THE EFFECTS OF RAIL TRANSPORT ON SOCIO-ECONOMIC DEVELOPMENT OF NIGERIA: A CASE STUDY OF NIGERIA RAILWAY CORPORATION 1995–2002

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BEING A THESIS SUBMITTED TO THE POSTGRADUATE SCHOOL, AHMADU BELLO UNIVERSITY, ZARIA, IN PARTIAL FULFILMENT OF THE REQUIREMENTS FOR THE AWARD OF MASTER DEGREE IN PUBLIC ADMINISTRATION (MPA)

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DECLARATION

I Jonathan Olusegun Ajakaiye Ajayi hereby declare that this thesis was written by me under the supervision of Dr. A.A. Anyebe in the Department of Public Administration.

To the best of my knowledge this thesis has not been accepted in substance for any other degree and is not being submitted concurrently for nay other degree.

I certify that this thesis is entirely the result of my independent research

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CERTIFICATION

This thesis entitled: **THE EFFECT OF RAIL TRANSPORT ON SOCIO-ECONOMIC DEVELOPMENT OF NIGERIA: A CASE STUDY OF NIGERIAN RAILWAY CORPORATION (1995 – 2002)** by Jonathan Olusegun Ajakaiye Ajayi meets the regulations governing the ward of the Degree of Master of Public Administration of Ahmadu Bello University and is approved for its contribution and literary skills.

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ABSTRACT

The importune of the Nigerian railway corporation in the socio-economic development of Nigeria cannot be over emphasis. However, this has not been so. The performance of NRC for the past two decades has been that of a disappointment. The Nigerian railway corporation is completely died.

This study is aimed at assessing the implication of the collapse of NRC to the socio-economic development of Nigeria. In doing this, the survey design was adopted to generate date for the study. Both the second and primary data were obtained. Primary data was obtained through questionnaire administered, and interview conducted on some sample population. Simple statistical tools like, table, frequency and percentages were used to analyse the data obtained. Two hypotheses were postulated to give the study a focus.

The findings from the study shows that the major problem of NRC has been in the areas of its operation, and management, among others, this has led to the total neglect of NRC by the government and its eventual collapse.

The researcher recommends that government should adopt the recommendation of Bureau for Public Enterprise on the split and eventual privatisation of the Nigeria Railways. The researcher however recommends that, governments should embark on rehabilitation of NRC. And funds should be made available for this, before is eventual privatise to attract investors

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CHAPTER ONE

INTRODUCTION

1.1 Background to the Study

From the time of political independence in the 1950s and 1960s, most governments of developing nations made the public sector to play a central role in their economies, particularly in the provision of social services. The principal reason for the emergence of the public sector in a country is the government's decision to intervene directly and actively in the economy in order to achieve purpose or objectives of its development plan. In achieving this developmental goal, public enterprises were established to play the leading role in the economic activities of these nations.

In Nigeria, public enterprises were created mainly to foster development and National integration. Nigeria like most developing countries, has since independence and in the decade of the seventies of the oil boom years developed particularly large public enterprises incorporating economic activities such as Banking and insurance, oil prospecting, exploration, exploration, refining and marketing. In short, they are involved in the power, telecommunication, transport, manufacturing sectors. The following quotation from Nigeria's second National Development Plan 1970/74 typifies the rational for the development of public enterprises in Nigeria.

> *"Statutory corporations and state owned companies have become an important tool of public intervention in the development process. Their primary purpose is to stimulate and accelerate national economic development under conditions of capital security and structural defects in private business organisations. There are also basic*

> *considerations arising from the dangers of leaving vital sectors of the national economy to the whims of the private sectors often under the direct remote control of foreign large scale industrial combines*. Public enterprises are thus crucial in Nigeria's quest fro the *true national economic independence and self- reliance.*

Federal Government Investments as at 30th November, 1990, was put at over N36 billion at their historical book values. At today's replacement costs, they are probably worth over N100 billion. The returns from these investments never exceeded 2% per annum, which is less than 25% of the annual subventions from the government to the parastatal sector (Abubakasr (2002 ,P: 3)

But the countries experience with public enterprises, as been that of a disappointment.

Several reasons were advance as the causes for their poor performance. They include; political relations with parent ministries, politically appointed managerial personnel, poor financing, lack of administrative autonomy, uneconomic localization of industries, poorly defined goals and objectives, low managerial capacity, contentions relating between management and boards of directors, fraud or corruption, poor feasibility studies before embarking on projects and poor internal organisation structure.

These public enterprises become a drilling pipe for corrupt government official and their private collaborators to siphon large sum of government money. As rightly put by the World Bank (1986).

> *Public enterprises constitute one of the major areas of governmental expenditure and from which there is no hope of profits. As such that thy are therefore the major causes of indebtedness throughout the 3rd world, gobbling-up in some cases more than 50% of external credits.*

From the World Bank report, it is clear that huge part of Nigerian National debts are indeed debts incurred by public enterprises.

The decline and the deterioration in the performance of these public enterprises has always been a serious concern to every successive government of Nigeria. These public enterprises are not only inefficient but also ineffective in terms of the services they render and the revenues generated.

Among these public enterprises is the Nigerian Railway Corporation (NRC). The Nigerian Railway Corporation (NRC) was one of the public enterprises that the Nigerian government inherited as the time of independence in 1960. NRC was one of the oldest public enterprises in Nigeria. The Railways services stated in 1901 and was legalize officially with the passage of NRC Act of 1955 for the purpose of carriage of passengers and foreign in a cost effective manner. It was the cheapest safest mode of transportation in Nigeria up till the 70s. Its establishment was seen as a way of opening up the interiors areas of the country for economy activities. So its role as a vehicle to foster social economic development of the country then cannot be over emphasized.

The development of railways in Nigeria in the early 20th century, which was legacy of colonial government contributed to the growth of many town that ultimately become large industrial and commercial cities, such as Kano, Kaduna,

Zaria, Jos, Ibadan, Lagos, Enugu etc. the railways also helped to developed the potential of tourism as well as fostering infrastructural development in the country. Today, that can not be saw of NRC the decline and deteriorating condition of Nigerian railway corporation since the 70s has been a source of concern to successor government of the country. As of today the Nigeria Railway Corporation (NRC) is completely dead. This study is out to assess the effect of NRC non performance to social economic development of Nigeria.

1.2 Statement of the Problem

The Nigeria Railway Corporation is the oldest government corporation in Nigeria. The railway until late 70s was the dominant means or mode of transpiration in the country. Then the railway was seen as a catalyst for social economic development. The railways then according to Asika (2000) play the following roles.

i. It was the first largest employer of labour then even perhaps more than the civil service.

ii. It offered the cheapest and most efficient means of transportation

iii. It was environmentally friendly and recorded few accidents in history

iv. It is one important source of unification of Nigeria and up till now the symbol of unity,

v. Nigerian ports Authority (NPA) grew out of NRC's Marine Department and NPA until 1982 was a department under NRC even NEPA, Post Office and telecommunication grew out of it.

But for the past two decades, the Railway has not been able to live up to its expectation. It is evident when one visits one of the stations that the railway is at the brink of collapse. Despite various efforts by successive governments of Nigeria to revive the corporation, uptil date, there seem not to no meaningful improvement. The government of Nigeria did not help issues rather, as the railway is seen as irrelevant in today economy. This wrong in notion by the political class has made the corporation to be abandoned to die a natural death.

The major problem of NRC has been adduced by many as that of management problem, this lead to the government inviting RITES, a management consultant from Indian in 1980 to manage the NRC for the period of three years. Few years after their exist, the NRC is worst of more than it was before the RITES of India came. The invitation of China Civil Engineering and Construction Company (CCECC) by the Nigerian Government in 1996 to revitalize the Nigerian NRC did not help matter. The NRC as it is today is ghost of it formal self.

With the past vital roles of railway transport past, it is evident that the Nigerian Railway has the potential of transforming social economic development as it has done in the past. The Nigerian Railway Corporation can be of the following benefit.

i. It can serve as a catalyst for the development of Nigeria

ii. It is capable of generating employment to several unemployed Nigeria, thus reducing the rate of unemployment in the country

iii. It is capable of reducing the rate of accident from the use of other mode of transportation, as it is not prove to accident

iv. It is capable of providing better environmental friendly transport services than any other mode of transport because it has a more wider and spread connectivity.

v. Has the capacity of bulk movement of goods over a long distance more than any other form of overland transport. Whereas the maximum pay load weight of a truck is 30 tonnes, a railway wagon carries an average load of 35-49 tonne and about 20-30 of such wagons could form a train loan. Furthermore, because of rail transport capacity for bulk movement, line-haul unit cost is relatively low and cheap.

vi. It offers very strong determinant in the implementation of inter-modality, thereby encourages and supports the general integration of other modes of transport together.

vii. It can also stimulate and accelerate economical and other economic activities in their area of connectivity.

viii. It can also foster infrastructural development of these areas.

In view of the social economic relevance or important of railway to the as well as development of the country, it would be wrong to treat the problem of railway with levity.

The present plight in which the Nigerian Railway corporation found itself is not good for the development of the country as the cooperation would have lost

much due to its collapse or demise. This study is motivated by these reason that is, to assess the effect of Nigerian Railway Corporation to the social economic development of the country.

Ajiboye (2002) is of the opinion that availability of rail transportation gingered or attracted much commercial activities in the various station. Also according to him with the high cost of petroleum product and with little or no alternative energy source in most parts of the world, most especially in Nigeria, the introduction of fast, reliable and efficient rail transportation will be a welcome relief to many people, families and organisations. Since it would reduce fuel consumption and enable them to save and invest more.

1.3 Aim of the Study

The major objective of this study is to appraise the contributions of Nigerian Railway Corporation to the socio-economic development of Nigeria. That is how the collapse of the railway as affect socio-economic development of the nation. Specific objectives include;

i. To assess the performance of NRC vis a- vis this past roles as an Engine for social economic development
ii. Examine the reasons for it present non-performance
iii. Determine the factors responsible for its non performance

iv. Suggest or recommend the best way in which the Nigeria Railway Corporation will again become a catalyst for socio-economy development in Nigeria.

1.4 Statement of Hypotheses

The following hypotheses were employed in this study

1. That the operational and management inefficiency of the NRC has a significant effect on its performance.
2. The failure of NRC to perform its role as a vehicle for socio-economic transformation is a consequences of its non- performance.
4. That the NRC has failed to contribute to the socio-economic development due to its inefficiency.

1.5 Scope and Limitation of the Study

The study attempt to assess the effect of NRC collapse on socio-economic development of Nigeria. The socio-economic indexes to be considered include employment, and development of infrastructure facilities and National income.

The duration of the study is from 1980-2000). The major limitation of this study is dearth of relevant data as some information needed was not easily available both at the corporation Head quarters and the present ministry of transport. it is also limited by time and fiancé and as the time is not available to ensure that all the stations in the country are reached.

1.6 Significance of the Study

The present situation or condition in the NRC has been a cause of worry, not only the government but the overwhelming majority of people of Nigeria especially those that are patronizing NRC services. The essence of this study is to appraise the effect of NRC collapse on socio-economic development. Many studies carried out focused on the causes of the non-performance of the corporation without looking at the effect on the socio economic development of the nation.

The study will re-engineer or motivate the government to realise the socio-economy implication of the collapse of NRC on the economy of Nigeria.

The study will also reveal the socio-economic importance of NRC and what the Nigerian government and the generality of the people, especially the masses will benefit if NRC can be resuscitated.

It is believed that the research will assist and guides the Federal Government in taking appropriate measure in term of policy making to resuscitate NRC and to ensure its efficiency not only in the transportation of goods and passengers, but also in enhancing rapid development.

The study will also assist the management of NRC to adopt new policy measure through knowledge gain in this research study to administered or manage the corporation effectively and efficiently.

In addition to the policy value, the study is expected to contribute immensely to the body of knowledge on transport administration in Nigeria and it

will assist other researcher carrying out further studies on the rail sector and as well as the transport system in general.

1.7 Methodology

For the purpose of this study, the following techniques are used to collect and analyse data.

1.7.1 Source of Data

For the collection of data for the purpose of this work, both the primary and secondary methods of collection of data would be used.

a) Secondary Data

Data was obtained through the examination of official documents and publications of Nigeria Railway Corporation, Federal Ministry of transport, National Institutes of Transport Technology, NITT Zaria, and the Federal Office of Statistics. Other source of secondary data include, journal, seminal papers, bulletins, articles, documents from both local and International Research Institutions. Also relevant data were obtained from newspapers and magazines.

b) Primary Data

The major instrument for the collection of primary data in this study is through the questionnaire and interview. Both the close and open-ended question were utilised to elicit responses from the respondents. Interviews were also

conducted to complement information drawn from the questionnaires. The interview gave the researcher the opportunity to clarify some issues that are not stated in the questionnaires. It also affords the researcher to interpret unspoken actions, postulations and facial expression, which sometime speaks louder than words.

SAMPLE DESIGN

1.7.2 Population and Sample Size

The population of this study constitutes the entire beneficiaries of the services of NRC which due to lack of data could not be ascertained.

In lacking sampling for the purpose of this study the random and cluster sampling method was utilised. Since the study covers the entire activities of NRC in Nigeria, the researcher would adopt the cluster sampling method in selecting the area of study. The researcher recognising that NRC in Nigeria is divided into five districts each of these district would be recognised as a cluster. As such, a number of staff and passenger of Nigeria Railways Corporation would be randomly selected from each of these districts.

The five districts are Lagos, which is the headquarters of NRC, Western District, with headquarter in Ibadan, Eastern with headquarters in Enugu, Northern with Headquarters in Zaria, North Central with Headquarters in Kafanchan North East with Headquarters in Bauchi.

In each of the district 32 staff respondent were randomly selected from the senior carde of NRC while 50 to beneficiary respondent were randomly selected from each of the district. The analysis of the sampling size is tabulated below.

The rational for chosen these five districts is because they represent the major are of activities of the corporation and also represent the geo-political are of the country.

District or Division of the Nigeria Railway

District	Headquarters	Sample size		Total
		Staff	Beneficiary	
Lagos	Ebute – Metta	32	70	102
Western	Ibadan	32	70	102
Northern	Zaria	32	70	102
Eastern	Enugu	32	70	102
North Central	Kafanchan	32	70	102
North Eastern Central	Bauchi	32	70	102
	Grand total	192	420	612

Source the survey

Questionnaire Administration

From the table a total of 612 questionnaires were distributed to the prospective respondents, that is the staff and the beneficiaries of the corporation. The total number of 401 questionnaires filled and returned while 19 were not returned or not adequately filled, as such, a total sample size of 401 responses from would be utilised for the purpose of analysis for the study.

The total sample size is 612 and the researcher is of the opinion that the number is adequate and reliable to drawn conclusion in this research study.

1.7.3 Statistical Totals Used for Data Analysis

The statistical tools or instrument used for the analysis presentation and of the data collected for this study includes, table, frequency and percentages.

1.8 Definition of Terms

1. **Development:-** The concept of development is multi-dimensional in nature and this has led to the emergence of various definitions by different scholars. They include, d. Govlet, Dudly sees, M. Todaro, W. Rodney, etc. But for the purpose of the definition, Todaro would be adopted. Todaro (1982:120) view development as "a multi-dimensional process involving changes in structure, attitudes and institutions as well as the acceleration of economic growth, the reduction of inequality and eradication of poverty."
2. **Socio-**Economic Development can be view as development in both the economic and social sphere o a people or a notion. The major indicators of solid economic development includes, employment, health, education, GNP. Infrastructural development (i.e. roads, communication, power, water, sanitation, etc).
3. **Efficiency:**- The ratio of input to output. Efficiency is attained when the output is higher than the input.
4. **Inefficiency:**- This is an opposite of efficiency. When the input is more than the output.

5. **Effectiveness:**- Effectiveness is achieved when objectives of an organisation is achieved.

6. **Performance:**- This is the output of an organisation in terms of the goods and service it provides. Performance is measured by assessing the quality of goods and services. So it is possible for an organisation to achieve efficiency without performane.

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CHAPTER TWO

2.0 Literature and Theoretical Framework

2.1 Literature Review

There are few literature on the issues of Nigerian Railway Corporation (NRC) and most of those literature focus more on the problems of NRC with little emphasis on the implication of its non- performances on the socio-economic development of the country. This study would review literature in the area of establishment and operation of NRC owners trip potentials of NRC NSA-Vis. founding its contribution to the socio economic performance development of Nigeria.

1) Establishment On NRC

Omoniwa (2000) in his study of an Assessment of the performance and management of the Nigeria Railways Corporation believed that the performance of NRC can be better appreciated if viewed within the colonial setting, such as, the reasons for the establishment of railways in the colonial territories. According to him, the major reasons for the establishment of Nigerian Railways during the colonial period was economic reasons but after independence, the demands made on the NRC go beyond economic to include social, political, culture and Administration not demand reasons. This assertion was first made by (Tamuno:1964) while the Colonial Railways system was intended to be a vehicle for national development the post colonial government has railways as one of its major objective three utilization of railways to achieve accelerated development.

(Adegbeyemi:1986). The major problem has made how the government will use the Nigerian Railways to achieve this objective (Omoniwa 200) concludes the railways during the colonial period were constructed in the colonial territories for their distoral advantages over the other modes of transport (Abubakar 2002)

In a paper (Abubakar 2002) sees the cause of NRC inefficiency as the initial wrong concepts of the colonial railways managers who intend to use it as a vehicle for exploitation of raw materials for their factories.

The Nigeria Railways have no solid foundation at its inception due to ideological differences of the managers and what the rail transport will stand to achieve in a developing country like Nigeria. Even when the Nigerian managers took over after independence, they seem not to have the right solution that could help to remedy the situation. This was rightly put by (Abubakar2002).

> *The initial planners of the railways construction the colonial managers never had such a vision in mid for the Nigerian. Railway. They had a different concept and were faced wit the problems of ignorance of the physical future of the country, large espanse of un-surveyed and uncharted land and the inability to raise funds for the constructed of a standard railway for Nigeria. The colonial administration decided to avoid, as far as possible does cutting high embankment long spans tunnels, and viaduct in the construction of what we now have a railways track of the present Nigerian Railways corporation. No serious effort were made do a better construction because the political future and economic potentials of Nigerian are* largely unknown.

The misconception constituted a great band on the inefficiency of the Nigerian Railway corporation The gain it would have achieved as a vehicle for development of the national has been constrained by this misconception efforts by

successive government and NRC manages of the federation to remedy the situation and made the corporation a visual for socio-economic development has not also brings any changes.

2) Problem Of Administration

Another serious problem of the Nigeria Railways Corporation is the failure of successive government to transform the colonial Railway into a modern system of transport that are needed for a developing country like Nigeria. According to (Omoniwa, 2000:13) the rail transport infrastructural facilities inherited at independent were such that it is only though dynamic intervention though the government that could correct the in-balance the need to use the railway system as tool for speeding socio-economic and political development was not only real but overwhelming: (Abubakar, 2002:3) sees the problem of Administration as the lack of political will on the part of the federal government to decisively takes the bull by the horn. He traced the history of efforts of government in revitalizing Nigerian railway to 1979, when the infrastructural decay got to a creseen-do. These RITES of India, Techno-managerial consultant were invited with the mandate to turn around the Nigeria Railways Corporation within the three years within the period the Indians were managing the corporation their focus was on the technical and administrative aspects of railway input. Not much was done on the marketing and corporate planning aspects. Therefore the over all improvement recorded during the RITES period was marginal and could not endure. A few years after the RITES

were gone deteriorate in train operation become noticeable again. By 1980 the federation government had to appoint a sole administrator to manage the corporation. This was follow by the Romanian project of 1989, which was aimed at up grading the corporation's workshop facilities. The Romania government on its parts supplied all the equipment required for the project but the government could not supply the found for the installation of these equipments, it continued in piece meal this later expose the equipment to serious deterioration.

The contract with the Chinese civil Engineering construction company (CCECC) did not help matter also. According to him attempt to sell the NRC has also failed as no organisation is ready to buy it.

3) Finance

The statute which set up the NRC states that, it shall be the duty of the corporation to conduct the affairs of the Nigerian Railways so as to ensure that as far as practicable, the annual revenue of the corporation taking one financial year with one another meet charges on property chargeable to generate revenue (NRC 1955) This financial obligation requires the NRC to cover all operating cost in the long run. The NRC has not been able to meet this requirement for decades given the fact. The Railway have a start over other modes of transport, it has not been given or all order any serious attention in the provision of funds as a result the railway remain stagnant and is worse- of even more than what it was during the colonial era. While Road Transport, waterways have grown tremendously from their

pre-independence levels. He believes that the railway has suffered because of low investment to it.

Adido, (1988), in a survey of public organisation in the transport and aviation sectors analysis the natural options of financing rail transport as it affects its utilization. He emphasised that the operation of rail ways is capital intensive and therefore it required large investment in heavy equipment infrastructure and qualify personnel. The financing of rail transport in Nigeria and up till date remain a sole share holding and source of most capital extended to it. He further stress that the NRC has suffered comparatively in terms of allocating of fund over the past three decades this resulted in deterioration of the assets of track rolling stock signalling and communication equipment which have eroded its competitive position even for bulk, long haul traffic for which it is best suite. He however suggested that the railways comparative share of transport sector investment be sustained at about 20% over the next two medium term plans as a matter of deliberate policy. He also recommended for a well-structured capital base and a contract plan with an in built system of grants that will compensate for services obligation imposed on rail. The researcher however faulted the recommendation of (Adijo 1982) as we can see later that despite the huge investment on the railways, the situation becomes worst. The NRC became draining pipe and as it now, government is no longer willing to invest huge capital on the railways.

In a paper presentation, Anyawu (1990) stressed the need for a variable and partially commercialised Nigerian Railways corporation. He emphasised that

Nigerians need to recognised that there will not be efficient public funding to build or proffer solutions to Nigeria railways problem. According to him the Nigerian Railways Corporation has been affected by both rising costs and declining revenues. The federal government has spent more than it collects in revenues funding in real terms and are likely to continue. He emphasised that the budget deficit that had been witnesses since 1980 worsened in 1990 with a whooping deficits of N19.6 billion during the first half of the year. He stressed further that the financial problem of the NRC is that of huge financial losses, for example in 1987, NRC total revenue stood at N54.1 million, having an operational deficits of N103.6 million. Also in the first three quarters of 1988, NRCs total revenue was N35.23 million while its operating deficit is N124.0 million. He further emphasised that it is not the enormity of the NRC finance that should be of concern to government, but also the effective management of such funds. To him given the prudent management and exploitation of the various strategies couple with capacity to plan with available funds, the NRC can adequately and effectively finance her services. He was of the view that the adoption of resource control and internal control system, will avoid wasteful use of resource. This can be improve by reducing cost, improving financial management, and strengthening financial accountability. The researcher share the same view with this writer, but he major problem is that the government lack the political will to adopt this strategy.

4) The Potentialities Of The Rail Transport

The potentialities of rail transport has an alternative for meeting mass transportation demand in Nigeria is very high, it is believed, the mass transits system can provide the means by which the majority of the society can be moved on mass at a particularly point in time. Most of the urban centres of the world are over populated. Lagos Metropolis, for instance, has a population exceeding 8 million and has transportation system which have deficit several solution. The available public transportation especially the bus system can not meet the demand of the people because the demand are more than the supply, while the busses are grossly inadequate and the number of functioning mass transit buses of standard single deck larger single deck and double deck or articulated which has the fare paying passenger carrying capacity of 80 to 160 per trip and 1000 to 2400 passenger per day are reducing every day as a result of the economic depression of the world, exorbitant prices of new vehicles, high maintenance cost, inadequate availability of genuine spare parts, declining purchasing power, galloping inflation, deteriorating per capital income and high over mounting debt problem. Similarly, the congestion of traffic and people as well as the need for the majority of the people to move at a particular time to schools, offices, workshops, religions centres, markets and other places such as recreational centres. According to Ikya (1993) despite the availability of above 200,000 vehicles in Lagos, 75% of the vehicles are private cars and taxis of 4/5 passengers capacity are not every resident or family of the city has a car of their own and where they have a car not

every body could drive because of their age, physical and emotional disability and more importantly not every body could have the vehicle at a time. In essence there is a great need to move the large pool of people from their respective origin of destination. The question then arise, how would they be moved?.

Adeniyi (1993), agreed that one universally accepted advantage of buses is their flexibility in meeting changes in the shape of city development and in the quantity and quality of public transport demand while they are the commonest mode of transits. The would and virtually ubiquitous however, they could only moved effectively through the use of rail transport which has a very high passenger carrying capacity.

Ajiboye et al (1994) shows they among the most serious urban traffic problems in Lagos are congestion, inadequate number of vehicles, long waiting time at bus stops, long travelling time, pollution etc. world banks policy paper on urban transport noted that, in Lagos, the average vehicle travels is about half the speed of its counterpart in London and frankfurt and this indicated that a large amount of time and energy are often wasted.

Ikya (1993) said on the average over 1.4 million passenger trips are generated every working day of the week by vehicles entering and leaving Lagos Island for metropolitan Lagos. This however revealed that despite the number of vehicles on the roads they have not been adequate to ameliorate the massive problem of commuter while the available vehicles causes heavy hold-up on the

highways especially during the peak periods. Therefore a light rail mass transit scheme will be the best option for use in this circumstance.

All over the world the commercial nature of urban centres continue to attract more people from the rural areas to the urban centre, which are made up of functionary and interactions parts. According to Don (1990) these functionary p[arts are as a result of urban land use which consist of residential, educational, commercial, industrial, social, recreation and administrative centres. Transport constitutes the major interacting parts of any urban city. The spatial in -balance that is often created by these land use types are therefore result into the existence of desire in one place and fulfilment in another. This therefore means that the land must be used to the maximum.

According to Adeniyi (1993) mass transit must have a carrying capacity of 80 to 160 passenger and about 1000 to 24000 passengers per day. While a light rail transit metro have a passenger carrying capacity of 20,00 – 36,000 per hour per track and a conventional Auxiliary car carrying just four (4) people per trip. For the best utilization of the land for transport the rail transportation is the best.

According to Ajiboye (2002) every urban centre has various transport problem, which often depend on the morphology of the city couple with socio-economic, political, and environment. He cited Lagos, which serve as the administrative and commercial nerve centre of this country. It is a mode from which socio-economic, political, ideology and development diffuse to other areas in the North, East, west and middle belt regions. For all these to take place, there

must be a mean to transfer these message and one of such through an effective rail transport. This therefore allowed every member of the community to achieve their daily socio-economic activities.

Another potentials of rail transport as an alternative for mass transport is in the area of safety. It is safer to ride in a train, than in a bus and worst more to ride in private vehicles. Study carried out by Adeniyi (1993) shows that the accident rate of bus transport per 100,000 killometer is between 1.5-3 while that of rail, is far lesser.

Onakomaiyo (1993) review newspaper headlines about the various accidents that occurred especially those that involved buses such as, 10 killed as train hits passenger buses, 14 killed in road crash, '18 killed in crash', 'family loses' 4 killed in ghastly bus crash and loaded molue plunges into majodun river 21 bodies recovered 50 feared dead etc. According to Ajiboye (2002) with the introduction of train mass services there is likely to be high reduction in the number of vehicles on the road in the cities. This would therefore result in an improvement in the environment quality in term of reduction in atmospheric pollution and noise, while the good health of the citizen as well as the beautiful environment would be further appreciated through effective sight seeing. Further more, the fear of loss of car to armed robbers on the way and when packed, fear of accident as well as where to pack the car would be completely eliminated, while the strain of driving and perfect concentration would be removed. All these give the passenger the grace to rest his mind and plan his time very well. Rail transport as an alternative for mass transit is

more reliable, time saving, more relax and even reduced urban traffic congestion because there would not be any hold-up except to pick and drop passenger at the accredited stations and with the large number of people it would carried a specific period. This would then reduce the traffic load on the high ways and relatively make the highway free for the counters. The availability of rail transportation also encourages socio-economic activities in the areas. Many commercial activities are attracted to the rail stations where people could buy and sell. Similarly, there is an effective distribution of goods and services from region A to B and vice – versers, while many skilled and semi skilled personnel and employee from the large people or labour force waiting to be employed especially in Nigeria.

Wit the high cost of petroleum products and with little or no alternative energy source in many part of the world including Nigeria, the introduction of fast, reliable and efficient rail transportation will be a welcome relief to so many people, families and organization, since it would reduce fuel consumption and enable them to save and invest more.

Omoniwa (1995) is of the opinion that the railways have played an important role in the movement of passengers and freight traffic. According to him before the era of motorise transport, the Nigeria railways enjoyed a kind of monopoly in the haulage of both passenger and freight traffic. As such the role of railways in the economic development of the country could have been more pronounced if each mode of transport was allowed to handle the traffic for which it is most capable. Railway is most suitable for trafficking large load weights over long

distances. With the post independence gigantic road development programmes, the road transport mode has overwhelmed the railways.

5) Railway Transport Problems

inspite of the socio-economic and political roles played a-cross the globe and their varying developmental impacts, many railways systems especially in developing countries including Nigeria are seriously sick and suffering from rapidly declining productivity and unimpressive operating and financial performance among other things.

Osunbole (1997) believed that the rail transportation was not lucky unlike other modes of transport like road because it not adequately favoured in all the developmental plans of the Federal Republic of Nigeria until now. He further say that since independence of the country as well as since the establishment of Railways in Nigeria, there has always been that implacable force that is repelling all attempts made to develop it by well meaning forces of progress.

Galenson and Thompson (1994) Believed that insufficient rail operation, coupled with chronically inadequate earning, have continued to aggravate and perpetual the deficiencies in basic rail infrastructure, provision and maintenance, while the aftermath problem are magnified by the macro economic crises currently faced by man countries.

Other general problems affecting the rail transport are summarized by Adesanya (2000) as state ownership and control, undue government interference, unrealistic rates and traffic, which are often government imposed, excessive labour

force with huge salaries and pension bills, resistance of railways in meeting the needs of clients as well as slow consideration and response to institutional retard even when the need for then are too obvious. The effect of all these are usually service differences and subsequent railways losses of market share of the trucking industry in particular and a large and direct financial burden on the public sector budget.

The rail transport faced and still continue to face the keen competition from industry for freight and from the luxurious buses on long distance journey from the south to the north and vice versa. The Nigerian Railway Corporation is faced with problem that concern state of the equipments, its quality of services, as well as financial and management problems, which directly affect freight and passenger movement.

A study by Hamed (2001) reviewed that out of a total number of 2.880 wagons owned by the Nigerian railway corporation in 2000, only 122 representing 42.69% are fit and the rest wagons are unfit.

Having review relevant literature that bothers on the establishment, operation performance of NRC, and its contribution to socio-economic development, we reviewed the e general problems of NRC. The major challenges now how to solve these problems so that Nigerian Railways will be revertilize so as to be capable in meeting its expected roles.

The next section would be on the theoretical framework of the study.

2.2 Theoretical Framework

System Theory Approach to Organizational Effectiveness

A system can be defined as a set of units, parts or entities which interact with one another to perpetrate the functional existence of the whole system. Thus a system is not just a sum of units / parts but also include the interactions amongst the parts. Each parts has specific roles or functions to play in ensuring the functional survival of the system. An absence or malfunctioning of one or more of the units/ entitles of the system may not necessarily kill the system but can result in its malfunction. Usually no part of the system can be more important than the system itself.

Gibson et al (1994) define system as a grouping of elements that individually establish relationships with each other are that interact with their environment both as individuals and as a collective.

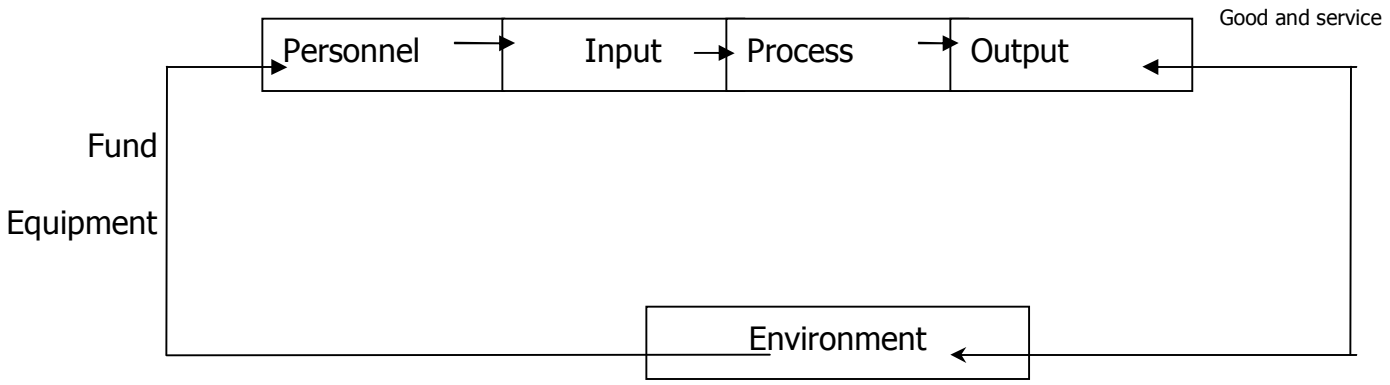
In the context of system theory, the organisation is one element of a number of elements interacting inter dependently the flow of inputs and outputs is the basic starting point in describing the organisation. In the simplex terms, the organisation take resources (inputs) from the lower system (environment) processes these resources, and returns the in changed form (Output). Figure 2.1 displays the functional element of the organisation as a system .

System theory also stresses the organisation connection to the larger system of which it is a part. Every organisation is a part of an industry (larger system) a

society (yet Larger system), and increasingly, a global economy (perhaps the largest system of all).

The theory shows that organisations are open social system because they must draw resources (input) from their environment, which they mobilise and utilise to produce goods and services that they have to export back to their environment as output. This process occurs in a cyclical manner. The success or failure of an organisation is measured by the rate of inputs to outputs.

The system theory



Sources: Gibson, L J et al (1994) organisation behaviour, structure, processes.

The Nigerian Railway Corporation (NRC) does not exist in a vacuum. It is an element in the transport system. And within it exist other sub system like the personnel The NRC acquired resources, (personnel, fund and equipment) and in turn convey it into goods and services (carriage of good and people and freight), which is also part of the environment.

To be able to made analysis of the effective and efficiency of the railway it has to be seen as an open system which is influence by the economic political, technological and social factors. The railway can not be isolated form the socio-economic factors for example, the population of people that patronise the services of railway determined its revenue generation capacity, no mater how effective the service of railway is, if the people refuse to patronise its service, it is of no value. It is also affected by the environment and political decision of the government. Most of the problem of the NRC has been hinged on government decision or policies concerning its operation. These factors are external.

Also the NRC, as a system is made up of many sub-system which are interdependent and interrelated and unless all the subsystem function properly, the over all performance of the organisation will normally all below expectation. As such, any analysis or assessment of NRC performance which focus on operations commercial accounts are personnel department without due references to the engineering and communication function department would alone by produce misleading result, because the engineering and communication department constitute the pivot or engine norm of the NRC.

For example, no matter how buoyance the NRC is, and no matter how qualified the personnel are, if the engineering and communication department is ignored, the corporation will achieve little or nothing. In view of this assertion, the system approach shows that no organisation can function effectively and efficiently accept all its parts or sub systems carry out their assigned roles satisfactorily.

The survival of an organisation using the system approach can therefore be seen in terms of it ability to produce and export to the environment more output than the input it draws from the environment continually. Although it is possible that some organisation can be effective without been efficient, we could still access organisation performance based on its inputs when it is more than its outputs.

Another important aspects of the system theory is that the larger system (society) made demands on their parts. These demands includes more than simply demand for products of acceptable quality and quantity, organisation must also ensure that their actions contribute to viable environment, air, water, internal stability and political stability (Gibson et al 1994: P. 7). Thus, the organisation cannot simply produce a product or service to satisfy its customers, it must also produce actions and behaviours to satisfy other important components for the larger environment, the larger system. This assertion form the basic of this study aimed at assessing the socio-economic contribution of the Nigerian railway co-operation. This socio-economic factor is not necessary part of the organisation goals, but it is an important element in assessing its performance.

The concept of the organisation as a system, that is related to a larger system introduce the important of feedback. As noted already, the organisation depends on the environment not only for its inputs but also for the acceptance of this outputs, thus, the organisation must develop means for adjusting to environmental demands. The means for adjusting are information channels that enable the organisation to recognise these demand. Feedback refers to information

that reflects the outcomes of an act or a series of acts by an individual, group, or organisation. System theory emphasizes the importance of responding to the content of the feedback. System theory emphasizes two important considerations. First, the ultimate survival of the organisation depends on its ability to adapt to the demand of its environment and secondly, in meeting these demands, the total cycle of input process output must be the focus of managerial attention. Therefore, the criteria of assessing performance effectiveness and efficiency must reflect both considerations.

The system approach accounts for the fact that resources have to be devoted to activities that have little to do with achieving the organisation goals. In other words, adapting to the environment and maintaining the input process output flow required the resources be allocated to activities that are not only indirectly related to the organization's primary goals.

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CHAPTER THREE

3.0 History, Operation And Organisation Structure Of NRC

3.1 History of Nigerian Railway Corporation

The first rail line in Africa was stated in 1852 by the famous railway engineer Robert Stephen son to connect Cario with Alexandria in Egypt, and then in the cape colony of South Africa in 1859.

In Tropical Africa, Railway construction started towards the end of the 19th century especially after the Berlin Conference of 1834-5 when tropical Africa was partitioned among various European Powers. It may in-deed be said that the period between the late 19th Century and the first world war were the boom years of railway construction in Tropical Africa it was during this period that most of the present railways were constructed.

The railways were the outcome of various economic and political motives and rivalries. For one thing, they enable the colonial powers to administer a territory and convince the rivals that they were in effective control of the area claimed. The second motive for the construction of the railways was the anticipation that they would stimulate increased production in the regions, which pass through. Having secured political control, the economic motive became more important, and the railway line, were constructed or extended to link areas of mineral and agricultural potentials.

When these trans Atlantic trade became very lucrative as the agricultural product of the sub Saharan region were in great demand in the European market,

it was discovered by the colonial administration in Nigeria that the major transportation mode in the hinterland, the inland waterways, could no longer meet its needs. More over the seasonability of navigation on the river and creeks posed serious problems. The colonial government in Nigeria made application for the construction of rail lines to the secretary of state for the colonial prior to 1892.

As a result of the selfish colonial government interest, the colonial office in 1892 commissioned a survey to estimate the cost of railway construction in Nigeria. This was headed by William Shelfords. Although, Sir William Shelfords came up with favourable result, approval for construction did not come until 1985 when the secretary of state sanctioned the 32km, "1067 mm" gauge railway from Idddo to Otta. Consequently, by 1896 construction of the first railway line began from Iddo (Lagos). It got to Otta and Abeokuta in 1898 and in 1901, it got to Ibadan. That year Lagos – Ibadan line was opened by 1909 the line got to Jebba and linked to Baro- Kano line (already completed in 1911) at Minna by 1915.

The Eastern line connecting Port-Harcourt to Enugu was opened in 1916, this line got to Port Harcourt in 1924 from where it was extended to Kaduna through Jos in 1927; this linking the Western and Eastern lines. Jos was linked with Zaria in 1912 by a narrow gauga line designed for the evaluation of tin from the Jos Plateau. This narrow gauge line called the Bauchi light Railway was closed in 1957.

The Nigerian Railway was therefore constituted in 1912 by the amalgamation of the Lagos Government Railway and the Baro- Kano Railway. The

Maiduguri line was later opened in 1964. Apart from the two main lines branch lines were also built from Zaria to kaura Mamoda, Kano to Nguru and Ifo to Idogo.

With the addition in 1`966 of a 9.6 Kilometre branch line from Alesa Eleme Oil refinery to Elelenwa in the Port-Harcourt to Enugu line, Nigerian railway has a total of 3505 kilometres of single- track, metre guage Railway connecting the two principal seaports, Lagos and Port-Harcourt, with the major urban centres in the interior.

At the onset, the railway was known as the Nigerian government railway and run as a department of the Federal Government. However, in 1952, the Government announced its intention to establish the Nigerian Railway Corporation (NRC) as an autonomous body to take over the duties and functions of the railway department. This did not come through until 1955 when the Nigerian Railway Act was passed. The Act set up the NRC, as a statutory Corporation entirely owned by the Federal Government. The act assigned the following function to NRC.

i. To manage and operate the Railway and provide reasonable facilities for the carriage of passengers and goods
ii. To control railway Expenditure
iii. To ensure that as far as it is possible, annual revenue are sufficient to meet all expenditure properly chargeable to revenue and
iv. To direct and control expansion and extension of the railway system

The NRC Act empower the minister of transport and Aviation to give to the corporation, directive of a general character as to the discharge of its functions in

relation to matters appearing to him (minister) to be of great importance. The minister may also establish the upper limit of rates and fares within which the NRC is free to fix its rates/. Fares as well as appoint an inspector of railways. The NRC is required to furnish any information register by the minister \relating to its operations, property and finances, including annual account and reports.

The idea to establish the NRC was to free the Railway management from the rigidity and formality of government procedure and to establish the corporation as a public utility to run on quasi- commercial lines and in a sound financial basic. The NRC Act advised that uneconomic service could be undertaken at the expense of the government should the later insist on such services. Again, the government while paper on statutory corporations and the state owned companies 1978, emphasized that the corporation was largely of a commercial and industrial nature. However, from its creation, the NRC was saddled with conflicting objectives. The government did not seem to make up it mind whether it should be run as a business or social service. That conflict reflects heavily on the operations of the NRC.

Development of Nigerian Railways after independence

Throughout the colonial era, rail transport was the most important mode of transport in terms of its infrastructural facilities, traffics, hauled and reliability as an all the year round transport system. For example, while the first motorable road in Nigeria was opened in 1906 (Onakomaya, 1981) train services had begun as early

as 1901 on the Lagos- Ibadan route. This foremost position of the Nigerian Railways during the colonial era was overturned shortly after independence.

Shortly after independence a five years National Development plan was introduced, beginning from 1962-1968 in which priority attention was given to the critical sector of the economy. The transport sector was given a top priority, because of its potential to open up the country through internal movement of goods, services and people. However, a new policy for transport development also evolved. Transport development was conceived as an integral part of National development. A multi-model approach was also adopted in which all the major transport modes were given some attention based on the government perceived need, for them. As a result of this thinking, road transport was not only given the most important attention more than half of the resources available for the transport sector was invested into road transport development.

Thus for the period from 1960-1978, the railway system did not only lose its importance and relevance to the post independence socio-economic and geo-political activities, but its role as a major transport system in the scheme of National development.

Therefore, for the entire period of 1960 –1970, there was very little attempt at the development of the Nigerian Railway system. Given the post colonial experiences, the Nigerian Railway Corporation was faced with the problem of how to regain its lost glory and make itself relevant to the socio-economic and Political development of Nigeria.

The first attempt at re-organising the NRC system in 1971, when a new organisational structure was adopted, the reform brought about the cancellation of the post of deputy general manager, Location of secretary to the NRC outside line management making the secretary responsible solely to the Board the abolition of the position of DGM is to cartel the constant right between the General manager and his deputy arising purely from land of specific functions assigned to the post of Deputy General Manager .

The re-structuring also see the placement of District managers below the Heads of Department, this was designed to remove the misconception that the District mangers were higher in the organisational hierarchy of the NRC. The re-structure experiences more decentralization and clearer liens of reporting compared to the former structure. More units, department and districts were also established. Despite this re-structuring; NRC fortunes continue to decline even rapidly especially in the mid-to late 1970s until the Rail India technical and economic services limited (RITES) was invited in the late 1970s to resuscitate it. The RITES was contracted for three years, from 1979 – 1982 in order to turn the declining fortunes of the NRC around.

The need to inject into the management of the NRC, an external management train was first mounted in 1975 by a Canadian consultant appointed by the federal Government to carry out a management audit of the corporation between 1970-1975. Both the World Bank RITES also made a similar recommendation to the Federal Government in 1976 and 1977 respectively as

consultants to the Federal Government on the Nigerian Railways. These external consultants were of the view that there was a counselling need to inject into the NRC an external techno-managerial know-how, which they concluded, was lacking and constituted one of the problems militating against the efficiency and effectiveness of the NRC.

The RITES management team made up of 36 top managers and 470 technicians formally took over the management and running of the NRC in January 1979 (World Bank, 1983).

The RITES was contracted for three years at the cost of N462 million and this led to serious improvement in the outrage of wagons, coaches and locomotives, serious reduction in operating ratio, good and effective communication system but with little improvement to the track (Omowa,1995 : P 30) .

RITES also trained a lot of Nigerians within and outside Nigerian with 600 Nigerians sent to India to acquire more knowledge and experience. The built a great number of staff quarters, training schools, canteens, medical centres in the division. At the end of the contract, NRC recorded a considerable improvement in its operation, but this could not be sustained.

From 1983 to 1985, the passengers carried by the Nigerian Railway Corporation rose from 12.98 million to 15.42 million, since then, the number of passengers carried annually continue to decline, By 1989, the total passenger carried had dropped to 6.5 million, and to 580,000 in 1993. However in 1994, the passengers carried rose to 1.43 million, and further to 1.73 million in 1991 to N39.4

million in 1995, despite a continuous reduction in freight tonnes 1 km from about 282,000 tonnes 1km in 1991 to 108,000 tonnes 1km in 1995. It was the upward review of tariff (CBN Annual Report 1995:110 Adesanya, 1997). Salisu. 3.

In 1986, there were 187 locomotives of eight different makes in NRC's book stock, while daily availability of locomotives has fallen from 75 at the time to about 25 locomotives in January, 1997; thus constraining the provision of all the 148 programmed services per day. The effective, functional stock of wagon is less than 3,000 as against the required 7,00 wagons.

The inability of the NRC to sustain the considerable improvement in this operations recorded after the RITES left Nigeria, led to the contractual agreement which was entered into between the Nigerian government and China civil Engineering and construction corporation (CCECC) and it was planned to cover a period of 36 months. This bilateral pact, which was made in order to improve rail operations in Nigerian worth about US$528.697,000.

In 1996, the Federal Government made move to revitalise the company by signing a memorandum of understanding (MOU) with China civil Engineering and construction company (CCECC) a Chinese firm to modernise it operation.

The firm was to repair damage Rail tracks and reconstruct all the bad bridges along the Rail lines in the county, train staff and supply 400 wagon, 150 coaches and 50 locomotive engines. As of today, the contract that was supposed to last for three years at an estimated N50 billion has not been completed.

In spite of the non-conclusion of the original contract, the Federal Government in the year 2001 signed another MOU with the Chinese firm for the supply of spare parts for locomotive engines. The corporation is using a South African firm to repair some of such engines eight of the engines have been put in proper shape since the beginning of the exercise

Apart from the on going project of the Chinese Government has also moved to modernise the railways as it has commissioned a foreign consultancy firm to produce a blueprint that will lead to the development of the nations rail system in the next twenty five years. In the same vein, the Germans area also being contacted to participate in the revitalisation of the Nigerian Railway Corporation.

Furthermore, the anti corruption war of government progressed in the company with the Transparency monitoring Unit (TMU) of the ministry of transport which probed cases of looking at the corporations and recommendation the pact of about fifty six officials of the company. The ministry approved the memorandum and relieved the affected officers of their appointment.

For now, the Federal Government has appointed a Canadian Techno-managerial consultant to take over the management of the Nigeria Railways. They will manage the corporation, train the work force, re-orient them towards being real railway men and then add value in terms of restructuring to fall in line with the general standard of well managed railways in the world like the one in Canada and in due course prepare the railway for privatisation.

Issue on privatisation and commercialisation of NRC

In 1991, the Federal Military Government set up a committee named "Technical committee on privatisation and commercialisation" (TCPC) headed by Dr Hamza Zayyed. The main purpose of setting up this committee was to privatise or commercialise all government owned enterprises Nigerian Railway corporation (NRC) was one of the corporations emarked for this purpose.

In 1992, the federal military government set up a 13 man committee on this and the committee was headed by a University don, Dr G.A Banjo. The committee sat and did a very useful work and after made a lot of recommendation to the Federal Government the committee is known as "Railway Reconstruction Implementation committee" (RRIC) headed by Major general H.B Haruna (RTD).

The major aspect of the recommendation was the reduction of the organisation structure of the railways from nine departments, which consist of civil, mechanical/ electrical, operating and commercial, health services, finance, administration, internal audit, signed and communications, new liens and production to four departments or organisation namely, track authority Nigerian Railway, public limited company, Inspectorate Board and Nigerian railway Engineering services.

The Nigerian Railway Track Authority was to be in charge of maintenance and improvement of the existing 3,505 kilometres tracks and develop new ones while Nigerian Railway public limited company will service trains for passengers and freight throughout the country. The inspectorate Board was to serve as auditing

team as regards to condition of the trade and the general quality of services, while the Nigerian railway engineering services was to take change of the workshop in Zaria, Ebute-Metta, Enugu in Partnership with a foreign technical partner with a view to developing local competence in construction of couches, locomotives and wagons.

Today, the implementation is still being expected as the committee has finished their own aspect expecting the Federal Government to give a go ahead. Abubakar (2000) believes that the Federal Government lack the political will to implement the report of the committee.

3.3 Organizational Structure of Nigerian Railway Corporation

At the apex of the organisational structure of the railway headquarters, Ebute Metta, Lagos is the supervisory ministry that is ministry of transport, the railway board, the managing Director, and under him are eight directors, with their deputies as depicted on the orgnogram. Their operation function is discussed briefly.

The managing director (MD) sometimes know as sole administrator which is appointed by the supervisory ministry, ministry of transport is the chief executive of the organisation. He is responsible for the over all day to day operation of the Nigerian Railway Corporation under him are the directors heading the various department.

First is the operation and commercial administration department. The department is divided into three operating units which deals with the running of both passenger and goods trains and prepare a new timetable when necessary. The commercial section supplies customers with necessary information regarding freight charges, regulations of movement of goods, prepares freight rates and fares while the passenger services section canvasses for passengers and interacts with them.

The director admin is the head of the Admin department and as such oversees all its activities.

First, is the administrative department headed by a director the department is in charge of personnel maters, as recruitment, promotion, transfer and discipline of staff? Other divisions under the department are industrial Relations train power development and training, printing pres and Estate and valuation.

Third, is the Finance/ Accounts Department, the department takes charge of the financial and accounts mattes of the corporation and is responsible for the preparation of the final account. It provides funds for the execution of the projects of other department .

The data processing unit also functions under this department. The department is also headed by the director of finance/accounts.

Fourth, is the mechanical/ electrical department headed by a director. The department is responsible for the design, acquisition and maintenance of track (locomotives) and rolling stock (Coaches and wagons), plant and equipment. In

addition, mechanical engineers and attached to the operation and commercial department to ensure effective utilization of the corporations rolling stock. The store section also functions under this department.

Fifth is civil engineering department, which is also headed by a director. The functions of the department are the construction and maintenance of the tracks and fixed structures

Sixth, is the department of health services, which is headed by a director. This department provides medical and health services to the staff. It also provide retainership to some parastatals and companies.

Seventh, is the department of new lines, and it is headed by a director. This department is responsible for the planning, construction and engineering aspect of all new lines projects.

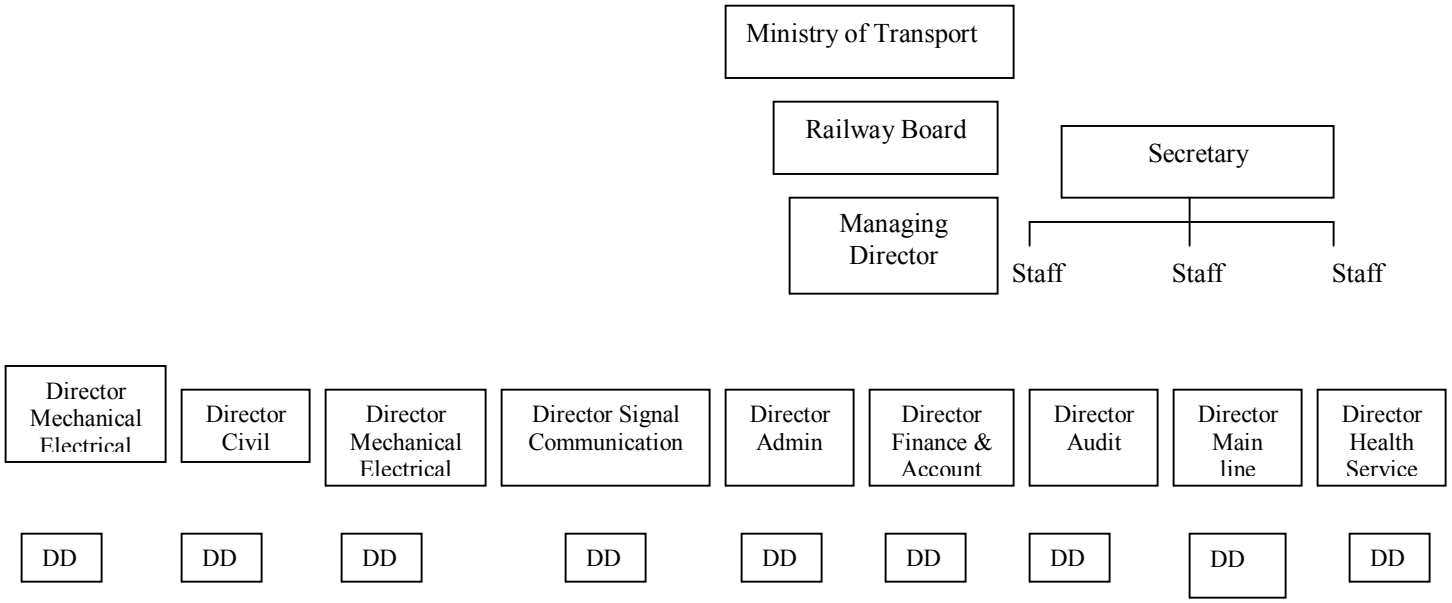
Eight, is the Audit department also headed by a director. The duty of the department is to ensure the pre-audit and post-audit of monies paid into and out of the corporation. The department is also to ensure that there is no irregular payment.

The ninth department is the signed and communication department. The department is responsible for the fixing ands ministry of the timing both the coming and exit of all trains. It ensure the maintenance of all the communication lines and goods. It also maintains all signal lines in and out of railway station. The public relation unit also function under the department.

The corporation has six division or districts each of which is headed by a railway divisional manager (RDM) the divisions (district are Lagos districts with its head quarter at Ebute-metta, western district (Ibadan) northern district (Zaria) north eastern district (Bauchi) North central district (kafanchan) and north eastern district (Bauchi) North central district (Kafanchan) and eastern district (Enugu).

They are all responsible to the managing director (MD) at the headquarters.

There is also an independent body whose activities do not come under the control of the MD, and that is the secretary to the corporation. The secretary and its staff are under railway Board. The members of the board are government representatives. Only the MD is however, represented on the Board. The board itself is responsible for policy formulation for the organisation.


Ministry of Transport
Railway Board
Secretary
Managing Director
Staff
Staff
Staff
Director Mechanical Electrical
Director Civil
Director Mechanical Electrical
Director Signal Communication
Director Admin
Director Finance & Account
Director Audit
Director Main line
Director Health Service
DD
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CHAPTER FOUR

DATA PRESENTATION AND ANALYSIS

4.1 Introduction

This study assesses the socio-economic development or importance of the Nigerian Railway Corporation (NRC) to Nigeria. The relevance of the Nigerian Railway Corporation in the socio-economic transformation of the country can not be over emphasizes.

In assessing it's the organisation operation and managerial effort and its relevance in the socio-economic development of the country the studies will closely examined the area of operation and management of the organization. These will be determined by looking at the number of passenger and quantity of good carried and the revenue generated from rendering these services.

In other worlds, since the corporation rendered services that is been paid for by beneficiaries, we would look at the revenue and expenditure of the co-operation.

The system theory adopted as the framework of this study is of the fact that resources have to be devoted to activities that have little to do with achieving the organisation's goals. In other words, adapting to the environment and maintaining the input – process –output flow required that resources be allocated to activities that are not only directly related to the organization's primary goals.

In view of this, the study will also look at the various socio-economic development brought about as a result of NRC's major activities. This is terms of

generating other commercial activities, creation of jobs or employment, enhancing development or growth of rural areas, enhancing infrastructural development etc.

To generate data for the purpose of this study both the primary and secondary data were obtained. Secondary data were obtained from former research work undertaking on railway transportation in Nigeria and documents of Nigerian Railway Corporation (NRC).

The researcher sought to generate the primary data through relevant questions drawn and distributed to both staff and immediate community of the cluster areas selected for the study. The immediate community were divided into cluster according to the six division or district of the Nigerian Railways Corporation.

In each of the cluster, 102 respondents were drawn 32 representing the staff of NRC and 102 representing the community. As such, a total number of 580 questionnaire were drawn for the purpose of this studies.

Interview was also conducted with some top officials of NRC and some members of the community.

Finally relevant data were presented using simple statistical tools like table, frequencies and percentages.

4.2 Test of Hypothesis One

The first hypothesis is thus:

"That the operational and management inefficiency of NRC has a significant effects on its performance".

The significance or importance of the operational and management efficiency in assessing the performance of Nigerian Railway Corporation, among other factors, cannot be over emphasized. This is because no- matter how viable and effective the funding is, if the operation and the management is not effective, there would be no any meaningful result to show for the funding. In other words if the infrastructure, facilities are not adequate or not available and couple with ineffective management to coordinate these resources all other efforts would be a wastage.

An important element in assessing the performance of NRC is the volume of good and services it carried within a specific period of time. This would go along way on helping to asses its contribution to socio-economic development of the nation.

4.2.1 Passenger And Goods Traffics

Table 4.1 Nigerian Railway Corporation's operating statistics (1972-2000)

Year	No's of passenger	Revenue earn	Freight	Revenue	Other revenue	Exp	Ope	Total
1979	6771	18716	1543	21861	2952			43529
1980	10861	36003	1153	23313	2251			51567
1981	9638	26623	1932	45090	2102			79874
1982	11612	28500	2185	49021	2353			69377

1983	13142	29877	1619	36499	3001			69092
1984	15553	33147	1458	33335	2610			72900
1985	11324	36205	1182	34247	2448			72921
1986	9879	39059	852	26335	7527			57609
1987	7383	35750	353	15632	6895			45218
1988	4196	25117	294	13206	8277			50750
1989	6520	24318	270	18155	8277			69555
1990	6345	31403	374	35911	2241	126647	376.2	
1991	3443	19911	330	42822	3193	328457		65926
1992	1621	17053	203917	49894	2265	327212		69212
1993	581532	28854	162334	73797	948	331467		103599
1994	784491	36809	142588	121982	730	383814		159521
1995	2889	56144	107878	139911	-	382000		196055
1996								
1997								
1998								
1999								
2000								

Source NRC Head Quarter. Operating statistics

Table 4.1: shows the volume of traffics carried for both passengers and goods by the Nigerian Rail Corporation from 1979-1995. The trend of the traffic shows a declining or negative growth.

In 1979, when the government acted to save the deteriorating nature of the rail transport due to low degree of utilization, it handed over the management of the corporation to Rail India technical and Economic services (RITES) from 1979-1992. with the coming of the rites, there were improvements in both freight and passenger movement and subsequent increase in revenue.

The rail transport system in Nigeria is probably the only sub-sector of the Nigerian economy that fail to experiences the growth enjoyed by other sectors during the oil era. The rail transport under investment of the 1970s and 1980s continued to adversely affect its operational performance in the 1990s.

Even though total operating revenue for 1991 was N107,200,900 as compared with N73,799.28 earned for 1990 coaching train receipt accounted for N19.911,00 and freight train receipts accounted for N42,822,00. Total revenue for 1991 was N62,733,000 recording a deficit of N4,581,000 (7.5%) over the previous years figure of N67, 314,000. coaching receipt accounted for N19.911 recording a short fall of N11.492,000 (36.6% in 1991.

Also freight receipts accounted for N42,822,00 compared with 1990 figure of N35,911,000. There is an increase of N6.911,00 (19.3%) in 1991. as working expenses increases, the position of finances continued to worsen leading to low

patronage and consequent decline in the utilization of the mode of transport. Also Federal Government grants dividend from N160.0 million 1991 to N15.0 million in 1992, and the level of accumulated deficit rose to N3.4 billion.

In 1994, due to various inhibiting factors against the performance of the Rail Transport System, it has been operating at the expense of wearing out Physical assets without sufficient maintenances and renewal. As a result, the composite carrying capacity has been decreasing and the services deteriorating resulting to low degree of utilization of the system.

In 1995, the originated goods tonnage made the lowest record in Nigerian railways history with little more than 1000,000 tonens compared with 143,000 tonnes in 1994. 162,000 tonnes in 1993, 204,000 tones in 1992.

The originating freights traffic averaged one million tones yearly in 1980s, 1.5 million tonnes.

The subsequent revenue earnings became increasingly inadequate to meet the operating costs since major part of cost was used for salaries and allowances leaving little for maintenances. And this way, the carrying capacity become more and more insufficient to meet increasing demand and consequent low patronage and utilisation of the railway transport.

4.2.2 Infrastructural Facility

Another factor or criteria for assessing the operational performances of NRC is the number of available and serviceable locomotives, coaches, and wagons. The staff respondents were asked the following questions.

Table 4.1 Do you agree that the locomotives coaches, wagon available used presently are depilated?

Responses	**Frequency**	**Percentages**
Agreed	120	67
Disagreed	60	33
Total	180	100

Source: The Survey, 2004

The availability of these stocks is an important and fundamental criteria for assessing the operational performance of the NRC. The NRC can not perform its major functions without these equipment. The carriage of person and goods, depend on these equipments. These stocks must not only be available and serviceable, but must also be in the right number or proportion that would meet the available traffic offering at any given time. This is the major variable that can be use to assess the performance of NRC, any other variable must be viewed or seen from this context.

From the response on table 4.2 we can deduce that the available locomotives, coaches, wagon owned by NRC are depilated. The response was further collaborated by secondary data in table 4.3

Table 4.3 No of wagons as at December, 2000

WAGON TYPE	FIT	UNFIT	Accident	Total
Cs (s)	349	271	48	668
Cc (W)	40	209	26	275
CPc/HAIP		21	4	25
CHW(f)	50	81	5	136
CHW(o)	143	106	4	295
CHAIN/FSTC	-	17	-	17
HSB	52	45	-	94
LSb	46	160	7	213
LHW	-	3	-	3
SGTW/BW	3	5	2	10
SY/YP/YPO	1	5	-	6
PRTOL/TANK	30	269	6	345
BTW	145	120	10	275
GTW	11	20	-	31
VTW	20	90	-	110
RSV	1	4	-	5

WLC	1	2	-	3
MSG/RTW	1	2	-	3
BVB	19	16	4	39
BVG	6	9	1	16
BVO	5	7	-	12
VGxCSA	2	9	-	306
CBX	262	41	5	5
COM/FLAT	1	3	1	2880
Total	1229	1528	123	
	42.679	53.05%	4.27%	

A look at table 4.3 shows that out of a total number of 2,880 wagons owned by the NRC only 1,229 representing 42.6% are fit, while 53.05% and 4.37% of the wagons are unfit by December 2000. The decline in the volume of freight traffic occasioned by the discovery of oil which shifted emphasis from traditional agricultural products historically moved by rail the conversion of captive export commodities (cotton, cocoa, palm oil, etc) into inputs for agro based local industries, construction of pipelines and location of refineries closer to market outlets, spatial distribution of the manufacturing sector in areas outside railway corridor, as well as the road development programmes of the late 1960s and early 1970s (Elechi, 1993).

Since it has been established that the shortage of the rolling stock has been one of the key problem militating against the operation efficiency of the NRC one will want to know if these rolling stock could be refurbished or repaired to enhance its operation. The respondents were asked again which way or by what means these delipilated rolling stock could be re-furbish and maintain. There responses is indicated in table 4.4 below;

Table 4.4: Do you agreed that NRC will be able to solve all locomotive related problems by replacing the manual system of tract maintenance with mechanical maintenance?

Responses	**Frequency**	**Percentage**
Agreed	123	68
Disagreed	57	31
Total	180	100

Source: The Survey, 2004

The manual system of track maintenance which has been the major system of track maintenance is old and out modern. As such 68% of the respondents believed that if the NRC could change its system, of maintenance to the mechanical system it would to a long way in solving many locomotive related problems as it would save time, cost and it would be more effective.

Table 4.5: Do you agree that the replacement of visual tract inspection metod with electronic recording of tracks ideal now? For NRC

Responses	**Frequency**	**Percentage**
Agreed	107	59
Disagreed	73	41
Total	180	100

Source: The Survey, 2004

The responses as indicated in table 4.5 shows that most of the respondent represented by 59% are of the view that it is high time that the visual tract inspection method is abandoned they believed it is out- modern and as such not as efficient as the electronic type that is widely use in developed countries.

Table 4.6: Should the NRC acquire traction locomotives to replace the diesel electric locomotives?

Responses	**Frequency**	**Percentage**
Yes	123	68
Mp	57	31
Total	180	100

Source: The Survey, 2004

The respondents represented by 60% as indicated in table 4.6 believed that the electric traction locomotive should be purchase to replace the old diesel electric locomotives. It's the electric traction is adopted by many developed railways in

preference to diesel traction because of ease of maintenance, better performance and efficiency and considerable reduction in fuel consumption.

Table 4.7: Do you agree that the present narrow gauge should be replaced by the standard gauge?

Responses	**Frequency**	**Percentage**
Yes	123	70
No	54	30
Total	120	100

Source: The Survey, 2004

The existing railway line network was completed in 1964 with the opening of Bauchi Maiduguri route about 28 percent of the entire network consist of curves as shapes of 175 metre radius as against a desirable for maximum curvature for high speed of 582 metre radius. This has been responsible for the very low speed of our trains. To achieve a speed of about 100km on the existing 1067 mm gauge network would imply complete realignments of about 800 to 1000km of share gauge of the new.

Part of the NRC's operational problems lies in the narrow 1067mm gauge of the network. The responses in table 4.7 shows that majority of the respondents represented by 80% agreed that the present narrow gauge should be replaced by the standard gauge. As pointed out by (media Research, 1988), about 1788 km of the rail network are on 1,600 share curves, of between 4 to 10 degrees, and the

tract structure is made up of jointed rails of varying weights of between 30kglm and 40kglm. The poor track structure and steep gradients, in places, along the track system limit the maximum speed to about 65km 14. several sections of the rail track are long over due to replacement and re-sleepering, and are in fatigued condition .

Another important variable to be considered in assessing the operational efficiency of NRC is the stage of signalling and communication gadgets. The researcher went on to confirm whether the present signalling and communication equipment which are completely depleted be maintained or changed. Their responses are tabulated in table 4.8.

Table 4.8: Do you agree that the present mechanical lower quadrant signal and communication gadget.

Responses	**Frequency**	**Percentage**
Yes	123	68
No	57	32
Total	120	100

Source: The Survey, 2004

Another factor that contribute to the operational traffic non -performance of NRC is the poor signalling and communication based on the mechanical low quadrant. These equipment are not efficient and it poses problem due to the expansion and contraction tendencies of the steel wires.

Another important variable is on the issue of spare parts. The respondent are asked if the spare parts for the rolling stocks of NRC are available.

Table 4.9: Is spare part for maintaining your rolling stocks and other equipment available?

Responses	**Frequency**	**Percentage**
Yes	142	78
No	38	22
Total	120	100

Source: The Survey, 2004

The respondents as indicated in table 4.9 agreed that the NRC lack spare parts to maintain the equipment. The problem with the prevalent mechanical installations, locomotives and rolling stock is that they are old and obsolete. In most caves, spare parts, most proprietary, are no longer in production. The corporation depends on local improvisation and purchases where possible. The lack of good spare parts to replace damage parts has resulted to the total collapse of most those equipment.

Virtually in all the railway station visited by the researcher, equipments and locomotives and rolling stocks lies every where not because there are not technical expertice to repair them but because the necessary spare parts to used are not available. some of these equipment made only simple spare parts to work as they look very new

So far, w have look into the operation inefficiency of the NRC . In doing this, we assess the effectiveness of the rolling stock i.e locomotives coaches, wagons, track as well as the signal and communication equipment. Out findings shows that these facilities and equipment are old and obsolete and such require new modern ones. The findings reveal that the above problems compounded by lack of spare parts to be used to effect repairs on these facilities and equipment.

The other aspect that was reviewed and assess was the number of passengers and freight earned by NRC and the revenues earned for rendering these services. The finding shows a decline in the number of goods and freight carried as well as revenue earned by NRC in the year under review.

Management inefficiency

In a research conducted by (Omoniwa, 200) respondents, were given an opportunity to identify what they considered were the most four serious problem faced by NRC. They identified, competition by Road, shortage of funds, poor maintenance and corruption and mismanagement as the most serious problems of NRC. The respondent however, rated corruption / mismanagement as the highest or most serious problem.

The researcher also asked the respondent the same question and their response are tabulated in tale 4.10

Table 4.10: NRC's most serious problems

Type of problem	Frequency	Percentage	Rate
Inadequate funding		25	
Out modern and obsolete rolling		25	2
Inefficient management		26	1
Competition by road transport		24	2
Total		100	

Source: The Survey, 2004

Table 4.10 shows the four most serious problem as identified by the respondents the least rated problem was competition by road transport with 24% followed by inadequate funding and out modern as obsolete rolling stock with 25% each and finally follows by inefficient management which got the highest rating with 26% of the responses. In other word inefficient management is considered as the most serious problem and followed by operation problem.

Management is the wheel drive through which any organization could achieve its goals and objective. Management function is to ensure that all available resources are annex to achieve organisational objective, as such, without an effective and efficient management, it is impossible for any organisation to succeed in achieving its goal or objective, no matter how effective and efficient other resource are.

The issue of efficient and effective management of an important transport parastatal like NRC cannot be emphasised. According to (Omoniwa, 2000) inefficient and ineffective management of men and other resources has been a common phenomenon in the NRC, especially since independence. This has been blamed on several occasions, on the inability of the indigenous managers to run the

affairs of the NRC as to justify the amount of resources the corporation as received from the government (Ohaeri, 1984) and (Shettima, 1987).

Table 4.11: Do you agree that various NRC management has failed?

Responses	**Frequency**	**Percentage**
Yes	180	100
No	-	-
Total	180	100

Source: The Survey, 2004

Table 4.11 shows an overwhelming response by the respondent agreeing to the fact that NRC management has failed. The corporation's poor performance over the years is mainly attributed to poor management. This is optimised by the inability of management to maintain discipline and productivity, efficiently utilise the limited available funds, check fraud and identify commercial priorities (Osinubi, 2000) this trend made the government to invite RITES in India in 1979 on a three years management contract. The team of 36 managers and 390 technical staff stated work in 1979 and by 1982 when they left some significant impact in the area of maintenance targets, rolling stock availability, freight traffic and passenger traffic occurred.

Omoniwa, (2000) however argued, that although a slight improvement could be see on both passenger and goods traffic haulage between 1979 and 1982, (see table 4.1) the issues is whether such an improvement was significant enough in the light to the Pre 1979 figure and given the level of financial commitments made into the NRC by the government during the period. This issue has been hotly contested by the staff of NRC and other close watchers of the situation during RITES.

Osunibi (2000) Opined that the financial performance of NRC during rites did not improve but rather earnings covered just half of total working expenses. As such the success recorded by the RITES was not much as a result of high calibre management teams per se but the freedom to take local action vis-a- vis the ministry and the Board as well as sufficient allocation of funds which no pervious management or the succeeding ones ever had. According to him many people believe that if the succeeding Nigerian management team was given equalities clear objectives, sufficient autonomy to effectively pursue the objective and adequate fund for maintenance, renewed and modernisation programme, it will perform more effectively than the rites team did.

The China Civil Engineering and Construction Corporation (CCECC) were contracted in 1996 to revitalize the NRC by modernising its operation. About N50 billion naira was spent for this purpose. But at the end of three years period noting could be shown for this effort. It was reported that (CCECC) connives with Nigerian managers to embezzle much part of the money. Even the equipments that were supplied were fake white wash equipment that could not last long.

This researcher however, disagree with him because evidence abound later, that Nigerian managers are not capable of managing the NRC well, not because they lack the technical know how or knowledge but because they are very corrupt. Response in table 4.12. vindicate the asserssion.

Table 4.12: Major reasons for ineffective and inefficient management

Causes	**Rank**	**Frequency**	**Percentage**
Lack of technical Know-how	3		23
Bureaucratic bottleneck	2		32
Corruption	1		20
Total			100

Source; Survey, 2004

The respondents are asked to pick or choose the three most relevant cause of inefficient management in NRC. They were asked to rank them accordingly. The worst is ranked as 1st vise vassal. Lack of technical know-how on the part of the managers was given as reason, the least ran most time the Board member constitute those who have little or no knowledge of the technicality of running railways. These Board member are either public Road transport owners or businessmen who are into motor business or politician who are no competent of railway transport operation even the appointment of director general of NRC is based on political patronage instead of technical Know how. As such much time incompetence person are appointed to head NRC.

The second was the issue of bureaucratic Bottleneck the Nigeria Railway Act of 1955. Set up NRC as a statutory corporation entirely owned by the federal Government the NRC was incorporated as one of the Federal Government parastatal under ministry of transport and Aviation. The Act empowered the minister of transport and Aviation to give directive of a general character as to the

discharge of its function in relation to matters appearing to him (minister) to be of grave public importance. The ministry may also establish the upper limits of rates and fares within which the NRC is required to furnish any information requested by the minister relating to its operations, property and finances including annual account and reports.

The idea to establish the NRC was to free the Railway management from the rigidity and formality of government procedure and to establish the corporation as a rigidity and formality of government's procedure and to establish the corporation as a public utility to run a quasi-commercial line and on a sound financial basis. The NRC Act advise that uneconomic services could only be undertaken at the expense of the government should the latter insist on such services. Again, the government white paper on statutory corporations and state owned companies 1978, emphasized that the corporation was largely of a commercial and industrial nature. However, from this inception, the NRC was saddled with conflicting objectives,. The government did not seem to make up its mind whether its should be run as a business or social services. That conflict reflects heavily on the operations of the NRC. As such the NRC management has no autonomy to take decision without approved from the parent ministry. This adversely affect the operation of NRC which is suppose to be urn as a commercial or business venture.

Corruption is the third factor which is ranked 1st among the other two factors as enumerated earlier. It is very important that is the maximum and effective utilization of available funds. Much can be achieved if available funds and material

resources are properly used. However, cases of corruption that has further compounded the poor financial structure of the NRC, Recently newspaper report that about 16 senior officials of the NRC were sacked for their indictment in various scams of about N890 million. The report indicate that five directors of the corporation had earlier been fired for their involvement in sale of scrapes, payment of salary of ghost workers, loss of tank wagon and vandalisation of electric equipment. It was also reported that the corruption lost over N890 million on illegal scrap sale and N308 million on payment of salaries of ghost workers. It was also reported that the NRC has four different managing directors within two and a half year all due to corruption.

But many observers have also argued that government interference in the management of NRC has greatly influenced the inefficiency management of NRC. As such, many have continue to state for greater autonomy of the management especially in the are of decision making on various activities of the NRC. The respondents were asked whether they agree that there is much government interference with NRC management autonomy. The response are tabulated in table 4.13.

Table 4.13: Do you agreed that government interfere too much in management affairs of NRC?

Responses	Frequency	Percentage
Yes	128	68
No	67	32
Total	180	100

Source: The Survey, 2004

The table shows that an over whelming majority of the respondents represented by 70% are of the opinion that there is much government interference in the management of NRC especially in taking decision on the day-to-day affairs of the corporation as well as on the issue of recruitment and discipline of staff.

The issue of autonomy of the management of the NRC has always been debatable. Those who argued for a greater autonomy have argued that it is necessary if management must be held responsible or accountable for the utilization of the human and material resources committed to the railway system. Those who advocate for a greater autonomy for the management have argued that since the government pays the piper, it must dictate the tune. However a situation in which the management could not hire and fire staff or fix rates for the services without authorization from the government certainly, impinges on the ability of management to carry out its responsibilities efficiently and effectively.

The discussion so far has indicated that operational and management problem has been a great constrain which constitute a militating factor in NRC performance. Thus the hypothesis, that the operation and management inefficiency of NRC has significant effects in its performance is hereby accepted.

After testing the hypothesis, out findings shows that the NRC in the area volume of traffic carriages within the year under review for both passenger and goods continue to witness a down ward trend. From 1979 to 1982, there was a stable increment in volume of traffic carriages of goods and passengers as well as the revenue generated. This progressive achievement was advice by many to be

the handover of the management of NRC to RITES. However, from 1982 downward, the NRC witness a downward trend both in the volume of traffic carriages for freight and passenger as well as in revenue generate by the corporation.

The findings also reveal that the rolling stocks like the locomotives, coaches, and wagons, not enough even those available, are worn out obsolete or completely damage. So also are the signalling and communication gadgets and equipments. The finding shows that these rolling stocks and equipment are not adequately maintained. As such most of the respondents also agreed that since rolling stock and equipment are out modern and obsolete, standardise ones should be bought to replace them. The finding also shows the narrow guage of the NRC network should be replaced by the standard gauge tract presentation used in developed countries to ensure a high speed for the train.

In the area of management, the finding shows that NRC is face with the problem of inefficient or poor management, which adversely affect its performance. The management inefficiency was not because the management the technical know or as a incompetence, but because they are very corrupt. In that they mismanage the funds or resource allocated to them.

The findings also reveal that, there is too much of government interference in the activities of NRC. The management has no autonomy to take decision or act in the day-to-day affairs of the corporation. The corporation is been run like a social welfare outfit. Instead of been run as a business venture.

In conclusion these operation and management inefficiency has highlighted in our discussion has greatly hampered the effective performance of the NRC.

In view of this, the next section will look into the effect of NRC non performance, especially in playing its role of as vehicle for social economy development. This led to the formulation of the second hypotheses.

4.3 Test of Hypothesis Two

The second hypothesis as stated earlier is predicated on the socio-economic implication of the non-performance of NRC. Based on this premises, the hypothesis is stated thus. "That the failure of NRC to performance its role as a vehicle for socio-economic development is a consequence of its non- performance".

Basically, the NRC apart from achieving its objective of generating enough income from it activities to keep it running, it is also expected to play some socio-economic roles which would eventually have a trickle down effect on individuals and the society as a whole. It is expected that the activities of NRC would gear up commercial and economic activities, create employment opportunities, instigate growth of rural areas as well as infrastructural facilities in these areas. And finally, it is expected that NRC would contribute to the GDP of the country.

4.3.1 Areas of Economic Activities

Table 4.14: Do you agreed that the NRC has fail in its contribution to the economy of the country?

Responses	Frequency	Percentage
Yes	562	96
No	18	4
Total	580	100

Source: The Survey, 2004

Table 4.14 shows that respondent agreed that the NRC contribution to the economy has adversely failed.

The Nigerian Railways Corporation has both economic and socio-objective and any evaluation of its role has to take the interplay of those factors into consideration. The researched seek the opinion of the respondents on the contribution of NRC to the economy. Their response shows that the NRC has fail to contribute to the economy due to its non- performance.

The researcher in assessing NRC contribution will also re-assess the performance of the Corporation in the area of volume of traffic carriage of heavy goods especially from the ports. The table 15 below gave a summary of evaluation of goods to and from Nigeria ports by road and rail. Table 16 is also a review of freight operational performance of NRC.

Table 4.15: Evaluation of goods to and from Nigerian ports by rail and roads modes (in tonnes).

Year	By Road	By Rail	% Carried by the rail subsection
1970	813,292	393,329	32.6
1971	799,359	295,581	27.0
1972	806,699	171,407	17.5
1973	839,1577	220,040	20.8
1974	485,797	56,820	10.5
1975	386,441	47,282	10.9
1976	436,119	52,051	10.7
1977	356,717	2,979	0.8
1978	324,267	15,384	4.5
1979	292,222	3,011	1.0
1980	168,655	5,598	3.2
1981	97,292	1,915	1.9
1982	280,318	10,662	3.7
1983			
1984	180,987	5,475	2.9
1985	200,375	10,386	4.9
1986	315,558	54,974	4.8
1987	387,435	9,99	4.9
1988	599,411	40,212	6.3

1989	499,416	22.634	4.3
1990	597,319	n.a	-
1991	833,640	5.400	0.6
1992	295,411	10.176	3.3
1993	524,469	11.9	-
1994	582,032	19,099	3.2
1995	541,032	504	0.09
1996	862,121	16	0.0019
1997	768,660	-	-
1998	734,315	-	-
1999	716,385	-	-

Source: Derived from several central Bank (CBN) annual reports and statements accounts (1970-1977) (n.a not available) and CNB statistical Bulletin, vol.9 No 1 June 1998, p 163, and call from Osinubi (2002)

Table 4.16: Freight operational performance for the period 1970-2000

Year	Freight tonne	Tonnage %	Decade%	Freight revenue	Revenue %	Decade %
1970	1,311,000	8.22		18,438,000	10.96	
1971	1,311,000	8.22		15,680,000	9.32	
1972	1,519,000	9.53		17,095,000	10.17	

1973	2,129.000	13.35		12,205,00	10.72	
1974	1,098,000	6.89	51.77	18,025,000	7.26	
1975	1,612,000	10.11		14,724,000	8.76	
1976	1,452,000	9.11		16,722,000	9.94	
1977	2,375,000	14.90		17,172,000	10.21	
1978	1,592,000	9.99		16,251,000	9.60	
1979	1,543,000	9.68		21,861,000	13.00	
Total	**15,942,000**	**100,00**		**168,173.000**	**100.00**	
1980	1,153,000	20.24		23,313,000	7,91	
1981	1,932,000	17.10		45,090,000	15.29	
1982	2,185,000	19.39		49,021,000	16.63	
1983	1,619,000	14.38		36,499,000	12.38	
1984	1,458,000	12.95		33,335,000	11.31	
1985	1,182,000	10.50		34,247,000	11.62	
1986	852,000	7.57		26,335,000	8.93	
1987	353,000	3.13		15,632,000	5.30	
1988	326,000	2.89		13,206,000	4.48	
1989	202,00	1.79		18,155,000	6.16	
Total	**11,262,000**	**100.00**		**294,833,000**	**100.00**	
1990	198,000	5.52		35,911,00	2.14	
1991	237,000	6.60		63,400,000	3.84	

1992	204,000	5.68		49,732,000	2.84	
1993	106,000	2.95		25,841,000	7.54	
1994	106,00	2.98		121,911,902	7.26	
1995	107,000	3.82	11.66	133,911,902	7.07	
1996	137,000	14,85		161,348,796	9.61	78.38
1997	533,150	30.79		219,175,125	13.06	
1998	1,,105,711	20.53		316,062,457	18.83	
1999	737,711	20.53		394,618,829	23.51	
	116,837	2.23		155,865,908	9.28	
	3,589,652	100.00		1,678,778,919	100.00	
Total	**30,793,652**		**100.00**			**100.00**

Source: NRC commercial department called from Osinubi (2002)

The Nigerian Railway Corporation until early 1980s dominate the transport system. However, the dominance of the Nigeria Railway system was effectively challenged by the road and air system. This competition explains the rapid decline in the volume of freight and passenger carriage and the resultant decline revenue earning by the corporation.

The data on table 4.14 point undoubtedly to a situation of declining rail productivity. Although, it could be argued that the contribution of virtually all modes of transport to Nigeria's Gross Domestic Product (GDP) has dropped steadily over the years, the impact and the contribution of the Nigeria Railways to GDP

have become almost completely in-significant since the mid 1990s as we shall see later in table 4.16.

A cursory look at table 4.15 however, shows that the freight tonnage moved by the NRC from 1980 drooped steadily where as the freight revenue generated within the period increase unsteadily due to depreciation of the Naira as well as inflation in the country.

The table shows that between the period 1900-1089, the highest percentage of freight lifted was in 1982 with 19.39% while the lowest was in 1989 with 1.79% . the percentage of revenue earned by the NRC within the period also shows that 1982 was the highest with 16.63 percent while the year 1988 was the lowest with 4.48 percent despite lifting 2.89 percentage of the freight as against the NRC performance in the year 1989 with a lowest percentage of operations but higher percentage of income earned.

This could be attributed to increase in freight rate due to inflation in the economy caused by the structural adjustment programme (SAP).

Also from table 4.15, a cursory look at the operational performance of the NRC in freight lifting between the year 1990 and 2000 reveals that there was a continuous decline in the operational fortune of the NRC from 1990 until 1997 when it picked up to 14.85% and a peak of 30.79% in 1998. Many attribute the pick up to the intervention of the Chinese civil Engineering and Construction Company, (CCECC) which stated yielding some positive result as at that time. the years 1993 and 1994 had the lowest percentage of 2,95 within the period, the year 1999 was the

highest with 23.51% despite lower volume of freight lifted against the year 1988, while the lowest percentage was in 1993 with 1.54%.

Further analysis of table 14.15 reveals that out of the total 30.793,652 metric tones conveyed by the NRC between 1970 and the year 2000, 15,942,000 metric tonnes representing 51,77% was lifted between 1970 to 1990 where only 3,589,652 metric tonnes representing 121.66% was lifted between the year 1990 and 2000. However, in terms of revenue earned within the period (1970-2000) in freight lifting, out of the total of N2.141,784,919 earned, N1,678,778,919 representing 78.38% was earned between the year 1990 and 2000. While only N15,942,000 representing 7.85% was earned between the year 1970 and 1979 despite lifting more than 4.5 times the freight volume between the year 1990 and 2000. this development was as a result of the depreciation of the Nigerian Naria which also led to the review of freight rate to reflect the economic readily of the time.

Just as enumerated earlier the analysis of table 4.14 and 4.15 as well as the finding in the test of hypothesis one undoubtedly shows a declining rail performance. This poor performance vividly has a significant effect on its contribution to the economy activities of Nigeria.

Retail Contribution GDP

Another important factor that can be used to assess the relevant of NRC to socio-economic development of the country is its contribution to the GDP. Table

4.1`6 below contain data an the transport sector percentage contribution to the GDP.

Table 4.17: Transport sector percentage contribution to the GDP 1981 – 1998.

Year	Road	RAIL	Ocean	Air	Total
1981	5.17	0.15	0.46	0.20	5.98
1982	3.93	0.17	0.38	0.23	4.71
1983	3.26	0.16	0.61	0.26	4.29
1984	3.31`	0.17	0.43	0.27	4.18
1985	3.88	0.12	0.34	0.25	4.59
1986	3.34	0.11	0.24	0.21	3.90
1987	3.39	0.8	0.23	0.4	3.91
1988	3.12	0.6	0.23	0.18	3.59
1989	3.97	0.4	0.18	0.16	3.35
1990	2.80	0.4	0.18	0.16	3.35
1991	2.78	0.3	0.17	0.14	3.12
1992	2.86	0.2	0.15	0.14	3.17
1993	2.93	0.2	0.16	0.1	3.17
1994	2.93	0.00	0.14	0.10	3.22
1995	2.90	0.60	0.15	0.10	3.15
1996	2.86	0.60	0.15	0.10	3.11
1997	2.85	0.00	0.15	0.10	3.10
1998	2.86	0.00	0.15	0.9	3.10
1999					

Source: FRN Review of the Nigerian Economy, FOS, July 1999, p. 64 and National Accounts of Nigeria (1981 – 1996) FOS, November, 1997, Pp

Table 4.16 is a breakdown of transport sector percentage contribution to the GDP. It is very clear from the table that the contribution of the NRC to the GDP has dropped precipitously to an in significant figure. For example, between 1994 and 1998 it drops to less than 0.01, which is noted as 0.00 percent. Presently the practical reality is that the rail transport is completely grounded.

4.4 Railway Contribution To Employment

Another important variable that would be considered in assessing the contribution of NRC to socio-economic development of the country is its contribution to the reduction of unemployment.

Table 14:17 show NRC's employment profile from 1970 – 1982 the researcher could not get the data updated to 2000.

Table 14;18: NRC Employment profile

Year	No of person employed
1970	29102
1971	31282
1972	32781
1973	30888
1974	31054
1975	30065
1976	36375
1977	31679
1978	35477
1979	33017
1980	35594
1981	36050
1982	36050

Source: Nigerian Railway Corporation, Abstracts of statistics, 1970- 1982 called from Omoniwa (2000).

As pointed out in the literature review, the NRC is one of the largest parastatasl in Nigerian in terms of its employment profile till mid 1980s. (Federal Government of Nigeria, 1981). Some of the factors that account for the corporation's high employment profile include; the labour intensive nature of the

corporation activities and the spread of rail operations services across the country, couple with the absent of modern or capital intensive technology.

The data in table 14.17 undoubtedly shows that NRC has performed relatively well in terms of offer of employment to many Nigerian. This later turn out to be a burden on the Railway when its level of performance stated decreasing. As such many accused the NRC of over staffing. But right from the late 1980s, the railway could not contribute much to the reduction of employment.

The researcher went on to seek the opinion of the respondents on the issue of NRC contribution to reduction of unemployment in the nation. The question was put to them on whether NRC has fail in its contribution to the reduction of unemployment.

Table 4.19: Do you agreed that NRC has failed in the are of employment reduction?

Responses	**Frequency**	**Percentage**
Yes	80	100
No	-	-
Total	80	100

Source: The survey, 2004.

The respondent overwhelmingly accepts that NRC has woefully failed in the area of employment reduction in the country. This is indicated by 70% of the respondent.

In the year 2000 about 1000 staff of NRC were believed to have loss their job due to redundancy.

4.5 NRC CONTRIBUTION TO GDP

Table 4.20: Transport sector percentage contribution to the GDP at 1984 constant factor cost, 1981 – 1998.

Year	Road	RAIL	Ocean	Air	Total
1981	5.17	0.15	0.46	0.20	5.98
1982	3.93	0.17	0.38	0.23	4.71
1983	3.26	0.16	0.61	0.26	4.29
1984	3.31`	0.17	0.43	0.27	4.18
1985	3.88	0.12	0.34	0.25	4.59
1986	3.34	0.11	0.24	0.21	3.90
1987	3.39	0.8	0.23	0.4	3.91
1988	3.12	0.6	0.23	0.18	3.59
1989	3.97	0.4	0.18	0.16	3.35
1990	2.80	0.4	0.18	0.16	3.35
1991	2.78	0.3	0.17	0.14	3.12
1992	2.86	0.2	0.15	0.14	3.17
1993	2.93	0.2	0.16	0.1	3.17
1994	2.93	0.00	0.14	0.10	3.22
1995	2.90	0.60	0.15	0.10	3.15
1996	2.86	0.60	0.15	0.10	3.11
1997	2.85	0.00	0.15	0.10	3.10
1998	2.86	0.00	0.15	0.9	3.10
1999					

Source: FRN Review of the Nigerian Economy, FOS, July 1999, p. 64 and National Accounts of Nigerian (1981-1998), FOS, November 1997, PP 45 – 47. 0.00 = less than 0.01 percent.

Looking through the table above, it is clear that the contribution of NRC to the GDP has dropped precipitously to and insignificant level. For example from 1994 – 1998, NRC contribution to 0.01 which is less than 0.01, which indicate 0.000 percent, This shows implication of these figures is that NRC has completely collapse ands such fail its contribution to the economy of Nigeria.

4.6 IMPACT OF THE DEVELOPMENT OF RURAL/URBAN AREAS

Based on the findings, respondents were asked on the relevant of the activities of the railway to the development of the rural and urban areas where the activities of railways takes place.

Table 4.20: Do you agreed that railway operation leads to the growth and development of your area of operation?

Responses	**Frequency**	**Percentages**
Agreed	567	97
Disagreed	13	3
Total	580	100

Source: The Survey, 2004

Majority of the respondents agreed that the activities of the railways had lead to the growth and development of the rural and semi- urban areas where the rail pass through. Further interview shows that the growth and development of some towns like Kafanchan, Minna, Baro, Zungeru, Kano Sohaogbo, Iseyin, Makurdi, and Zaria to mention a few were attributed to the activities of the railway.

Most of the respondents believed that the activities of the railway before its collapse surely lead to growth and development of their area due to its economic and social activities. The respondents were asked if the non-performance of railway has affected their community.

4.7 EFFECT OF THE COLLAPSE OF NRC

Table 4.21: Do you agreed that the collapse of Railways has affected these economic and social activities?

Responses	**Frequency**	**Percentage**
Agreed	580	100
Disagreed	-	-
Total	580	100

Source: survey, 2004

There responses as indicated in table 4.20 vividly shows that the collapse of NRC has affected the economic and social activities in their area. The railway station visited by the researcher in the course of this study has become a ghost town as the station no more witness the commercial and social activities that they are known for.

Another effect of the collapse of the NRC, is that, many has been rendered jobless. Also, social activity, in form of social interaction that the rail operation is known has been seriously affected by its non-performance.

Another area in which the non-performance of railway has a negative effect is in the area of population, that is, in terms of rural –urban migration. The activities of NRC cut across so many rural and semi urban area those who lost their job has relocated to the urban area to seek for employment.

Finally, as a result of the collapse of Nigeria Railway corporation many families has lost their source of income, as such they cannot afford leave a decent life. In order word the collapse of NRC has lead to an increase in the rate of poverty in country. We could see from the analysis of the finding that the contribution of railway to socio-economic development has greatly been hampered by it collapse and non-performance. From the analysis of data made so far, the second hypothesis 'that the failure of NRC to perform its role as a vehicle to socio-economic development is a consequence of it non -performance' is hereby accepted.

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CHAPTER FIVE

SUMMARY, CONCLUSION AND RECOMMENDATIONS

5.1 Summary

The need to foster development and National integration leads to the creation of public enterprises in Nigerian. These public enterprises cover every aspect sector of the economy. But the government experience with all these public enterprise was that of a disappointment. This development form the basis of this study on the Nigerian railway corporation (NRC) The study focus on the contribution of NRC to socio-economic development of Nigeria.

The Nigerian Railway Corporation (NRC) among other overland transport modes is the oldest. Its initial conceptual and development was to open up the country to trade and European good and eventually transform the economy. Although the colonial railway managers intended it as a vehicle for exploitation of raw materials to Europe for overseas factories. But after independent , the rail transport is seen and expected to be a vehicle for socio-economic development of the country. A lot of resource was allocated or committed to the rail system in other to be able to play this role. But also the railway has not been able to play this role due to its poor performance. The study examined the reason and implication on the economy of Nigeria from 1980-2000.

The study identifies many problems in the statement of problem and two hypotheses were postulated to help in focusing more on the major problem in other to find a solution to these problem. Both primary and secondary data were use for

the purpose of this study. Primary data were obtained through the administration of questionnaire on some sample population. Interview was also conducted with some official of NRC and some resident of the area of research. Secondary data were obtained through the reviewed of some official documents and publication of Nigerian Railway Cooperation, Ministry of transport, National Institution of Transport Technology, Papers and Journal as well as official Gazzete of the Federal office of Statistics. Also the chapter contain operational definition of some of the concept.

Chapter two focuses on the review of existing literature on the activities of Nigerian Railway Corporation. These literatures are in the area of NRC establishment Administration/ planning, Finance, Potential of Rail transports and general problem of Rail transport in Nigeria. The system theory approach to organizational efficiency and effectiveness was adopted as the theoretical framework of this study. Theory emphasis the importance of input and output as well as the feedback from the environment to the efficient and effective performance of any organization whether profit oriented or non-profit oriented.

The third chapter was on the History of NRC. The first rail line was the constructing 32km. 1067 mm gauge railway line from Iddo to Otta in 1896. The NRC was run as a department of the Federal Government and known as 'Nigerian Government Railway', not until 1955 when the Nigerian Railway Act was passed. The post independence year witness a remarkable change in the Nigerian Railway Corporation with the Government gave the various mode of transport some

attention. The road transport was given more attention than the other modes of transport. This greatly affect the priority enjoy to the rail transport before and it consequently affect its performance. The chapter also looks into the organisational structure of the NRC which witness various restructures of a certain its objectives and operational strategy.

In chapter four data were presented and analyse using simple statistical method. I.e table frequency and percentages. This is to enable the researcher to arrive at a logical conclusion based on the hypotheses tested. The findings from the study reveal that the poor performance of rail transport is greatly affected in operational and management problem. The non-performance of railway transport has greatly affected its contribution to socio- economic development of Nigeria. These problem is attributed to government failure to take the bull by the horn. In other world, government total neglect of Nigerian Railway Corporation.

The finding reveal that the NRC is bedevilled by operational and management problems which greatly affect its over all performance.

5.2 Conclusion

The analysis made shows that the rail transport in Nigeria is not working. The analysis reveal that the objectives of NRC in Traffic carriage of passengers and good and it contribution to the socio-economic of Nigeria has not yet been achieved. The research findings indicated the acceptance of the two hypothesis

postulated for this study. The findings from the data analyse gives a sufficient ground for the acceptance of the hypothesis.

From the foregoing, we can conclude that in the area of traffic of passengers and good within the year under review, the NRC has witnessed downward trend which cumulated to the decline in revenue generation of the corporation.

The available locomotives, coaches, wagons are out modern and obsolete. The communication and signalling equipment are also damaged and obsolete. Our findings shows that these rolling stocks are not adequately maintained and spare parts are not available to effect the maintenance needed on them.

The findings also reveal that the narrow gauge rail network presently used by NRC is obsolete and are no longer suitable for an efficient trail transport system.

The inefficient management of NRC also adversely affects its performance. The findings show that before independence, the NRC was managed well, but since the indigenous managers took over, the reverse was the case. The government most select people who have no experiences of rail transport to serve as board members. The criteria for selecting them is that, they are owners of road transport firm, most times, these people have their hidden agenda and thus help in destroying the railway for their own transport firm to strive.

The management inefficiency is also attributed to mismanagement of fund allocated to the railway by their officials. In short most of the managers of railway are corrupt. We cited an example in which within two years, four Director General

of Nigeria Rail cooperation were dismissed. This was as a result of their indictments in corrupt practices.

The findings reveals that, going by the Act that create the Nigerian Railway Corporation, the corporation is suppose to be autonomous but in actual fact the government interfere too much in the affairs of the corporation, even in the area of charging tariff for the services render to customer. Major decision cannot be taken without approval from the parent ministry, (ministry of transport). As such, the management has no autonomy to take decision in the day to day running of affairs of the corporation.

Also related to the above, inter-play between the government and the management of NRC, on the actual of objective of the railway. whether to be run as business venture or as a social welfare venture.

In view of our finding as enumerated above the NRC Has not been able to function well these operational and management problem has greatly affect its performance.

Out findings also shows that due to the demise of NRC, its contribution to the economic has been greatly affected. We can see that the railway under the year review has contributed nothing to the economic due to its non-performance. The normal commercial activities do take place around railway stations is no more. The implication is that most people in this area have been deprived of their means of livelihood. The normal development of rural and semi urban areas that are usually gingers up by railway activities have also stopped due to its non-

performance. Also the social interaction between various people from different ethnic and religious background that is witness due to the activities of railway has been affected by its non performance. This social interaction encouraging and strive unity among these people.

The study also shows that the Nigerian railway corporation contribution to Gross Domestic Product GDP is very insignificant during the year under review.

Also in the area of its contribution to employment generation, record shows that, uptil early 80s, railway is the largest employer of labour, as its major activities are labour intensive. Due to its demise performance, it could not employ workers again, and those on the pay roll have been laid off, pensioners are not paid their dues due to lack of funds.

The implication of all these problem as enumerated above, many have been deprived of their means of livelihood. Many could not afford good food, health, shelter, and education for their children. In conclusion, since the end of any development goals is to raise the living standard of the people, this has greatly been affected by non-performance of NRC.

5.3 Recommendation

In view of the research findings, the researcher hereby makes the following recommendation. The researcher is of the opinion that these recommendations would go a long way in helping both the railway management and the government on ways of reviving the Nigerian Railway Corporation to be more efficient and

effective so as to be able to contribute to the socio-economic development of the country.

1. Since the rolling stock of NRC is obsolete and the technology out modern, the rolling stock should be standardise
2. Also related to this is the present narrow 1067 mm gauge of the railway line network which should be replaced by the standard gauge used for rail transport in many developed nation.
3. The present signal and communication gadget based on the mechanical lower guandrand is delipited and should be changed.
4. The track system limit the maximum speed to about 65 km. Several section of the rail track are in fatigued condition, and as such, long over due for replacement and re-sleeperting. This track system should be realign.
5. Spare parts should be made available to ensure quick and proper maintenance of these equipments.
6. It is also important to train more personnel, on the repair and maintenance of the NRC track and equipments.
7. Personnel should be train on how to manage the railway system.
8. The Bureau of public enterprises (BPE) report on the NRC is that, NRC is too large to remain as one entity, as it would make it unwieldy and uncompetitive. It therefore recommends that the corporation should be split into three autonomous entities. With an inspectorate division to regulate, monitor and prescribe standards. Each company can then operate

competitively on commercial line. This was a nice option that should have been implemented, but the problem is that the Federal Government has no political will to implement this fine recommendation. The researcher however advice the Federal Government to implement this fine option as soon as possible. Furthermore, the researcher's of the view that these three autonomous entities should be privatise.

But before this privatisation, the Federal Government should provide fund to rehabilitate the NRC so that investors can be interested in buying it, because, the way it is presently, investor would continue to avoid buying it, even if is privatise.

These option would reduce the element of corrupt practises by the management. It will also guide against the issue of appointing unqualified people to run the affair of the railway. It would also remove the element of bureaucratic bottleneck and much government interference.

Finally, the researcher of the opinion that if these recommendation are accepted and implemented, the rail transport system in Nigeria would come to light and as well perform its role of contribution to socio-economic development of Nigeria.

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APPENDICES
QUESTIONNAIRE FOR STAFF OF
NIGERIAN RAILWAY CORPORATION (NRC)

SECTION A: BIODATA

1. Name (Optional):……
2. Age:……
3. Sex: Male [ ] Female [ ]
4. Marital Status: Single [ ] Married [ ]
5. Educational Qualification:.
   - (i) No formal education [ ]
   - (ii) Primary School [ ]
   - (iii) Secondary School/City & Guide [ ]
   - (iv) Diploma/NCE [ ]
   - (v) First Degree/HND [ ]
   - (vi) Master Degree [ ]
   - (vii) Ph.D [ ]
   - (viii) Other Qualification (please indicate)……

6. Designation/Rank:……
7. Division:……
8. Department:……
9. Section:……
10. How many year have you spent in NRC?……

SECTION B: (Tick as appropriate)

11. What are most two prevalent problems of NRC
    - (a) Operational Problem [ ]
    - (b) Management Problem [ ]
    - (c) Financial Problem [ ]
    - (d) Government Control [ ]
    - (e) Staffing Problem [ ]
    - (f) Competition from road transportation, air and water transport [ ]
    - (g) Inadequate funding [ ]
12. Do you understand this operation of NRC?
    Yes [ ] No [ ]
13. Do you see the operation of NRC as:
    - (a) Profit making venture [ ]
    - (b) Rendering welfare services [ ]
    - (c) Both [ ]
14. What service do NRC rendered to the public?
    - (a) Carrying of passengers [ ]
    - (b) Carrying of Goods [ ]
    - (c) Post Delivery [ ]

(d) Communication services [ ]

15. Are you satisfy with the level of performance of NRC in terms of volume of traffic carried for both passengers and goods?
    Yes [ ] No [ ]
16. In terms of comparison, do you agreed that NRC performance in terms of traffic carried of goods and passenger in the 80s compared to now or greatly decline?
    (a) Agreed/Yes [ ] (b) Disagreed/No[ ]
17. Do you agreed that NRC revenue generation has drastically decline also?
    Yes [ ] No [ ]

INFRASTRUCTURAL FACILITY

18. Do you agreed that the locomotives, coaches, wagons available now are dilapidated?
    Yes [ ] No [ ]
19. Do you agreed that NRC will be able to solve all locomotive related problems by replacing the manual system of track maintenance with mechanical maintenance?
    Yes [ ] No [ ]
20. Do you agree that the replacement of visual tract inspection method with electronic recording of tracts ideal now?
    Yes [ ] No [ ]
21. Should the NRC acquire traction locatives to replace the diesel electric locomotives?
    Yes [ ] No [ ]
22. Do you agreed that the present narrow gauge should be replaced by the standard gauge?
    Yes [ ] No [ ]
23. Do you agree that the present mechanical lower Quadra signal and communication gadget?
    Yes [ ] No [ ]
24. Is spare parts for maintenance the rolling stocks and other equipment available?
    Yes [ ] No [ ]
25. What is the reasons for your answer?
    .....
    .....
26. If your answer to questions 25 is No, why are the spare parts not available? (tick as many as appropriate)
    (a) Lack of Fund [ ]
    (b) Spare parts no longer in production [ ]
    (c) Government Policy [ ]

MANAGEMENT PROBLEM

27. Do you agreed that various NRC management has fail?
    Yes [ ] No [ ]
28. What are the manor reasons for ineffective and inefficient management?
    (a) Lack of technical know how [ ]
    (b) Bureaucratic bottleneck [ ]
    (c) Corruption [ ]
29. Who should be held responsible for management inefficiency of NRC?
    (a) Indigenous Managers [ ]
    (b) Government [ ]
    (c) Workers [ ]
30. do you agreed that there is too much government interference in the day to day affairs of the NRC
    Yes [ ] No [ ]
31. Do you believe they agree that they management of NRC under experti8se manager is satisfactory?
    Yes [ ] No [ ]
32. When way NRC management transferred to RITES?
    (a) 1976 (b) 1979 (c) 1980 (d) 1987
33. What was the reason fro the management transferred?
    .....
    .....
34. Is the major objective of the managements contract with RITES achieved?
    Yes [ ] No [ ]
35. Do you agreed that given the same opportunity, Nigerians managers would have performed better than RITES managers?
    Yes [ ] No [ ]
36. What re the major attributes of RITES Managers?
    (a) Technological Know how
    (b) Openess/Honesty
    (c) Cordial Relationships with staff
37. Do you agreed that there is an improvement in NRC performance during RITES?
    Yes [ ] No [ ]
38. Do you agreed that the performance of the NRC deteriorated after the exits of RITES Managers?
    Yes [ ] No [ ]
39. Do you agree that privatising the NRC would solve their problems?
    Yes [ ] No [ ]
40. Do you agree that NRC as a corporation should be split into three distinct organisation?
    Yes [ ] No [ ]

ROLES OF NRC AS VEHICLES FOR SOCIO-ECONOMIC DEVELOPMENT

41. Do you agreed that NRC experience with Chinese Civil Engineering and Construction Company is satisfactory?
    Yes [ ] No [ ]
42. Do you agreed that handing over the management of NRC to foreign expertise will be the solution to NRC's poor performance?
    Yes [ ] No [ ]
43. Do you agreed that NRC due to its poor performance has not been able to perform its roles?
    Yes [ ] No [ ]
44. Do you agreed that the NRC has fail in its contribution to the economy of the country?
    Yes [ ] No [ ]
45. Do you agreed that NRC prior to 1980s was the highest employer of labour?
    Yes [ ] No [ ]
46. Do you agreed that NRC has fail in the area of employment reduction of labour?
    Yes [ ] No [ ]
47. Do you agreed that the collapse of NRC has affected its contribution to the socio-economic development of Nigeria?
    Yes [ ] No [ ]

QUESTIONNAIRE FOR RESIDENTS

SECTION A: BIODATA

1. Age:.....
2. Sex: Male [ ] Female [ ]
3. Marital Status: Single [ ] Married [ ]
4. Occupation:
   (a) Public Servant [ ]
   (b) Trader [ ]
   (c) Farmer/Fisherman [ ]
   (e) Artist [ ]
5. Educational Qualification:
   (i) No formal education [ ]
   (ii) Primary School [ ]
   (iii) Secondary School/City & Guide [ ]
   (iv) Diploma/NCE [ ]
   (v) First Degree/HND [ ]
   (vi) Master Degree [ ]
   (vii) Ph.D [ ]
   (viii) Other Qualification (please indicate).....
6. Status:.....

SECTION B:

1. Do you patronise the Railway services?
   Yes [ ] No [ ]
2. Which of the services have you ever enjoy?
   (a) Carried of person [ ]
   (b) Carried of goods [ ]
3. Are you presently satisfied with the service of NRC as it is now?
   Yes [ ] No [ ]
4. Do you agreed that the Railway has collapse?
   Yes [ ] No [ ]
5. Do you agreed that they Railway has not contribute much to the economy of Nigeria?
   Yes [ ] No [ ]
6. Do you agreed that the collapse of Railway has affect commercial/economic activities in your area?
   Yes [ ] No [ ]
7. In what way has the collapse of NRC affect your life
   (a) Deprive me of my job [ ]
   (b) Reduce my revenue [ ]
   (c) Affects my social relation [ ]
8. Do you agreed that the Railway should be privatised?
   Yes [ ] No [ ]