# Government Pol/Economic Policies of Minimum Wage and Fuel Subsidy Removal in Nigeria: Implications on Labour/Management Relationship.

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## Abstract

Every Government exist to guarantee good governance to its citizenry and this reflects in the kind of policies and programmes it enunciates. Because there exists a socially binding contract between the people and the government, it therefore behooves the parties to the contract to abide by the spirit and tenets of that social contract for the wellbeing of the people and the government/country. Hence, the people are obliged to pay their taxes while the government provide good governance by the nature/form of policies and programmes it initiates/formulates and executes. It is equally of note that the government/state aside being social contractually obliged to the people is equally obligated to the other social entities in the society. One of which is the industry. The paper therefore argues that the actions of the Nigerian government by way of policy formulation and/or programmes implementation in this case, the removal of fuel subsidy and the minimum wage policies tend to have implications on the functionality of industries in terms of increased production cost, lowered workers salary purchasing power arising from increased in the price of commodities in the market, etc. Writing from the analytical point of view, the paper finds that the government pol/economic policies of minimum wage and fuel subsidy removal have negative implications on labour/management relationship in the country. Thus, the policies should be given a human face in implementation by government.

**Keywords:** Fuel subsidy removal, implications, labour/management relationship

## Introduction

Governments all over the world exist to ensure the promotion of law and order in the society. It exists also to ensure good representation to the people or citizenry

through the provision of life sustenance to the citizenry. It takes as its cardinal responsibility the promotion and enhancement of the basic necessities of life to the people thereby ensuring that life to the people is worth living. It exists to ensure that might is not right but that justice is for the just as is encapsulated in the social contract which she brokered and entered into with the people. By the social contract, it is imperative that the government/state upholds its contractual obligation to the governed and the people likewise.

The social contract entails that the parties to the contract abide by the tenets of the contract or agreement and it is by so doing that cordiality and societal harmony is established. This is achieved by the establishment of ethical and pol/economic policies and laws that are intended to guide and regulate individual and group behaviour in the society or country. The idea of social contract became a necessity arising from the ungovernable and brutish attitude and nature of man which the early philosophers like Protagoras and Epicurus articulated and later re-echoed and revibrated by scholars like Thomas Hobbes, John Locke, Immanuel Kant, Jean-Jacques Rousseau, August Comte and other social philosophers of contemporary times (Ofili, 2022). The philosophy guiding the social contract is embedded in the mutual obedience and adherence to the guiding spirit of the contract. It is this adherence to the guiding spirit of the contract that guaranties harmony and societal homeostasis between and among the contracting parties which is the government/state and the governed/citizens.

By this contractual obligation, it is therefore the responsibility of the State/government to provide good governance to the people. That the people are guaranteed quality governance which should reflect in their existential life. This quality governance is epitomized in the form and nature of political and economic policies formulated by the government.

The policies and programmes of government should be a reflection of the governance intentions and desires for the people by the government/state. Arising from the social contractual agreement and obligations binding both parties (government and the people/citizens) it behooves the State to actualise her own part of the obligation in the form and nature of the programmes, policies and laws that are formulated and afterward implemented. It is therefore evident that the

nature and form of the policies and programmes of the government is an indication of the policy direction and intention of the government towards the social contract. Where the policies and programmes promote quality governance in terms of the enhancement of the existential life of the people, where it promotes quality life of the people, where the governed/citizens derive happiness, joy and peace, where the people are happy, bold and proud to declare their unalloyed support and patriotism, then the government/state is assumed to be guided and obligated to its social contractual obligation.

It is equally of note that the government/state aside being social contractually obliged to the people, is equally obligated to the other social entities in the society. These entities include the institutions and structures in the society or country, one of it are the places of production of goods and the rendering of services which are referred to as industries.

Industries are centers of production or manufacture. They are centers for the transformation of man's mental and creative imaginative potentials and abilities, concretised into tangible goods and amenities for the edification and manifestation of man in his quest for self cum material existentialism (Ofili, 2019, Ofili, 2021). It is equally of note that while the social contract is binding on the both parties, it is unarguably transcending to other institutions in the society. So it is that the actions or inactions of government by way of policy formulation and/or programmes implementation to a very large extent inadvertently do negatively or positively has an effect or implications on the functionality of the social institutions or organisations of which the industry is one. Knowing this, governmental policies and programmes are therefore designed and implemented in such manner that social conditions of work in the industries and in the country at large are not altered and/or distorted. Of note is that government policies and programmes to a large extent has implications on the work relations in an industry which in turn has implication on the survivability of the industry or organisation.

In the Nigerian context, successive governments at various times have come up with various eco/political policies that were supposedly geared at stimulating and energizing the productive base and the economy at large. They were equally aimed at actualizing their (government) contractual obligation to the citizenry by

way of concretising the peoples' material existential wellbeing. This action has tended to upset the social relations of production in the industries in the country. A case in point is the government policy of minimum wage for the workers and the most recent being the petroleum subsidy removal. These governmental eco/political decisions/policies from the stand point of industrial relations in the country has implications, centered on labour management relationship. The question then is, how has the pronouncement and subsequent implementation of these policies impacted and or influenced the social relations of production in the industries in the country? More so, to what extent has these governmental policies upset and/or counter-balance the power game/structure in the industries in the country? Essentially too, what is the nature and mode of work relations in the industries and also the nature and mode of the labour/management relationship in the industries arising from these policies and programmes by the government. These are begging questions and so constitute the central focus of the study.

**Problem articulation**

Governments all over the world, Nigeria being inclusive exist to regulate the activities of the members of the society/country including that of the institutions and organisations in that country aside meeting up with their existential life needs. In the attempt to actualise these obligations encapsulated in the social contract (Haralambos & Mead, 1980), policies and programmes are usually formulated and implemented by the government. These pol/economic policies and programmes do not just affect the individuals or groups in the country, they equally do have effect on the industries and work organisations in the country. It is of note that the work relations existent in some organisations are being altered arising from the policy pronouncement and implementation by the government. A case in point is the minimum wage increase and the most recent petroleum subsidy removal by the Nigerian government.

These policies though of noble intentions and ventures, have elicited public out-cry arising from their perceived adverse effect and implications on the masses and on the existing work relations in the country. The removal of the petroleum subsidy ushered in an increase in the pump price of petrol from the previous price of N185.00 to N500.00 and thereafter to N617.00 per liter (Vanguard, 2023,) just one month after the swear-in and inauguration of the newly elected President of

Nigeria and his pronouncement on the policy statement on the petroleum subsidy removal. The hike in the price of the petroleum product ushered in an attendant out-come of an increase in the cost of transportation with its spiral effects on the other sectors of the economy and social life of the people (Rabiu, 2023; Abiola, 2023).

The industries with the attendant work operations and work relations are not left unaffected or impacted. Due to the nature of the Nigerian economy and of the industrial operations which are fuel (petrol) driven, the industrial/work relations are amenable to alterations thereby ushering in a new work relation. Consequently, industrial organisations and industrial actors are inundated with instincts and strategies aimed at work and operational equilibration.

That industries and industrial actors are exposed to varied forms of challenges in the country is unarguable and these challenges tend to pose a hitch on the workings and operations between and among the industrial actors. These challenges on the part of the employees range from increased cost of transportation which renders their supposedly take-home pay (salary/wage) unable to take them home. This deafening situation is even aggravated by the spiraling and sky-rocketing inflation in the country that has made the salary of workers unable to cater for their existential needs. This in turn has put workers on the pressure for a demand for increased wages/salaries compounding the financial stress on the employers/management who likewise is equally burdened with the crisis of survival just like the workers themselves. This financial crisis experienced by both parties and occasioned by the pol/economic policies of the government has adverse implications on the existent relationship between the workers and the management/employer in the industry in the country. The emergent adverse implication though external to the organisation/industry, but internally implicational.

Arising from the submissions above, the study is therefore focused at examining the nature of the social relations of production and the attendant implications of this on labour/management relationship arising from the pol/economic policies and programmes of minimum wage increase and the petroleum subsidy removal by the government of Nigeria.

**Conceptual clarifications**

**Government policy:** Countries all over the world are runed by policies and programmes. It is these policies and programmes that set-in place planned actions of government for the people. Policies and programmes are government action plan initiatives which are galvanised and when implemented brings about effective governance and administration. Policies and programmes denote the art of governance. It stands as the road maps and blueprints of government for the effective delivery of governmental benefits and dividends to the people. Government policy LiveCareer posits has to do with those laws and orders that tend to guide decisions and actions of the government towards achieving the desired goals and objectives of the government for the people. Government policies stand as pointer to the action plan direction of the government and so stands as stimulus and propeller of the people towards the planned goals of the government. Hence, policies and programmes are fundamentals for effective governance. Where the policies and programmes of government are antithetical to the needs and yearnings of the led – the people, such a government is seen as being repressive, despotic, anti-masses, and un-profiteering to the people. This has implication on the government-masses relationship and on the growth and development of the country at large.

One of such government policies and programmes are the national minimum wage and the recent petroleum subsidy removal by the federal government of Nigeria. These policies most especially the petroleum subsidy removal has been perceived by the people as anti-masses policy arising from the perceived untold hardship it will bring to bear on the masses in terms of the astronomical hike in price of commodities and the general cost of living in the country and in consonance with the sky-rocking inflationary rate in the country. These the people sensed as un-bearing and un-acceptable and so must be resisted. Hence, the policy should of necessity be abrogated.

**Petroleum/fuel subsidy**: Oil or Petroleum products production and/or exploration in Nigeria started in the 1950s. Oil was first discovered in the oil rich region of the Niger Delta and specifically in the Oloibiri town in the old Rivers State and now Bayelsa State. It was here that oil was first discovered in commercial quantity and so launched the nation into the league of oil producing nations in the

world. It is important to note that with the discovery and exploration of oil in the country, the socio-economic and political life of the nation and the people therein have witnessed a dramatic turn-around. With the discovery and the exploration of oil by the country, there was a shift of emphasis from agriculture to a more yielding Petro-dollar activity which is oil production. Agriculture which used to be the main stay of the economy in terms of revenue yielding took a second stage with oil and so witnessed a decline in agricultural production and its contribution to the national economy.

With a shift and decline in agriculture and a more emphasis in oil production which is more revenue and income yielding, saw an increase in the cost of living in the country (Al Jazeera: 2023). Food shortage/scarcity occasioned by the decline in agriculture created an economic situation of hardship brought about by the spiraling hike in prices of goods and commodities in the market. All thanks to the national economic drift to oil production.

It is equally worthy of note that the over dependence of the country on oil production and its attendant oil revenue and with the glut in the international market arising from the dynamics of the world (OPEC) controlled price mechanism, there was a decline in the standard of living of the masses arising from the increase in the cost of petroleum or fuel pump price in the country. Since the country and the economy is oil dependent, a fluctuation of the price of oil in the international market (which is un-influenced and/or determined by the local currency -Naira) has a significant impact on the cost/standard of living in the country. Hence, to ameliorate the increasing cost of living arising from the increasing cost of the petroleum products in the country, necessitated the introduction of the petroleum subsidy policy whereby a significant portion of the cost of fuel is subsidized or paid by the government. Rather than the masses bear the full brunt of the cost or price of the product, the government lessens the burden by paying part of the cost for the people. This policy is seen and assumed in some quarters as a welfarist policy. However, the extent to which this policy is welfarist remains a subject of discuss and controversy in that while some see it as a welfarist policy in that it falls within the social contract mandate between the state and the people, others on the other hand see it as an economy looting strategy/policy by the few opportunistic ruling elites in the country. The policy therefore is seen as

the nation's economy drain pipe by the ruling political class in connivance with the economic dominant class in the country (Ozili, 2023). Whether the policy is that of welfarism or economy looting, one obvious fact is that a policy regime of subsidy has been established in the country.

This fuel subsidy policy was intended to stabilize the economy and also to cushion the adverse effect of the hike in petroleum pump pipe arising from the fluctuation in the price of oil in the international market which tended to negatively impact on the cost and standard of living of the people. This policy was only made possible by the bourgeoned economy. The economy was so flourishing at that period of the 1970s that the implementation of the subsidy policy was benevolent and congenial. However, with the dwindling economy arising from several factors such as price fluctuation in the international market, oil production ceiling by OPEC, pipe line vandalism and oil theft among others hampered the ability of the government to continue with the implementation of the policy. Hence the gradual demise of the policy and the enactment of the policy of fuel subsidy removal.

Petroleum or fuel subsidy removal was first introduced in the country in the 1980s (Garba, 2023) with the oil glut in the international oil market. The oil glut in the international market necessitated a cut or reduction in government public expenditure arising from the down-ward trend in the economy. Due to the fact that the nation's economy is oil dependent, and equally due to the fact that the price of oil is determined by the world system which is outside the influence and manipulative power of the country, an adverse fluctuation of price in the international market, detrimentally impacts on the revenue and economy of the country. That was the precarious situation that confronted the nation and so made it difficult or near impossible to continue with the subsidy regime/policy. The subsidy removal however was met with public outcry and condemnation which resulted in the implementation of partial as against full removal. This trend of subsidy removal and reversal has been a reoccurring decimal with succeeding regimes or administrations in the country over the years (Garba, 2023).

The consistent policy summersault on oil subsidy and its removal is anchored on two main prepositions. A school of thought on this is of the view that the removal of the subsidy will be beneficial to the country as a whole and on the masses. This

view is based on the premise that the removal will accord the government with the much-desired revenue that will aid effective budget execution and implementation with its triggering effects on the wellbeing of the people in terms of improved standard of living (Vanguard on-line News). The argument here is that the money saved or realized from the subsidy removal will be plugged backed into the economy by way of budget funding and infrastructural provision such as road construction, building and funding of schools and hospitals among others. These they posit will be more of benefit to the citizenry since the benefits will be all accruing to the entire people as against the few that may benefit from the subsidy arising from their vintage position in the system of social stratification in the country that is bedeviled with corruption and nepotism.

The other school of thought is of the view that by historical antecedents in the country, revenues so realized from the so-called subsidy removal has never been of benefit to the masses but rather has always been misappropriated by the few opportunistic political and economic elites in the country. These people by virtue of their vintage positions in the country appropriate same to themselves at the expense and detriment of the toiling masses. Hence the clamour for the retention of the subsidy policy and regime. Their argument is further hinged on the position that Nigeria being an oil producing nation has no option than to trickle down this advantage to its citizenry since that is the only advantage derivable. Equally too is the believe that its removal will adversely impact on the economy by way of increase in inflation and the general cost and standard of living of the people since most households depend on energy for their domestic and industrial usage due to the fact that the energy system in the country is of abysmal condition (Adenikinju, 2009; Brazilian & Onyeji, 2012; Ocheni, 2015; Omotosho. 2019). The position thrust here is hinged on the affirmation that with the previously removed subsidies on petroleum products in the country most especially fuel and the claim by successive governments of plugging the proceeds to the building of critical infrastructures in the country, the state of the said infrastructures still remains nothing to write home about in that either they are not built and so none existing and where they exist, they are at critical worst situation and of no use value (Brazilian, & Onyeji, 2012). It is in this context that the case of the moribund refineries in the country readily comes to mind. The other case situations in the country are the dilapidated and near no-use condition of the Eleme – Akpajo and the Mbiama roads in the east-

west road axis in Rivers State. Even with the strategic location of these roads; first, being the major link road between the western part of the country and that of the eastern part and secondly, being the link to the main economic thrust of the nation in terms of the revenue generation from oil and the situation of major critical national infrastructure in that region, one expects that the revenue so derived from the fuel subsidy would have been invested in this region and on the infrastructure. However, the reverse is the case. No wonder the clamour for the retention of the subsidy regime in-spite of its pitfalls since its highly prophesied benefits have assumed the cardinal status of delusion.

Irrespective of the angles and the perspectives adopted and assumed in the assessment of the subsidy initiatives, it is evidential that the policy and its implementation is implicational on the economy and country as a whole and on the industries in particular. The place of the petroleum industry and its products in the life of industries in the country cannot be over-emphasized in that petrol and its associated diesel are the oil that lubricate the engines of the industries. It is the brain box of industrial productive capability. Considering the existential fact that the power or energy situation in the country is at its lowest ebb, industries and manufacturing are highly dependent on the use of fuel and diesel for their industrial energy supply and usage. Without an adequate and efficient energy or power supply which in this context is fuel/diesel, industrial activities centering mostly on production of tangible goods will come to a halt. This scenario of course has implication not just on the economy but equally on industrial relations practice in the country. This the study will subsequently have a discuss.

**Industrial relations**: The term industrial relations depict the association and interactions of individuals and groups in the industrial context. Industry is composed of differentiated units, entities and functionalities. These units and entities are instigated and motivated into functionality by the share drive of interaction. As the early philosophers like Auguste Comte and others had rightly opined, man is a social being (Iwarimie-jaja, 2011) and so, is in constant interaction with others. It is in the course of this interaction that man discovers himself and as equally observed by Karl Marx, man discovers himself in the course of material production made possible by social interaction and association (Schaefer, 2003). Marx here is of the view that man only becomes man in the course of production

in that his identity and personality are made manifest here. It is worth noting that this is only made possible by the interaction situation enacted. Without the enactment of interaction and association, productive activity of whatever category becomes near impossible. Therefore, the cardinal point of production is humans in interaction with one another. Hence, industry is center of interaction be it positive or negative in nature.

In consonance with this afore-accepted, interactions in the industry are enacted by key actors comprising of the employers and the employees being represented by the organised labour union. The organised labour union arising from the skewed power relations manifest which often times tilt positively in the direction of the employer/management. It is of essence that the manifest relationship between both industrial actors are most often times confrontational and anachronistic in that the vested interests of labour or the employees and that of the employer or management are usually diametrically opposed and parallel (Grigiri, 1999). It is this dialectical relationship that usually defines the nature and mode of industrial relations in the country. It is of essence to state that despite the assumed opposing interests of both parties in the industrial relations, industrial homeostasis is unequivocally desired and assured. This is anchored on the premise that a deadly or extinguishing industrial relations between and among the industrial actors will be detrimental to the interest of both participants. That explains the consensual homeostasis relationship existent in industries in-spite of the perceived anachronistic and confrontational attitudes most often times exhibited by both parties as is the case in the canvassed industrial actions by the organised labour unions in the country under the auspices of the Nigeria labour congress over the increase in the petroleum pump price arising from the removal of the subsidy on petrol. It is therefore evident that though conflict is inevitable arising from the perceived interests of the key actors, however, a melting point is usually negotiated and peace brokered for the continued existence of the industries and for self-perpetuation.

Another key actor in the industrial relations in the country is the Nigerian State. It is believed in some quarters that the State is just an impartial umpire in the affairs of industry in that it only mediates in the settlement of dispute and the setting of guideline and rules that regulate the actions of the actors in the industry.

Therefore, its role is just advisory. However, some others are of the view that the Nigerian State is a key player in the affairs of industry and so is a major participant and its roles should be seen in that regard. The argument here is that the State being the highest employer of labour in the country cannot be an impartial umpire since it is directly engaged in industrial activities and actions. More so, being an employer of labour, its interest must be protected and this reflects in its dealing with its employees in terms of its contractual obligations embodied in the conditions of service which are skewed positively to its interest arising from the self-skewed power relations in the industry.

Irrespective of its status in industrial relations in the country, the fact remains that the Nigerian State roles in industrial relations cannot be over-emphasized. The state policy decisions to a very large extend are implicational on the workings in the industry. Its political and economic policies and decisions most often times have direct bearing on the functionality and the nature of the relationship existing between the employer and the employees (union). A case in point is the Nigerian State policy on petroleum subsidy. The removal of the subsidy on the petroleum products most especially fuel has inadvertently affected the existent industrial relations in the country whereby labour (workers) is now at dagger drawn with their employers/government for increased salaries and wages. This strained industrial relation is visible with the recent warning strike called and embarked upon by the workers under the supervision of the Nigeria labour congress (NLC). The strained industrial relation though externally generated tend to have a disruptive effect on the workings in the industry. The question then is, how does the removal of petroleum subsidy negate industrial relations and what are the consequences/implications of such negations. How can such negations and the attendant implications on industrial relations in the country be addressed and mitigated?

**Implications of fuel subsidy removal on labour/management relationship**: The fuel subsidy removal by the Nigerian government has generated a lot of upheavals in the country with some supporting and the others vehemently opposing the removal. Irrespective of the divide one falls into or the pendulum swings, the fact remains that the policy has profound implications on the relationship between the workers and the management in the industry.

One is that the removal has a cost implication on production. Most industries in the country depend on the petroleum products as source of energy for the production of goods in their industries. With the removal, there is an upward push in production cost. This renders most industries incapacitated and operating at below production capacity. This of course has implication on profit and survivability of the affected industries. This explains as observed, the down-ward reduction in the number of functional industries and the shutting down of factory by some industries in the country arising from spiraled and bloated production cost.

Importantly too, the increasing cost of production and the desire for operational continuity and survivability necessitate an adaptation or copying strategy by the industry/management. This explains the down-ward reduction in staff strength. Most hit is the banking industry where the workers were either down sized or placed on reduced salary and welfare packages (Umar & Umar, 2013). These have attendant implication on the industry and the affected workers in terms of survivability.

The subsidy removal has introduced and altered the standardized work relations in the country. A new form of work structure, pattern and work habit negating the afore standardized work structure and work habit tend to be the new-order in the country. Previous work pattern and work habits of five days physical presence and eight hours of work tend to give way to unofficially approved three days physical presence and unspecified work hours by the workers (Ofili, 2021). This is evident as obtained in the work schedule of the staff and management of FIRS, Nigeria local content and some State ministries and parastatals. Some administrative staff as in the case of Federal university Otuoke go as far as having an unofficial shift or rotational work arrangement whereby they work in alternate days. These are coping strategies to the subsidy removal. This however tends to have resultant implications on work efficiency and organisational productivity.

The other implication is that it engenders conflict in the industry between the management and the workers. The removal of the subsidy while heightening the cost of production on the part of the management, and equally increasing the cost of living of the workers whereby the standard of living of the workers are reduced,

this becomes a veritable trigger of agitation by the workers against the managers of the industry. This is evident in the recent two days warning strike embarked upon by the organised labour in the country against the removal of the fuel subsidy and their subsequent introduction and implementation of a cushioning package or palliative to ameliorate the hardship occasion by the subsidy removal. In-spite of the cushioning/palliative packages to the workers, the arising impact is yet to be imagined as work truancy, absenteeism and attendant impacts on the organisations in terms of low productivity cannot be immediately quantified.

These implications are a pointer to the strained (though latent) work relationship existent between the workers and the operators of the industry and by extension the government being an employer and an active participant in the industrial relations in the country.

**Summary/Conclusion**

The study was set out to explicate the aftermath effect and implications of government eco/political policies and programmes such as the minimum wage and the fuel subsidy removal policy on the functionality of industries in the country in terms of labour/management relationship. In conceptualising this, it was espoused that arising from the social contractual obligation between the government and the governed/people, both in the contract are expected to abide by the tenets and spirit of the contract for mutual benefit. The State/government is equally social contractually obligated to the industries, being a social entity. So, the government in order to concretise its own part of the contract, enunciates programmes and policies which are intended to better the well-being of the people both in the society and in the industry. One of such programmes and policies are the minimum wage policy and the fuel subsidy removal in the country.

The study notes that these policies do not just impact on the life of the people but equally impacts on the industries and work organisations in terms of the altering of the work habits, work structure and the general work relations hitherto existent between the workers and the management. The study notes that though the policy of fuel subsidy removal was intended to stabilise the petroleum down-stream industry and so eradicate the price racketeering syndrome associated with the policy, it however instigated economic hardship on the people and on the

industries leading to increased production cost on the part of the industries and lowered purchasing power of the salaries of the workers. These off-course have implications on the work environment in terms of strained work relations between the workers and the management arising from the attempt by both parties to remain operationally functional.

Hence, the study concludes that government eco/political policies of minimum wage and fuel subsidy removal have implications on labour/management relations which most often times is on the negative.

**Way forward**: Knowing that a relationship exists between petroleum (fuel) subsidy removal and industrial relations in the country and that this relationship has tended toward negativity in the form of low workers morale, down/right sizing of the workforce, low productivity and the attendant strained and suspicious relationship on the both party in the industry, it is therefore pertinent to proffer a workable solution for the amelioration of the situation.

First, systemic corruption in the petroleum industry should be addressed and tackled in that it is this that is responsible in the first instance for the removal of the subsidy on the petroleum pump rice that brings about the negations in the industrial relations in the country.

With corruption curbed or reduced, would-be lost monies will be retained and saved for the masses use devoid of subsidy removal and the attendant implication on industrial relations in the country.

Secondly, there is the need to improve on the operational capacities of industries thereby increasing their production efficiency through low production cost. This has an implication on the industry in that it will reduce the incidence of downsizing of the workforce leading to an improve morale and an efficient and dedicated workforce.

Essentially too, to increase the ability of government to subsidize the product which is the bone of contention by both parties in the country, there is the urgent need to revamp and reinstate our existing but moribund refineries in the country.

With the functioning of the refineries most especially at optimum capacity, the incidence of fuel importation and the associated inability to subsidize with be reduced and curbed.

In sum, with the revamping and revitalization of the moribund refineries and the curbing of corruption in the petroleum industry thereby enhancing the subsidy payment capability of the government and the attendant reduction in the production costs by industries arising from the reduced and/or stabilized pump price of fuel, there is a prospect of a robust industry relations in the country.

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