

## Labour Crises in the Health Sector and Economic Development in Nigeria

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### Abstract

This study was carried out to examine the impact of labour crises in the health sector on economic development in Nigeria within the period of 2007 to 2016. Secondary data on trends of health sector strikes was used as the independent variable while economic development with two measures (infant mortality rate and Life expectancy rate) was used as the dependent variables. Data analysis tool via regression analysis with the help of SPSS Software was used. Results of the study showed that trends of health sector strikes had significant impact on both infant mortality rate and life expectancy rate within the period of 2007 to 2016. Based on the findings, it was recommended amongst others that efforts to discourage health sector strike by government should be intensified. This can be done through timely negotiation and discussion with health sector professionals so as to meet their legitimate demands in time to forestall industrial actions such as strikes.

**Key words:** Infant mortality rate, Life expectancy rate, Health, Strike, Labour, and Labour crisis.

### 1.0 INTRODUCTION

The world health organization defines the health workforce as "all the people engaged in actions whose primary intent is to enhance health". These people include doctors, nurses and allied health workers and these people by virtue of their job roles, are critical to economic development of a nation. Thus, stable healthcare sector performance could lead to reduced mortality rate as well as increased in life expectancy of the people (WHO, 2005).

Labour crisis is a situation in which the work force is affected by one or more very serious problems that made them unhappy which may eventually result to strike action. Conversely, health workers strike usually arises due to a breakdown in negotiation as well as disagreement between employers and employees. Strikes connote a temporary stoppage of work resulting from the pursuance of grievance(s) by a given group of workers (Botero, Djankov, La Porta, López de Silanes and Shleifer (2004)). It could equally arise as a result of fall out in negotiation and also as a result of disagreement in

the behavior of the employer and the employee. Nigerian healthcare sector has been rocked by strikes action. Since the advent of the current democracy in 1999 till date, health care workers have engaged in various forms of job actions. In some cases, the dispute has lasted for over a month or more. In all cases, the health sector has been thrown into turmoil and this affect economic development in Nigeria.

The three reasons given by doctors and healthcare workers for embarking on strike may be classified as follows: to protest against the ongoing changes in organization of health care services to international standard of which the changes include rise of 'consumerism' in healthcare and the changing role of the physician from a purely professional role based on beneficent paternalistic to that of a service provider and employee in a managed healthcare industry (Ogundele, 2005). The second one is government's failure to honour collective bargaining agreements reached. The third is pressing for better healthcare facilities provision for patients and a better working environment for both workers and patients. Given that these genuine reasons for embarking on strike, yet the resulting effects both on the individuals and the economy are dire as such labour crises as patterns the healthcare sector should be discouraged at all cost if possible. Consequently, scholars like Obinna, Iheaka, Olabisi, Ezinne and Deborah (2016) as well as some professionals have been on the search for a permanent solution to this sad situation.

## 1.2 The Problem

It would appear that strike may have a deleterious impact on doctors and other health care workers. Striking health care workers frequently face loss of income, job insecurity and emotional distress plus long hours of work for those who choose not to participate in the strike action. One of the reasons that have been given for health workers strikes is unfair working conditions of doctors. In an effort to meet these demands and get better working conditions, resident doctors more often than not embark on strike actions. Whether or not their demands are eventually met, doctors involved in strikes end up disillusioned and demotivated and might end up emigrating overseas or relocating within the country thereby leading to internal or external brain drain. The impact of such movement could be as severe as occurred in Lagos State University Hospital who nearly lost its accreditation due to prolonged strike. Close to 25% of national doctors threatened to quit their jobs and leave the country unless they received wage increase as reported in federal medical Centre (Ogunbanjo, 2015). Federal Medical Center Doctors strikes led to major disruption of health care service delivered in the center and regions affected.

On the other hand, these strike actions have negatively impacted on the healthcare system in the country leading to several avoidable deaths of both infants and adults, complications and outgoing medical tourism as the wealthy seek healthcare abroad. The poor on the other hand, who cannot afford the medical trip abroad, are left to their fate-death in most cases. The impact of these strikes is worse when they occur at periods of national health emergencies such as during the Ebola virus outbreak, Lassa fever, cholera outbreaks, or more recently the monkey pox outbreak or even man-made emergencies like the Boko Haram menace suicide bombings with mass casualties. Consequently, the population of the nation especially the active population could be reduced and economic development affected (Todaro and Smith, 2011).

In addition, recent reports have revealed that Nigerian crippling healthcare system has

led to increased mortality rate and also contributing to low life expectancy rate (Davies, Rotimi, Adenike, Asa, Adedapo, Muktar, Jacob, Oluwafemi and Alexander, 2017; World Bank report, 2016). However these reports did not indicate whether or not these negative economic indices as patterns to Nigeria and its healthcare services is as a result of labour crises or other factors such as government actions, thus creating a research gap. This study will fill the gap by looking at the impact of healthcare labour crises on economic development of Nigeria within the periods of 2007-2016. The specific objectives are to determine the impact of the trends of health sector labour crises on the infant mortality rate in Nigeria within the period of study and determine the impact of the trends of health sector labour crises on the life expectancy rate in Nigeria within the period of study.

The rest of the paper is divided into literature review, research methodology, results and discussion as well as conclusion and recommendations.

## **2.0 LITERATURE REVIEW**

### **2.1 Composition of the Health Sector in Nigeria**

The Nigeria health sector is one of the largest sectors of the economy and it comprises of various healthcare practitioners apart from the doctors. Each of this has various unions that come up together for collective bargaining as regards to the demands of the healthcare staff or employee. According to Davies, Rotimi, Adenike, Asa, Adedapo, Muktar, Jacob, Oluwafemi and Alexander, (2017), the composition of this workforce includes; Joint Health Sector Unions (JOHESU), Nigerian Medical Association (NMA), National Association of Resident Doctors (NARD), Association of Resident Doctors (ARD) operating from local level, among others. Expatriating on this composition, JOHESU one of the biggest umbrella of the union consists of five registered health professionals unions: Medical and Health Workers' Union of Nigeria (MHWUN), National Association of Nigeria Nurses and Midwives (NANNM), Senior Staff Association of Universities, Teaching Hospitals, Research Institutes and Associated Institutions (SSAUTHRIAI), Nigeria Union of Allied Health Professionals (NUAHP) and Non- Academic Staff Union of Educational and Associated Institutions (NASU), aside those of the Doctors themselves. Consequently this sector is argued as the largest employment sector of the Nation (Davies et al, 2017) and Hassan, (2015).

Interestingly, with its pedigree as the highest employing sector, yet recent reports have indicated that there is general shortage of healthcare workers in Nigeria (WHO, 2014) and the health workforce density is estimated at 1.95 per 1000 population (WHO, 2016). This shortage could be as a result of gross inequity in health workforce distribution, as there is no national policy guiding the postings and transfers of health workers.

#### **2.1.1 Causes and Consequences of Health Sector Strike**

As earlier mentioned, there have been several reasons identified as responsible for the healthcare workers to embark on strike. These reasons range from the demand for better salary and welfare, followed by disagreement on a variety of work-related principles (Adebimpe, Owolade and Adebimpe, 2010). Others are poor healthcare leadership and management, infrastructural issues and inter-personal issues. As argued by various

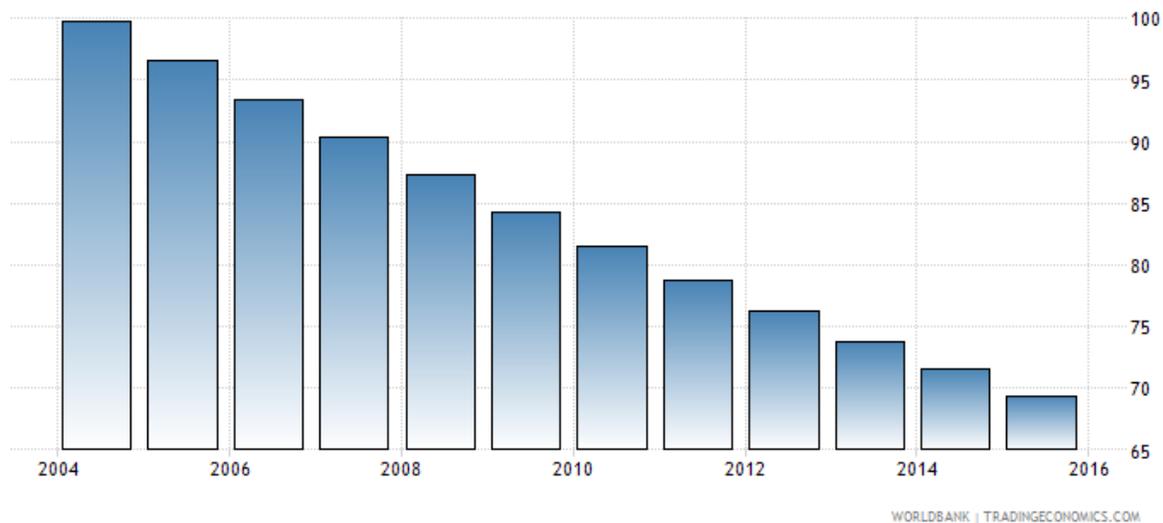
studies, it is not surprising to discover that the primary cause of most national healthcare worker strikes in Nigeria is demand for higher salaries and wages while patients welfare are come as secondary contrary to most claims of healthcare union advocators. For instance, of the 24-point reason for the 2014 National Medical Association (NMA) doctors' strike, only one made reference to health trust funds to enhance the upgrading of hospitals in Nigeria. The rest focused on doctors' welfare, salaries and wages, career enhancement and other welfare issues.

According to Davies et al., (2017), other reasons for strike are the supremacy challenge amongst the various unions of the healthcare sector as well as crises based on qualifications such as Ph.D or a fellowship. On supremacy issues, distrust, dissensions and recurring conflicts among different professional groups in the health sector are now emerging (JOHESU press release, 2016). Other health workers have alleged that the Nigerian health system is designed to favour doctors mainly. The alleged dominance of doctors over the years has encouraged other health workers to form the new group called the Joint Health Sector Unions (JOHESU) (Ibeh, 2015). Disputes over salaries, allowances, consultancy status and who heads the health sector have continued to emerge among different factions. For example, the Nigerian Medical Association (NMA) and JOHESU strikes in 2014 were based on doctors versus nurses, doctors versus pharmacists, doctors versus laboratory workers and doctors versus other allied health professionals protracted supremacy challenge (Ibeh, 2015).

On the qualification issues, issues bordering on whether a Ph.D. or a Fellowship of the postgraduate medical colleges is required for an academic appointment has in recent times led to labour crises in the sector. He emphasized that medical expertise does not necessarily imply effective teaching skills; as such, all medical school teachers without formal teaching and pedagogical training need to enroll for a Ph.D. to continue to hold academic positions in teaching hospitals. Many have challenged and raised serious concerns about this within the health sector, particularly because there are no Masters/Ph.D. programmes for most of the clinical specialties in Nigeria, suggesting this may possibly be another dimension to the existing supremacy issue. This therefore remains an ongoing challenge in the delivery of expected teaching and core health services among concerned professionals.

## **2.2 The Concept of Mortality Rate**

Infant mortality rate is the number of infant deaths for every 1,000 live births. It is an important marker of the overall health of a society. It is a development indicator that could be tied to healthcare availability and access in the nation. The is a critical indicator as whenever it is high, sends a danger sign to nation because the potential active working force of the population might be declining.

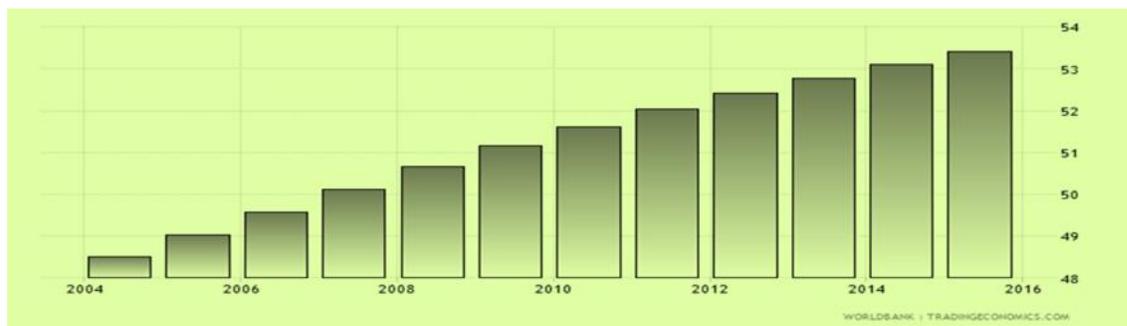


**Figure 2.1: Infant mortality rate for Nigeria (Source: tradingeconomics.com, 2017)**

From the chart above, it can be seen that within the years under review, this indicator as pertains to Nigeria has been on the decreasing trend, decreasing from 73.2 deaths in 2014 to 69.5 deaths in 2016. However, a look at other closely related indicators paints a mixed picture. According to the statistics, 55% of children are not immunized, the bed availability to patients is 0.5 beds, while 0.137 is the number of healthcare workers available to patients and 1.6 nurses and midwives available per 100, 000 of the population while 0.395 Physicians and 1.36 specialist surgical workforce to these populations respectively. With this skewed trends, any crises in the healthcare sector that is not resolved in the possible shortest time is likely to aggravate the situation. Thus this study considers this in addition to the life expectancy rate while looking at the healthcare labour crises impact on them.

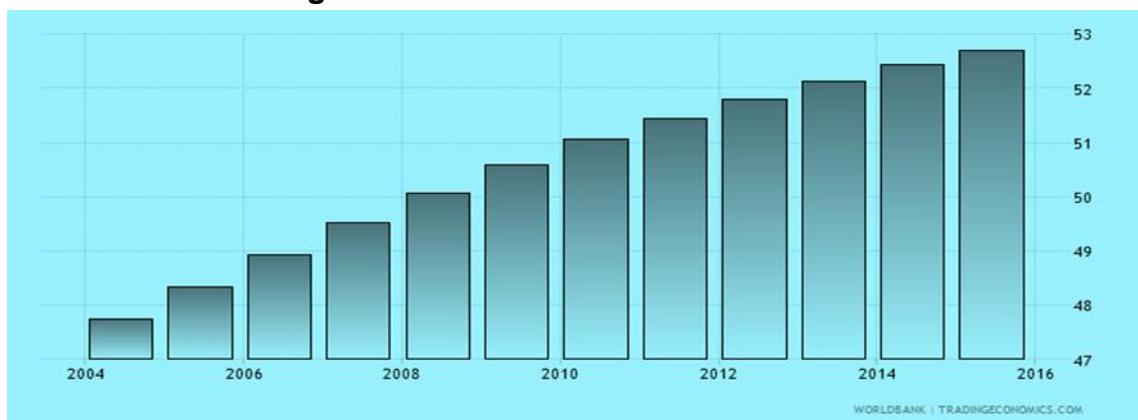
### 2.3 The Concept of Life Expectancy Rate

Life expectancy at birth indicates the number of years a newborn infant would live if prevailing patterns of mortality at the time of its birth were to stay the same throughout its life (tradingeconomics.com, 2017). This is one of the development indicators that are tied to the quality of healthcare available in a nation (WHO, 2017). In the Nigeria, the life expectancy rate for women for the past 10 years has been increasing (see the chart below), with it standing at 53.8% for year 2016 while that of men is 52.8% in 2016. However, this increase is a slight one when compared to other areas. This could be as a poor healthcare services that has been in existence and developing at a slower pace even after the democratic dispensation. The same report revealed, a great number of Nigerian women survey by world bank within the year 2014- 2015, indicates that 52.4% of the women reported that they had problems in accessing healthcare as a result of non-affordability of healthcare cost; 65.5 % of causes of death amongst women are reported as communicable diseases, maternal and prenatal nutrition conditions. In addition, the number of infant deaths is recorded at 484, 368 while causes of death by Injury stood at 8.6%. other are Cause of death, by injury (% of total), 8.6 % ; Number of under-five deaths, 750111; Cause of death, by non-communicable diseases (% of total), 25.9 %; Number of neonatal deaths 240106; Adults (ages 15+) living with HIV, 3200000 Persons.



**Figure 2.2: Life expectancy for women in Nigeria**

Source: [www.tradingeconomics.com/2017](http://www.tradingeconomics.com/2017)



**Figure 2.3: Life expectancy rate for men in Nigeria**

Source: [tradingeconomics.com/2017](http://tradingeconomics.com/2017)

## 2.4 Empirical Review

There have been a growing studies and research on the issue of healthcare strikes and its impacts on the healthcare system and the nation at large. For instance, Obinna, Iheaka, Olabisi, Ezinne and Deborah (2016) in their study on industrial strike in the healthcare sector within the periods of 2013 -2015”, looked at causes of strikes and how they can be controlled. They employed the use of a cross-sectional descriptive survey between February and March 2015, with the use of a self-administered questionnaire with both closed- and open-ended questions to sections of 150 healthcare workers in the nation. The result of the study indicates that less than half of the participants supported industrial actions. Furthermore, it also revealed that poor healthcare leadership and management and demand for higher salaries and wages were cited as the common causes of industrial action.

In a similar vein, Davies, Rotimi, Adenike, Asa, Adedapo, Muktar, Jacob, Oluwafemi and Alexander (2017) examined the healthcare crises and the governance issue causing it in Nigeria. In their studies, the employed an extensive literature review and search to identify studies on health workforce and health governance in Nigeria. A critical analysis, with extended commentary, on recent health workforce crises (2007–2016) and the health system in Nigeria was conducted. The result of the study revealed that the Nigerian health system is relatively weak, and there is yet a coordinated response across the country. A number of health workforce crises have been reported in recent times due to several months’ salaries owed, poor welfare.

### 3.0 RESEARCH METHODOLOGY

In this study, a mix of Historical and correlational methods are used. Historical in the sense that the trends of industrial actions in the healthcare sector within the period of study as well as historical data on economic development (Infant mortality rate and Life expectancy rate) was used. The purpose of historical research design however, is to collect, verify and synthesize evidence from the past to establish facts that either defend or refute the hypothesis being tested. Furthermore, the correlational method is adopted, hence using regression analysis in order to measure the relationship between two variables.

Secondary sources of data on Trend of labour crises, Life expectancy and Infant mortality rate from 2007-2016. Meanwhile, Trend of labour crises were collected from healthcare sector documented. Life expectancy and Infant mortality rate data were collected from World Bank database for economic indicators, as well as the United Nations Development Program (UNDP) Annual Reports.

#### Model Specification

The specified regression model for the study is

$$ED = f(LC) \quad (1)$$

Where; ED is economic development and LC is labour crisis

Equation (1) is disaggregated into

$$LER = f(TLC) \quad (2)$$

$$IMR = f(TLC) \quad (3)$$

In the linear form, Equation (2) & (3) was stated as:

$$LER = b_0 + b_1(TLC) + e$$

$$IMR = b_0 + b_1(TLC) + e$$

#### Where;

IMR is Infant mortality rate, LER is Life expectancy rate, TLC is Trends of Labour crises,  $b_0$  is the intercept,  $b_1$  is the slope parameter and  $e$  is the error term. Using Statistical Package for Social Sciences (SPSS) software, the variables will be subjected to complementary statistical test and the results were used for analysis and for hypothesis verification.

### 4.0. RESULT AND DISCUSSION

This section analyzed and interprets the results.

**Table 4.1 Regression Analysis Table**

Model	R	R <sup>2</sup>	Adjusted R <sup>2</sup>	Standard Error	R <sup>2</sup> change	F-Value	DF	Sign-Change	Durbin Watson
H0 <sub>1</sub> : There is no significant impact of	.51165	.26179	.16951	2.64123	.26179	2.83697	1	.1306	2.19638

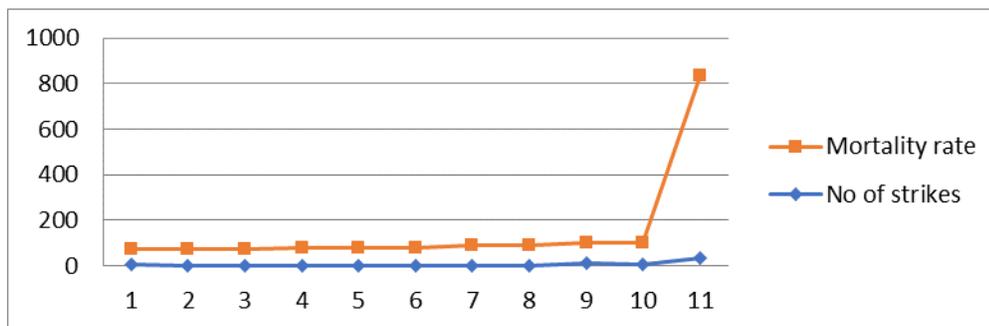
Trends of healthcare labour crises on infant mortality rate in Nigeria from 2007-2016									
<b>H0<sub>2</sub>:</b> There is no significant impact of trend of healthcare labour crises on life expectancy rate in Nigeria	.55334	.30619	.21946	2.56057	.30619	3.53050	1	.0971	2.27780

**Source;** Author's Computation from (SPSS)

The findings from Table 4.1 revealed that R- squared of **0.2617** for trends of health sector strikes showed that 26% of the total variation of economic development in terms of the infant mortality rate was due to the effect of health sector strikes witnessed in the period, whilst **0.16951** on adjusted bases, the infant mortality rate were 17.00% relative to the trends of health sector strikes witnessed. The Durbin Watson (DW) is **2.19638** and it is greater than 2.0. This shows that there is no evidence of positive serial correlation between trends of health sector strike and infant mortality rate.

Similarly for trends of health sector strikes effect on life expectancy rate, the results reshewed **R- squared of 0.30619**. Meaning that, Trend of Healthcare strikes on life expectancy rate shows that **31%** of the total variation of economic development in terms of the life expectancy rate witnessed in Nigeria was due to the effect of health sector strikes witnessed within the period. However **0.21946 on adjusted basis**, the life expectancy rate was **22.00%** relative to the health sector strikes experienced. The Durbin Watson (DW) is **2.27780** and it is also greater than 2 implying that there is no evidence of positive serial correlation between trend of healthcare strikes and life expectancy rate.

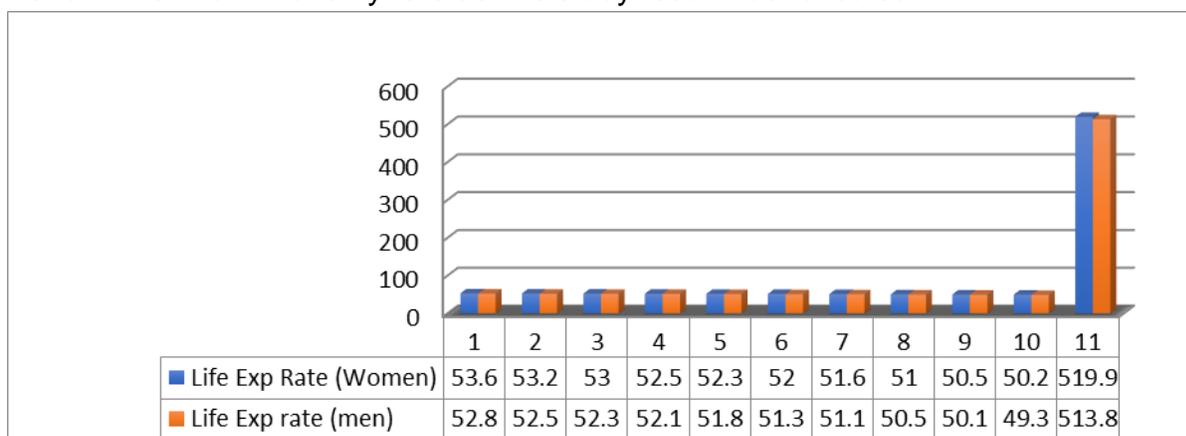
Finally, the analysis indicates that trends of labour crises in the health sector have a positive effect on economic development measured in terms of infant mortality rate and life expectancy rate. Further, the regression analysis showed that the effects on the variables were statistically significant; hence, the null hypotheses (H0<sub>1</sub>, H0<sub>2</sub>) were not supported.



**Fig 4.1: Trend of Health sector strike and Mortality rate of Nigeria 2007- 2016**

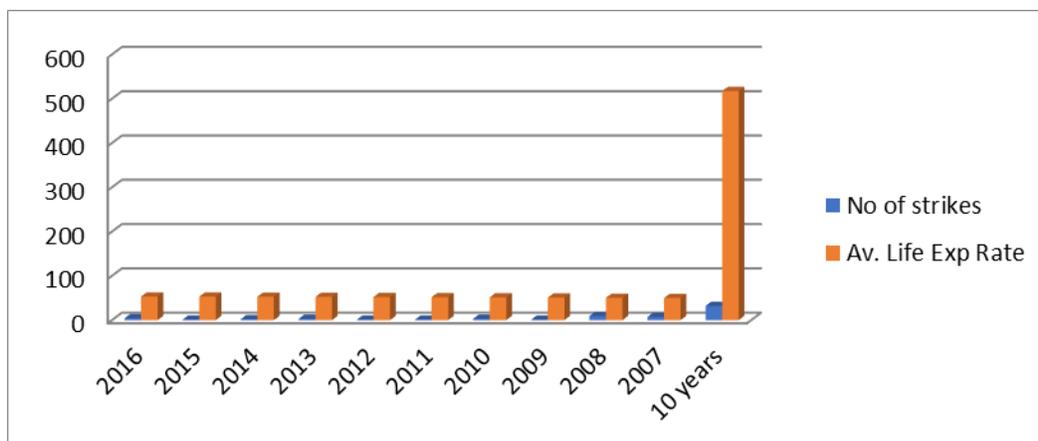
**Source;** Author’s Computation from (SPSS)

The chart above (Figure 4.1), showed that the infant mortality has been on the increasing trend though not at the same rate with the number of health sector strikes hence raises concerns and the need for reduced health sector strikes that would perhaps reverse this trend in the infant mortality rate as this study result has revealed.



**Fig 4.2: Life Expectancy rate of Nigeria for the Period 2007-2016**

**Source;** Author’s Computation from (SPSS)



**Fig 4.3 Trend of strike and Life expectancy from 2007 -2016**

**Source;** Author’s Computation from (SPSS)

Again, looking at data as depicted in the charts above (Figure 4.2 and 4.3), it can be observed that the life expectancy rate over the years has not shown appreciable increase (increasing from 50 to 54 for women and 50-53 for men) for the 10 year period studied increasing on average by just three (3) points, increasing from 50 – 53 (average life expectancy rate). Whilst the number strikes has reduced within the period studied (from 7

numbers of strikes in 2007 to just 4 in 2016), however its effect on life expectancy rate is huge – leading to slow pace of increase in life expectancy rate in the nation. Consequently raising concerns for urgent action towards reduction of incessant and consistent health sector strikes in the nation otherwise, life span of the populace could be drastically reduced.

#### 4.1 Hypotheses Testing and Analysis

##### Hypothesis One

**H0<sub>1</sub>:** There is no significant impact of the trends of health sector labour crises on infant mortality rate in Nigeria within the period of 2007 to 2016.

**Decision Rule:** Accept H0<sub>1</sub> if calculated F - value is less than tabulated value at 0.05 significant level. Table 4.1 showed a sign F value of **0.1306** and calculated value of **2.83697** while tabulated value of **0.51165** is less than the calculated value. Thus, the null hypothesis (**H0<sub>1</sub>**) was rejected and the alternate hypothesis (**H<sub>1</sub>**) was accepted. Therefore, there is significant effect of health sector labour crises on infant mortality rate in Nigerian within the period of 2007 to 2016.

##### Hypothesis Two

**H0<sub>2</sub>:** There is no significant impact of the trend of health sector labour crises on life expectancy rate in Nigeria within the period of 2007 to 2016.

**Decision Rule:** Like in one above, accept H0<sub>2</sub> if calculated value is less than tabulated value at 0.05 significant level. Again, the regression table above depicted that a calculated value of **3.53050** is greater than the tabulated value (**0.55334**) at sign Figure of 0.0971. Thus, the alternate hypothesis which there is significant effect of trend of healthcare labour crises on life expectancy rate in Nigeria within the period of 2007-2016 was accepted.

#### 5.0 CONCLUSION AND RECOMMENDATIONS

The study was carried out to examine how the labour crises in the health sector impacts on economic development in Nigeria within the period of 2007 to 2016. Given the World context, stable healthcare sector performance could lead to reduced mortality rate as well as increased in life expectancy of the people (World Bank, 2005). But labour crises have continues in the health sector and this have negative effect on the economy.

From the results and findings obtained, it is concluded that the labour crises in the health sector had a significant effect on economic development of Nigeria within the period of 2007 to 2016. This therefore implies that the level of decreased economic development in terms of the high mortality rate and low life expectancy rate witnessed in Nigeria within the period could be as result of incessant and regular strikes in the health sector that has led to abandonment patients in the hospitals and other risks associated with non-availability of healthcare services that has resulted in high mortality rate and consequently low life expectancy rate for the individuals in the nation. The result of this study is in agreement of earlier and recent works of scholars such as Davis et al (2017) and Obinna et al (2016) whose works concur that health sector strikes have negative effects on economic development which are seen in terms of abandonment of hospitals and other health facilities, increase mortality rate, low life as well as increased medical tourism.

As a result of the findings of the study, the following recommendations suggested as a way forward: (i) The significant impact of health sector strikes on infant mortality rate calls

for government urgent action towards curbing the incessant strike actions by health sector workers; through timely negotiations, government should also make frantic effort to meet the promised obligations to unions so that they can continue to work. This is important when there is strike in the situation of emergency, more lives including children who are leaders of tomorrow will be lost and this could lead to low active work force of the nation. (ii) The healthcare professionals and regulators should endeavor to get their members to uphold the principle of Hippocratic oath of sanctity of life that they have taken by virtue of their profession and ensure that even when there is strike, there are emergency services available to people who need Medicare and treatment. This way avoidable infant and adults deaths will be minimized. (iii) Looking at significant impact of strikes on life expectancy rate of the nation, government at all levels should promptly deal with some of the reasons doctors and other health professional have for embarking on strike; such reasons include poor working condition and inadequate healthcare facilities amongst others. Where this situation exists, poor healthcare delivery will be witnessed and this will have overall impact on the life span of individuals.

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