, P.M.B. 6021, P/Harcourt. R/State.	Ph. 635076 Tlx 21164	Radiators and Condensors (24 items)
37	SILENCER & EXH PIPE MR. VAUTHERIN Managing Director	150 Club Road, P.O. Box 195, Kano	7 Malari Road, P.O. Box 195, Kano	Ph. 2153 Tlx 77107	Exhaust Pipes, Seat Frames Steering Colum Gear Change Transmission (21 items)
38	STANDARD PROFILE NIG. LTD. MR. E. CANAAN Managing Director	38 Agege Motor Road P.O. Box 97 Alakija Mushin Lagos.	Industrial Estate, Egbe Kwara State	Ph. 832615 844842 Tlx 21527	Moulded Rubber & Rubber Profiles. (111 items)
39	TOTAL NIG. LTD ALHAJI Y.G. ALI Executive Director (Sales)	31 Marina P.M.B. 2143 Lagos	KADUNA: P.O.Box 190	Lag 664750 664821 Kad 243131 213266 Tlx 21334	Lubricants - Petrol (5 items)

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PRESENT SUPPLIERS
1984

	SUPPLIERS NAME	SUPPLIERS ADDRESS			PRODUCTS
		HEAD OFFICE	FACTORY	TELEPHONE/ TELEX	
40	WEST AFRICAN BATTRS MR. J.F. SMITH Managing Director		Plot 5 Block XLII; Iwo Rd. P.M.B. 5299 IBADAN.	Tlx 20311	Batteries
41	TRIPLEX Safety Glass Nig. Ltd. MR. GATTI Managing Director		Km 9 Iwo Road, Orita Bashorun, P.M.B. 64 Agodi B.O. IBADAN.	Tlx 31463	All glasses (9 items)

Appendix VIII

I. THE CONTRACT OF EMPLOYMENT

1. The General Law

The contract of employment between the employer and the individual worker is a voluntary relationship into which the parties may enter on terms agreed by themselves. The contract is, however, subject to the general law of Contract. In Industry and Commerce the accepted rights of the parties are often found in the Collective Agreements between employers and trade unions rather than in any individual bargain. The terms and conditions of employment which are found in these Agreements become incorporated in the contracts of employment of the individual workers.

Vicarious Liability

Under the general law an employer is vicariously liable to a person injured by the tort of an employee acting in the course of his employment. So, if a driver who is sent on an errand drives his car carelessly and knocks down somebody and that other person is injured, the employer of the driver and the driver will be liable to the injured person. However, in certain cases where it is proved that the driver knocked down the person while acting outside the course of his employment, the driver alone will be held liable.

2. Contracts of Employment Under the Labour Decree 1974

The salient and relevant provisions of this Decree are as follows:

Unwritten Particulars of Terms of Employment

The Decree provides that when a worker joins a Company and not later than three months after he has joined the employer must provide him with certain particulars including the name of the employer, the name and particulars of the work, the place and nature of the employment, the period of notice, the rates of pay and the method of calculations and the periodicity of payment which must not exceed one month, hours of work, holidays and holiday pay, sick pay, etc.

However, it is not necessary to write a long letter of employment spelling out all the things required above. All that needs be done is to write a simple letter of employment to the prospective worker stating some of the conditions above but directing

his attention to the Employee's Handbook which contains the rules and regulations of the Company and all that has been negotiated with the Union that now form the conditions of employment in the workplace.

Medical Examination

Every worker who enters into contract of employment shall be medically examined by a qualified medical practitioner at the expense of the employer. Such examinations generally take place before the worker starts work and are undertaken by the Company's Doctor.

Contractual Age

No person under the age of 16 is capable of entering into a contract of employment. In some cases, however, young persons who are below the age of 16 can be employed and by implication can enter into contract for such employment as in the case of apprentices but the areas of employment for those under 16 are restricted.

Hours of Work and Overtime

The normal working hours of any company shall be those fixed by mutual agreement or by collective agreement or in appropriate cases by an Industrial Wages Board. Once these hours have been agreed or fixed, any hours worked in excess of these by the worker shall constitute overtime.

Where a worker is at work for six hours or more a day his work shall be interrupted (to the extent which is necessary having regard to its character and duration and to the working conditions in general) by allowing one or more suitably spaced intervals of not more than one hour on the aggregate.

Sick Leave

A worker shall be entitled to be paid wages up to a maximum of 30 working days in any one calendar year during absence from work cuased by temporary illness certified by a qualified medical practitioner.

Appendix VIII

Employers Duty to Provide the Work

A duty is placed on the employer to provide the worker with work suitable to his capacity on every workday that the worker present himself for work except where a collective agreement provides otherwise. If the employer, in the absence of any agreement or law fails to provide work he shall pay to the worker in respect of each day on which he has so failed, wages at the same rate as would be payable if the worker had performed a day's work. Where, however, owing to a temporary emergency or other circumstances beyond the employer's control (the period of which shall not exceed one week or such longer period as an authorised Labour Officer may allow in any particular case) the employer is unable to provide work, the worker shall be entitled to these wages only on the first day of the period in question. The provisions will not apply where the worker is suspended from work as punishment for a breach of discipline or any other offence.

Annual Holidays With Pay

Every worker shall be entitled after twelve months continuous service, to a holiday with full pay of at least six working days. The actual time of taking the holiday may bedetermined by the employer and the worker provided that leave shall not be accumulated for more than two years.

3. Employees Obligation Under the Contract of Employment

In law the employee's main duty fall under three headings:

(a) To give faithful and honest service;

(b) To use reasonable skill and care in his work; and

(c) To obey lawful orders and not to commit misconduct.

4. Suspension

In law we may distinguish between a voluntary and an involuntary suspension. If an employee who has not been guilty of any misconduct is deprived of the possibility of working and earning because the employer, albeit for what he considers to be a good reason suspends the employee, the employer will still be liable to pay him the wages due, unless the employer can possibly point to some term in the contract of employment expressed or implied entitling him not to pay wages.

Where the stoppage is involuntary because of some natural event or from some other cause for which the employer is not responsible then it is possible that the employee may lose his right of payment during the period of stoppage unless the contract of employment can be so construed as to establish the employee's right to wages in any event.

It is believed that where a contract expressly provides for suspension for certain types of misconduct, it will be enforceable. In that case, the suspension could carry with it loss of wages for the period of suspension.

5. Termination of Employment

A contract of employment may be terminated in three ways:

(a) by the expiry of the period for which it was made; or

(b) by the death of the worker before the expiry of the period for which it was made; or

(c) by due notice or in any other way in which a contract is legally terminable or held to be terminated.

Length of Notice of Termination

Either party to a contract of employment may terminate the contract on the expiration of notice given by him to the other party of his intention to do so. Under the Labour Decree the period of notice is graduated depending on the length of service of the worker as follows:

(a) Where the contract is for a period of three months or less one day;

(b) Where the contract is due for more than three months but less than two years - one week;

(c) Where the contract is for a period of two years but less than five years - two weeks;

(d) Where the contract is for five years or more - one month.

Any period of notice of one week or more shall be in writing. It must be emphasised that these periods are minimum period and nothing prevents the employer from having better conditions.

II. STATUTORY CONTROL OF EMPLOYMENT

The relevant provisions of the Labour Decree in this respect are as follows:

1. Payment of Wages

A worker must be paid in legal tender i.e. notes and coins issued by the Central Bank of Nigeria. Legal tender does not include cheques. However, wages may be paid by cheque or postal order if the prior consent in writing, of the worker is obtained.

2. Advances

The employer is only allowed to make an advance of a maximum of one month's wages. Anything in excess of that is illegal. Where an advance in respect of wages has been paid to a worker, the minimum period for the recovery of the advance by the employer shall be three months.

3. Deduction from Wages

It is illegal for an employer to make deductions from the wages of workers whether such deductions are for or in respect of fines. However, with the prior consent in writing of an authorised Labour Officer, the employer may make reasonable deductions from the worker's wages in respect of injury or waste caused to the employer by the wilful misconduct or neglect of the worker. The employer is also empowered to make deductions in respect of certain approved schemes such as Provident Funds and Pension Schemes, contributions to unions, thrift societies, etc., but the total deductions from a worker's wages in any one month must not exceed one-third of his total wages.

4. Employment of Woman

There are three main areas to be considered with regard to the employment of women:

(a) Maternity Protection;

(b) Night Work; and

(c) Underground work.

5. Health Safety and Welfare

The law here is governed by the Factories Act, 1958,

(a) Health Provisions; The Act makes provision for cleanliness, overcrowding, ventilation, lighting, drainage of floors, sanitary conveniences, protective clothing and appliances.

(b) Safety Provisions: The provisions here are concerned, among other things, with fencing of prime movers and transmission machinery and the provision of a safe means of access to every place at which any person has at any time to work.

(c) Welfare Provisions: These cover adequate supply of drinking water, provided and maintained at suitable points conveniently accessible to all persons employed.

Accidents and Industrial Diseases

Accidents causing loss of lives or disables a worker from earning full wages at the work at which he was employed must be reported immediately to the nearest Inspector of Factories.

Under the Workmen's Compensation Act, 1958, a worker who sustains an injury from an accident which arises out of and in the course of his employment is entitled to compensation. The level of compensation depends on the degree of injury.

With regard to Occupational diseases so specified, it is the duty of the occupier of any factory who believes or suspects that a case of occupational disease has occurred in the factory to send a written notice to the nearest Inspector of Factories.

Death of a Workman

Where an employed person dies whether in the place of work or at home a written notification must be sent to the nearest Labour Officer.

CONDITIONS OF SERVICE FOR SENIOR & INTERMEDIATE STAFF

PEUGEOT AUTOMOBILE NIGERIA LIMITED

INTRODUCTION

1. These conditions of service are applicable to Senior and Intermediate Staff throughout the Company. The levels of staff in each category are as follows:

   (a) Senior Staff: Levels V to VII inclusive.

   (b) Intermediate Staff: Level IV.

2. The conditions of service vary both between the Intermediate Staff and the Senior Staff and within the various levels of the Senior Staff to reflect progressive rewards for additional skills and responsibilities.

SECRECY

3. The employee is bound to treat as strictly confidential on a need-to-know basis any information regarding the Company's business which he has acquired in the course of his duties.

4. Any breach of confidence will automatically result in the summary dismissal.

ENGAGEMENT

Recruitment:

5. The objective of recruitment is to engage the best qualified men and women from the widest field of qualifications and experience to best fill the appointment offered.

6. In all cases a search to fill vacancies from within the Company will be undertaken before external recruitment is attempted.

Appointment

7. A letter of appointment will be given to each employee setting out remuneration, probation, notice, principal benefits and where applicable any other conditions specific to the individual contract.

8. Employment is subject to medical examination, including a pregnancy test for female employees.

Probation

9. (a) Senior Staff

The probation period is 6 months, often including a period of induction and on-the-job training. The Head of Division or Department as appropriate will make progress reports, which they will discuss with the employee, at 2 monthly intervals to the Personnel Division.

(b) Intermediate Staff

The probation period is 3 months. Two progress reports are required at mid-point and end of the probation period.

Confirmation

10. Confirmation is subject to satisfactory performance and progress reports from the appropriate Head of Division or Department.

11. Job performance will be reviewed on confirmation and a salary adjustment may be made.

Retirement

12. Normal retirement age is 60 years for men and 55 years for women.

13. Voluntary retirement is permitted 10 years before reaching normal retirement age provided the employee has completed 10 years' service.

14. The Company may extend the services of an employee beyond the normal retirement age up to a maximum of 5 years, with an extension to the retirement benefits as prescribed in the rules of the Company's Provident Fund or Gratuity Scheme, as applicable.

Notice of Termination

15. On Probation

The services of any employee on probation can be dispensed with at any time during the probation period subject to notice given to him in writing as follows:-

(a) Senior Staff

3 months or less	- 1 week.
Above 3 months	- 2 weeks.

(b) Intermediate Staff - 1 week.

16. After Confirmation

(a) The Company may at any time terminate the employment of an employee without assigning any reason therefore by giving notice to the employeee in writting, or without previous notice by payment of basic salary in lieu thereof as follows:

(i) Senior Staff - 1 month.
(ii) Intermediate Staff - 2 weeks.

(b) An employee may terminate his employment with the company at any time by giving previous notice in writing or without previous notice by paying basic salary in lieu thereof as follows:

(i) Senior Staff - 1 month.
(ii) Intermediate Staff - 2 weeks.

Long Service Award

17. Long service awards are given by the Company as a mark of appreciation for continued service:

(a) On attainment of 10 years service:

Certificate, presentation and 1 month's basic salary.

(b) On attainment of 20 years service:

Certificate, presentation and 2 months' basic salary.

(c) 30 years service or more:

Certificate, presentation and three months' basic salary.

Promotion

18. Promotion can only take place after confirmation.

19. Promotion to a higher post shall be determined by performance, experience and qualifications always provided that a vacancy exists.

20. Promotion may be dependent on certain conditions such as re-training and development.

REMUNERATION

Salary

21. Salary will be paid in accordance with the Company's salary scales. Each level is comprised of 3 steps.

must be justified in claiming expenses

Housing

31. Company houses are provided for level VII staff only Employees are responsible for the preservation of company property in a good state of maintenance and repair.

32. Others receive an allowance to alleviate the cost of accommodation at a rate determined from time to time in the appropriate geographical areas.

Leave Allowance

33. Leave Allowance is 30% of one month's basic salary

Entertainment Allowance

34. Legitimate expenses incurred by Senior Staff for food, drink and accommodation to cover business entertainment previously approved at Division Head level will be paid on production of receipts.

Salary Advances

35. Salary advances may be made after confirmation in an emergency on examination of individual cases. The terms are:

(a) up to one month's basic salary may be advanced
(b) repayable in 3 consecutive monthly instalments
(c) one advance only may be taken in a financial year
(d) an advance must be repaid before another will be entertained.

Medical Cover

36. The Company provides free medical care for all its employees.

37. The Company also provides free medical cover for the senior staff employee's family in accordance with the terms set out in the Company scheme. For details apply to the Personnel Department.

Senior Staff Provident Fund and Life Assurance Scheme

38. Senior Staff on confirmation of appointment are eligible to become members of this fund, which is contributory at 5% of basic salary by the employee and 10% by the Company. They are also covered throughout their service with the Company by life assurance of twice pensionable salary.

39. Intermediate staff are eligible, after 10 years qualifying service, to one month's basic salary on retirement, either voluntarily or at full retirement age, for each year of service in the company. Benefits are not payable on dismissal.

Appendix IX

Group Personal Accident Insurance

40. Senior staff are covered by a group personal accident insurance policy as a safeguard against accident up to a maximum benefit of ₦50,000 in case of death of the employee or total disablement.

Personal Liability Insurance

41. Senior staff are also insured against legal liability arising from injury to a third party or damage to third party property.

Loans

42. Loans by confirmed staff from the company will be considered in exceptional cases of hardship. The terms are:

(a) normally confined to house rents

(b) will not exceed the applicant's annual housing allowance

(c) must be repaid in 12 monthly consecutive repayments

(d) an employee will not be allowed two loans at the same time.

OUT-OF-STATION ALLOWANCES

Hotel Accommodation

43. Where an employee is on a business trip outside his station for a period not exceeding one month, and company accommodation is not available, the company will reimburse the costs as set out in Annex A.

Guest House Accommodation

44. Where a member of senior staff is accommodated in a company guest house, free lodging and breakfast will be provided. Lunch and Dinner may be claimed at the rates in Annex A.

Private Temporary Accommodation

45. If company premises or a hotel room are not available and/or the employee provides for his own private accommodation, the company will pay a fixed allowance as in Annex A.

NYSC Employees

46. NYSC graduate employees who are given senior staff employment will be entitled to company accommodation and transport or an allowance of ₦100.00 per month in lieu.

Appendix IX

TRANSFER ALLOWANCES

Temporary Transfer

47. Whenever a member of senior staff is required by the Company to spend a short period lasting more than one month but not exceeding three months on a temporary assignment outside his usual station, the company will provide accommodation on its premises or in a reasonable hotel. Hotel accommodation charges will be paid as appropriate and a standard allowance of ₦95 per week allowed for meals if living in Company premises and ₦100.00 if in a hotel.

Permanent Transfer

48. Where the Company transfers a senior staff member permanently, the employee will be entitled to the following:-

(a) Settling-In Grant: The Company will pay a grant to help the employee to secure and pay for accommodation in the new location. For details see Annex B.

(b) Hotel Accommodation: The employee will be provided with accommodation either on the company's premises or in a hotel for not more then one month. Out-of-Station allowances as in Annex A will apply. The Company will give all reasonable assistance to obtain suitable accommodation, but the onus is on the individual to find his own home in a timely manner.

(c) Guest House Accommodation: Where an employee is accommodated in a company guest house, free lodging and breakfast will be provided. Lunch and dinner may be claimed at the rates in Annex A.

(d) Private Temporary Accommodation: Where an employee elects to stay in private accommodation instead of a hotel, he will be entitled to a fixed allowance as in Annex A, for not more than one month.

NIGHT SHIFT ALLOWANCE

49. Night shift allowance is payable to those employees concerned at the rate of ₦1.40 per night worked.

SCHEDULE OF DUTIES

50. All employees are required to work a 40 hour week as follows:

(a) Kaduna

(i) Normal Shift - 0730 - 1200) Mon. - Fri.
1230 - 1600)

(ii) A Shift - 0600 - 1430) Mon. - Fri.
B Shift - 1430 - 2300)

(iii) A. & B. Shift workers will be in place 10 minutes before the shift changes.

(iv) A 30 minutes meal break between 1200 & 1230 is given for Normal Shift workers, and on a timed programme published separately for A and B Shift workers.

(b) Lagos

(i) A flexible hours clocking system operates as follows:

0730 - 0900 Reporting time.
1245 - 1315 Lunch break.
1530 - 1730 Closing time.

(ii) Saturday work is done to make up any deficiency in the 40 hour week.

(c) Spare Parts Depot

0730 - 1600 Includes 30 minutes lunch break.

(d) Branch Offices

8-hour schedule plus a half-hour lunch break.

Canteen Facilities

51. Company canteen facilities operate as follows:

(a) Senior Staff Canteen

Nigerian style food - free
European style food - ₦1.00 per meal.

(b) Intermediate Staff

Nigerian style food - free

LEAVE

Duration and time

52. Leave is granted as follows:

(a) Senior Staff. 31 calendar days.
(b) Intermediate Staff. 31 calendar days.

53. (a) Kaduna. Leave is taken in the leave year 1 June - 31 May. Actual dates are by agreement with the Head of Division or Department concerned taking into account the annual closing time of the factory which is decided by Management for technical reasons.

(b) Lagos: Leave is taken in the leave year 1 January - 31 December. Actual dates are by agreement with the Head of Division or Department concerned.

(c) Newly joined employees have a pro-rata entitlement after confirmation in the first year of service.

Recall

54. Where the employee is recalled from leave, he shall be entitled to retain his leave allowance against the time when he can take the balance of his leave period outstanding.

Accumulation of Leave

55. The employee may carry forward part or the whole of his leave period and allowance from one year to the next at Company's request or exceptionally at the individual's request, provided the accumulation does not exceed two years.

Additional Leave

56. Gazetted Public Holidays falling within the leave period entitle the employee to the corresponding additional leave or exceptionally by management agreement, payment in lieu thereof.

Sick Leave

57. A medical certificate must be produced within 48 hours of going sick.

58. In cases of protracted illness the following scales of payment and retention apply:-

(a) Senior Staff

Full pay	- 2 months
Half pay	- 2 months
Unpaid	- 1 month

(b) Intermediate Staff

Full pay	- 1 month
Half pay	- 1 month
Unpaid	- 3 months

On completion of the unpaid periods the employee's service will be terminated if he is still unfit for work.

Compassionate Leave

59. Compassionate leave with pay may be taken if Management is satisfied that the circumstances warrant it. The scale is as follows:

(a) Senior Staff	4 days per year.
(b) Intermediate Staff	3 days per year.

Additional unpaid compassionate leave may be granted depending on the circumstances of each case.

Maternity Leave

60. Maternity leave is granted 6 weeks before and 6 weeks after confinement on production of a medical certificate giving the date of delivery. Salary is paid at 75% of basic salary. On expiration of maternity leave, a female employee who is unfit for work due to a condition certified by an approved medical practitioner to be the result of pregnancy or childbirth will be entitled to normal sick leave as in paragraph 58.

Study Leave

61. The Company offers the opportunity to undertake full-time courses or further studies on a study leave basis subject to examination of individual requirement by the Company.

Holy Pilgrimage

62. Time spent on the Holy Pilgrimage counts against annual leave. Time spent in excess of annual leave will count as unpaid leave.

TRAINING AND DEVELOPMENT

General

63. The Company has a programme for continuous training and development of its employees to increase their performance and fit them for promotion. The Company will endeavour to give every opportunity to its employees to enable them to realise their full potential through various types of training:

(a) On-the-job Training. As arranged by the Training Centre and Department concerned.

(b) Off-the-Job Training.

(i) Internal facilities at the Company's training centre.

(ii) External courses and attachments, locally and overseas.

64. Whenever possible an employee, on joining the Company will be given a training programme and induction course to prepare him for his job.

Employee Performance Appraisal

65. Periodic appraisal of the employee's job performance is carried out by his departmental head thereby enabling the Company to follow the progress made by each employee and to determine training and development needs, succession planning and merit awards.

Clothing Grant

66. Where an employee is sponsored by the Company to attend a training attachment overseas in a temperate climate, he will be entitled to a clothing grant. The amount will vary depending on the time, duration and nature of the attachment.

Overseas Attachment Expenses

67. Employees sent on an attachment will be given an expenses allowance calculated to meet individual requirements depending on level, country, duration and accommodation circumstances.

Membership of Professional Institutions

68. The Company will assist senior and intermediate staff members in gaining and maintaining professional qualifications provided they are relevant to the employee's job responsibilities and refer to an institution recognised by the company.

69. The Conditions are as follows:

(a) Non-graduate employees. Those employees who are preparing to sit for intermediate stage examinations of a professional body with a view to gaining full membership. The Company will cover examination fees. The employee must successfully complete the examinations at each stage in not more than two sittings.

(b) Graduate Employees. The Company will pay for the annual subscription fees on admission to fully qualified membership of the institution. Only one subscription will be paid per employee.

(c) Examination Leave. Employees will be given annual paid examination leave of one week. Further time off will be unpaid or decuctible from the next annual leave entitlement.

DISCIPLINE

Letter of Advice

70. If an employee commits an offence which is sufficiently serious to merit recording in his personal records, he will receive a letter of advice. If a subsequent offence occurs it will be the subject of more serious disciplinary action.

Warning Letter

71. If an employee commits an offence which is of a seious nature, but insufficient to warrant termination of his services, he will receive a warning letter. The Company reserves the right to terminate an employee's service, depending on the circumstances

should a second warning letter become necessary. In all cases a third offence of sufficient seriousness to warrant a warning letter will entail termination of the employee's services.

Suspension

72. If a serious offence has occured which will entail prolonged investigation, any employee who may after investigation be found to be responsible will be immediately suspended. The Company reserves the right to withhold salary during suspension depending on the circumstances of each case.

Dismissal

73. The Company may at any time summarily dismiss an employee without previous notice for any offence which in the opinion of the Company constitutes gross misconduct, including:-

failure to obey reasonable orders;

irregularities in accounts;

unsubstantiated shortages of cash or stock;

dereliction of duty;

disclosure of confidential information regarding the Company's business;

intemperance;

having private interests which conflict with the performance of his duties;

any act or omission grossly inconsistent with the due performance of his obligations;

or any other serious breach of Company rules and practice.

Certificate of Employment

74. The employee, on leaving the Company's service voluntarily or otherwise, will receive a certificate of employment stating:

(a) date of entry into the Company and date of departure.

(b) nature of the employment.

ALTERATIONS

75. No alterations or additions to these conditions of service shall be binding unless in writing by the Company.

EFFECTIVE DATE

76. The conditions of service contained in this booklet take effect from 1st January, 1980.

Appendix IX

Annex 'A'

OUT OF STATION ALLOWANCES

Facility	Senior Staff	Intermediate Staff	Remarks
Breakfast	₦5.00 (a)	₦1.00	
Lunch	₦15.00	₦3.50	Company canteen facilities to be used whenever possible.
Dinner	₦15.00	₦5.00	
Hotel	Reasonable charges.	Reasonable charges up to maximum ₦12.00	
Private temporary Accommodation	₦15.00	₦10.00	includes reasonable room charges.

Note:

Provided free in company guest house.

Annex 'B'

PERMANENT TRANSFER OF SENIOR STAFF

In cases where a member of senior staff is required by the Company permanently to change the location of his work and it is not possible for him to travel daily from his home to the new place of work, he is entitled to a settling-in grant.

The grant will be calculated at the equivalent of one year's housing allowance at the rate currently in force in the new location.

The maximum amount payable will be ₦2500. The grant will be paid in three monthly instalments.

The grant is intended to assist employees to procure and occupy accommodation near their new place of work and to provide essential furniture and equipment occasioned by the move.

Travelling and removal expenses for the employee and his family will not be paid in addition to the settling-in grant.

In the unlikely event that a further re-deployment is necessary before 3 months have elapsed, any balance unpaid by the Company will be retained. Any additional assistance required by the employee will be decided by management in the light of individual circumstances.

Appendix X

PEUGEOT AUTOMOBILE NIGERIA LIMITED
SENIOR & INTERMEDIATE STAFF MEDICAL SCHEME

The following policy for Senior and Intermediate Staff Medical cover takes immediate effect and supersedes the policy set out in PAN/FE/FCEB/EO/218/78 dated 29th August 1978, which should be destroyed.

ELIGIBILITY

Employee and Dependents:

1. The Employee and his dependents, known as the family unit, are eligible to free medical cover subject to the limitations provided under appropriate headings hereunder.

2. The Employee's dependents hereinafter known as "eligible dependents" consist as follows:

   (a) Senior Staff. One wife and up to four children up to the age of 18 years.

   (b) Intermediate Staff. One wife and up to two children up to the age of 18 years.

3. The Company will not accept medical responsibility for the husband of a married female employee. Children as in paragraph 2 above will be accepted into the scheme where similar medical cover is not available at the place of work of the employee's husband. Evidence of this must be shown.

4. In the case of a married female employee who is separated from her husband or of a single parent female employee, the Company will cover the employee's children as in paragraph 2 above.

APPROVED MEDICAL TREATMENT

5. Medical cover will be provided for the Employee and eligible dependents from any of the Company's approved Medical Practitioners or Clinics and from any Medical Practitioner or Clinic to which the Employee and dependents may be referred by an approved Company Medical Practitioner.

LIMITATIONS OF COVER

6. Cover is subject to the following limitations:

Appendix X

(a) Geographical The scheme operates only in Nigeria except for personnel officially detached abroad on company business for whom specific terms will be determined at the time.

(b) Nature of Illness. Cover will extend only to illnesses of a normal nature as established by current business practice. Illnesses which give rise to permanent partial or total disablement will not be covered. Illnesses which give rise to temporary total disablement will be covered subject to medical advice and the provisions of paragraph 6 (c) and (d).

(c) Diseases and Conditions Specifically Excluded.

The Company will not accept responsibility for payment of medical cost arising from:-

- Veneral Disease
- Alcoholism
- Drug Addiction
- Other Personal avoidable indiscretion.
- Provision of eye glasses frames and lenses, dentures and artificial limbs.
- Pregnancy and childbirth.
- Tooth fillings other than with normal white metal amalgam.

(d) In the case of other illnesses or conditions not specified in 6 (c) above, the Company reserves the right to exercise its discretion on payment according to the individual circumstances of the case.

(e) Pharmaceutical Bills. Bills for drugs purchased from the chemists for self medication will be entertained only in exceptional cases.

(f) Hospitalisation. Charges for private facilities will only be accepted if such facilities have been recommended on proper medical advice in company approved hospitals subject to the Company's overall discretion in the light of the circumstances of individual cases.

(g) Surgical Operations. No bills will be entertained without consultation prior to the operation between the Company and the approved Medical Practitioner to determine whether the operation is a fair charge to the Company.

Appendix X

PAYMENT BY THE COMPANY

7. Medical bills will not normally be accepted from any sources other than approved Medical Practitioners. In exceptional circumstances, e.g. industrial action by the medical profession, bills from other sources will be considered for payment, in part or in whole, on recommendation of an approved Company Medical Practitioner.

ADMINISTRATION OF SCHEME

8. Lagos Head-Office and Southern Out-stations.

The scheme will be run by the Personnel Section, Head Office.

9. Kaduna Assembly Plant and Northern Out-station.

The Assembly Plant Clinic Sister will be responsible for the day to day administration of the scheme in conjunction with the Personnel Department.

10. Spare Parts Depot, Badagry Road.

The scheme will be run by the Personnel Section of the Spare Parts Depot.

DOCUMENTATION

11. Lagos Staff.

(a) The Company will submit the names of all eligible personnel to the appropriate Lafia Clinic.

(b) An individual record card will be opened for each eligible person. Cards will be kept by the appropriate medical staff. They will bear the photograph and particulars of the eligible person and will be used to identify the individual at each visit to the Medical Practitioner.

(c) Additions or removals from the eligible personnel Officer, for Head-Office staff and to the Spare Parts Department Personnel Officer, for the Spare Parts Depot.

Appendix X

12. Kaduna.

The Medical Practitioner attending the Plant Clinic will extend his services to the eligible personnel. Dependents will be seen at the Doctor's Clinic. Records will be maintained as in 11 (b) and (c) above.

13. Out-Stations.

The Company will secure the services of a Medical Practitioner to take charge of the eligible personnel in each area. Records will be maintained as in 11 (b) and (c) above.

REVIEW

14. This scheme will be subject to review from time to time.

Appendix XI

PEUGEOT AUTOMOBILE NIGERIA LIMITED

1984 FRINGE BENEFITS

JANUARY 1, 1984

[illegible] & INCIDENTAL	[illegible]	[illegible]	RAIL	NON-ACCIDENT	NIGHT MEAL	OUT OF STATION ALLOWANCE	SHIFT ALLOWANCE	COMPANY CANTEEN SUBSIDISED PRICE LIST NO 21
[illegible]	[illegible]	[illegible]	[illegible]			₦2.00 per breakfast ₦15.00 per lunch and dinner Reasonable hotel accommodation charges or private accommodation ₦15.00 per night	₦1.50 Morning & Afternoon	Lagos 1. Senior staff Nigerian food - free European food - ₦1 2. Junior staff - free Kaduna 1. Senior staff Nigerian food - free European food - ₦1 2. Junior staff - free
[illegible]	[illegible]	[illegible]	[illegible]			Breakfast .. .. ₦2.00 Lunch .. .. ₦4.00 Dinner .. .. ₦5.00 Hotel charges up to 12.00 or Private accommodation 10 per night TOTAL ₦21/23 (Private/Hotel Accommodation)	₦1.50 Morning & Afternoon	Lunch All wages (No Control Facilities) Head Office, Kaduna Levels V, VI, VII ₦5.00 to workers bar.
[illegible]	[illegible]	[illegible]	[illegible]		₦3.00	Breakfast .. .. ₦2.00 Lunch .. .. ₦3.00 Dinner .. .. ₦5.00 Private Accommodation ₦10 per night TOTAL ₦19.00	60k Afternoon only	District Offices Kano, Enugu and Apapa Shipping Departments Levels I - II ₦2.40 III ₦3.00 IV ₦3.60 V, VI, VII ₦5.00
[illegible]	[illegible]	[illegible]	[illegible]	[illegible] Saloon ₦10 Kaduna ₦5 Truck ₦15 Heavy duty truck ₦45	₦2.00	Breakfast .. .. ₦1.00 Lunch .. .. ₦2.00 Dinner .. .. ₦3.00 Private Accommodation 10.00 per night TOTAL ₦15.00	30k Afternoon only	
[illegible]	[illegible]	[illegible]	[illegible]	Lagos ₦10 Kaduna ₦5 Truck ₦15 Heavy duty truck ₦45	₦2.00			

Appendix XI

PEUGEOT AUTOMOBILE NIGERIA LIMITED

PAGE 2

[illegible] - [illegible]

1984 FRINGE BENEFITS

JANUARY 1, 1984

[illegible]	[illegible]	SPECIAL EXPENSE	DEATH BENEFIT	SETTING-IN ALLOWANCE	LUNCH ALLOWANCE	MEDICAL	COMPANY PENSION BENEFIT
[illegible]			Covered by insurance	12 months housing allowance paid in three instalments (not exceeding N2,000)	N15.00	Free medical care for employee, wife and up to four children	Company contributes 10% of employee's salary while the employee contributes 5%
[illegible]		5% for staff covered under insurance scheme. 5% for members under insurance scheme	Same	Same	Same	Same	Same
[illegible]		[illegible] & levels Plan VI	Same	-	N4.00	Free medical care for employee, wife and up to four children	Same
[illegible]	[illegible]	N200.00	One year salary	-	N3.00	Free medical care for workers	-
[illegible]	[illegible]	N500.00	Same	-	N2.00	Same	-

[illegible] Management Trainees
[illegible] Technical Undergrads

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