

# The Effect of Minimum Wage in the Fight Against Corruption Among Civil Servants in Ekiti State, Nigeria

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## Abstract

This study examined the effect of minimum wage in the fight against corruption among civil servants in Ekiti state, Nigeria. The objectives were targeted towards assessing the effect of unemployment, bribes, basic salary, annual bonus, productivity and performance pay and allowance on corruption. Primary data were sourced through the use of structured questionnaire on carefully selected sample of 378 out of the 7,062 workers drawn from thirteen (13) chosen Ministries, Departments, Agencies and Government Corporations in Public Service of Ekiti State with staff strength of two hundred (200). Multiple regression analysis were adopted to measure the effect of unemployment, bribes, basic salary, annual bonus, productivity and performance pay and allowance on corruption. The study found that effect of unemployment on corruption ( $\beta = -0.218$ ,  $p = 0.033$ ), basic salary ( $\beta = 0.209$ ,  $p = 0.007$ ), annual bonus ( $\beta = 0.040$ ,  $p = 0.003$ ), and allowance ( $\beta = 0.741$ ,  $p = 0.000$ ). The study concluded that due process in awarding government contract are not strictly adhere to, this give room for civil servant in the state to be conscious of what to be receive either in form of gift or bribe and the annual bonus has no effect on their daily living even when paid and the various work allowance (e.g. wardrobe, leave, furniture, newspaper allowance), still could not meet the works' needs do to economy recession.

**Keywords:** unemployment, basic salary, allowance, corruption, minimum wage

## 1. Introduction

Among the few activities that helped to pinpoint and vitrine Nigeria on the world map include football, population, poverty, fashion, religion and corruption. Nigeria is a country that is so blessed with human and natural resources, blessed with good climatic environment for agricultural product, petroleum and other resources for economic growth and sustainable development. It is worrisome to note that despite these widely acknowledge attribute, it surprises many individuals, nations and organisations at large as to why an endowed nation like Nigeria is well ridden and riddled with poverty which is attributable to the high level of corruption (Chuke, 2013). Corruption is assumed to be as old as the creation of man. The existence of corruption is traceable to the abnormalities occurring both in the public and private sector, developing and under developed nations. The persistence occurrence of corrupt practices is predominant in the public sector and developing nation at large due to the bureaucratic process in existence (Rotimi, Obasaju, Lawal & Ise, 2013). Highly corrupt nations are always affected with Low rate of saving which inferably leads to low incomes and which in turn leads to low investment and productivity. Others may include high capital flight: the negative consequences of the prevalent corruption continue to hamper the growth and development of the economy, causes insecurity of lives and property of the citizenry as evident from several Boko Haram attacks, heightened level of poverty and unemployment. It is therefore imperative to argue that one of the greatest hazards to sustainable development of any nation is corruption which remains a critical issue facing the uprising growth of Nigeria since the colonial era. Corruption in this research is attributable to the mismanagement or misuse of public fund for personal benefit or personal gain. Usman (2013) was of the opinion that since the return of the country to civil rule on May 29, 1999, the Nigerian government has taken a number of actions to address the problems of corruption and bad governance in the country. These measures include public service reform (monetization to reduce waste and reduction of over-bloated personnel, reform of public procurement); establishment of anti-corruption enforcement agencies (such as the Economic and Financial Crime Commission, Independent Corruption and other Practices Commission); and the on-going sanitization of the financial services sector by the Central Bank under Governor Sanusi, which have revealed mind bulging levels of bare faced theft by the management of several banks in Nigeria.

No doubt, corrupt practices has being traceable to the political office holders not minding the role being played by the civil servant in ensuring every act of corruption is not only being covered but perfected without any trace. The involvement of civil servant in perpetrating corrupt practices is owned to the low income level and the level of inflation been witnessed on a daily basis which is a negative indices to the growth of the nation. The Labour Law Review of 2011 explains minimum wage has the lowest wage that an employer is allowed to pay which is a function of an agreement by contract or law. In other words, it is that minimal salary that an employer within the coverage of the law or contract is permitted to pay. Effort to increase minimum wage at all levels of government (Federal, State and Local) is always as a result of the unpalatable situation of the economy. These efforts have at all-time fallen of the deaf ears of the government who in turn claims there are no budgetary

provisions or will affect the capital expenditure of the government leaving the government at all time to service recurrent expenditure. The delinquent is that when civil servants are not adequately catered for as they should, they will not only be depressed but will also exhibit corrupt traits as feelings of insecurity takes over their subconscious mind. Poor remuneration in particular is capable of leading civil servants to envisage embezzlement, misappropriation of public funds and other forms of corruption not only to take care of the present but to ensure that during retirement, there is something to fall back on. The effects of minimum wage in the fight against corruption among civil servants have not been investigated by researchers. There is no doubt that an effective and efficient state civil service makes every other sector of the state economy to fall into place thereby facilitating the desired development that will impact on the quality of life of the citizenry. It is on that premise that this work examines the effect of minimum wage in the fight against corruption among civil servants in Nigeria. Civil servants as used in this study are that of the local, state and federal civil service.

The paper is divided into five sections namely: section one introduced the study, section two is about review of literature, section three discusses materials and methodology used while section four presents the analyzed results and section five concludes with suggested policy issues.

## **2.0 Review of Literature**

### **2.1 Corruption**

According to Olugbenga (2007), Odofin and Omojuwa (2007) the word corruption cannot easily be define. The idea of corruption takes different shape and can be vied from diverse perspectives which include fraud, embezzlement, bribery, abuse of office, diversion, extortions, pilfering to mention but few.

Klitgaard (1988) provided a classical analysis of corruption by pointing out that acts of corruption involve three parties namely the principal, agent, and the client. The principal creates rules directed at assigning task to the agent and these rules were intended to regulate exchange with the client. However, a conflict of interest may arise between the principal and agent when each of the two actors is maximizing utility. A client may also provide opportunity for the agent to cheat. Consequently, corruption will take place when the agent colludes with the client to sideline the rules set up by the principal for personal glorification. There are series of version that is traceable to the emergence of corruption. In the study of Rotimi (2007), he argued that the establishment of corruption is traceable to the pre-colonial era when Nigerians were bribed with different foreign products in exchange for our local products and slaves. In line with Sowunmi (2010) who opined that the emergence of corrupt practices is strongly rooted in the over 29 years of the military rule out of the 49 years of her state hood since 1960 Ribadu (2006) claims that the successive military regime has subdue the rule of law, facilitate the worrisome looting of the public treasury, incapacitate the activities of public institutions and institute a secret and opaque culture in the running of government business. In 2006, World Bank however defines corruption as the abuse of office for private gains. Public office is abused for private gain when an official accepts, solicits or extorts a bribe. It is also abused when private agents actively offer bribes to circumvent public offices and processes for competitive advantages or profit. It could be argued that from the definition of world-bank, corruption can be taken as any conduct that differs from an established norms, ethics and value with regards to public trust. It also means theft of public trust whether the person concerned is elected, selected, nominated or appointed and it does not matter whether the person affected holds office or not since anybody can be corrupt.

### **2.2 Historical contextualization of National Minimum Wage**

What defines minimum wage in lien with the ongoing research actually began in 1981 when after a face-off with labour, the then President of the Federal Republic of Nigeria, Alhaji Shehu Shagari agreed to a national minimum wage of N120 per month. This was subsequently enacted into a national law by the National Assembly. Before this second republic watershed, wages were determined on a regional basis with the Western Region of old paying the highest minimum wage within the Nigerian economic and political firmament. Agitations by the labour movement occasioned by high inflation rate and increasing cost of living culminated in the President Obasanjo's Federal Government enacting a new minimum wage Act of N5,500 in 2001 (Promise, 2011).

The federal minimum wage of \$7.25 per hour sets the floor at which most American workers are paid. States and local governments may set higher rates but not at a lower rate. This singular act ensures the rate of corruption among workers reduces drastically and enhances productivity. A prospect government who has the aim of expanding her economy must ensure that workers are adequately motivated. As of January 1, 2015, 29 states and the District of Columbia have enacted minimum wage rates higher than the federal requirement. The remaining states have no minimum wage laws, set their own state minimums at the federal level, or require minimum wages lower than the federal rate; in those states the federal rate applies (Alan & Ben, 2015). Using the present exchange rate of a dollar to a naira, the minimum wage of a civil servant is not up to what a civil servant in an advance country the United State as a point of reference takes home in a week. These leaves the wide gap for corruption to set in as prices of goods and services are on the rise on a daily basis and the level of inflation increase simultaneously. Today, workers find that they have to fight yet again to get government to

agree to negotiate a new National Minimum Wage and a general upward review of wages.

All over the world, Nigeria Labour Congress (2009) argued that salaries increases in the public sector is underlined by the principle of equity and the need to bridge social inequality in the face of widening economic and social gaps amongst citizens of a country. In Nigeria, while workers' salaries increased by 15 percent between 2006 and 2007, those of political office holders increased by over 800 percent. The 2008 increase in the compensation of political office holders has further aggravated the disparity as displayed in Table 1. On average, their compensation package has been doubled. We need to reduce this disparity for greater equity, productivity and morale.

**Table 1.1: Salaries of Political Office Holders (Pre and Post Consolidation)**

S/N	CATEGORIES	HASS (BASIC)	CONSS
1	Special Assistant to the President; Chief Speech Writer to the President; Chief Press Secretary to the President	626,700	4,392,012
2	Members, House of Representatives; Deputy Chief Of Staff TTP; Senior Special Assistant, TTP.	865,200	13,102,402
3	Ministers of State; Senators; Principal Officers of the House of Representatives; Special advisers TTP.	1,015,700	13,374,240
4	Minister; Secretary to the Government of the Federation, Head of Civil Service of the Federation, Chief of Staff TTP; National Security Adviser; Chief Economic Adviser; Inspector General of Police; Chairmen, Federal Civil Service Commission, Federal Character Commission, National Salaries, Incomes, & Wages Commission, Revenue Mobilization Allocation & Fiscal Commission.	1,194,600	15,094,426
5	Deputy President of the Senate; Justices of the Supreme Court; President, Court of Appeal.	1,403,700	15,240,500
6	Speaker of the House of Representatives.	1,649,400	16,348,926
7	Vice-President of the Federal Republic of Nigeria; President of the Senate; Chief Justice of Nigeria.	1,938,000	21,524,164
8	President, Commander-in-Chief of the Armed Forces of Nigeria.	2,506,000	24,954,405

Source: National Salaries, Incomes and Wages Commission and Revenue Mobilization Allocation and Fiscal Commission, Abuja

From the table above, the rate at which corruption spreads across every sector and industry is traceable to the allowance/salary rate of the political class. The wide disparity between the political class and the civil servants has and will continue to affect the growth of the nation. It is presumed from the above table that the annual take home pay of a member in the upper chamber (House of Representative) when compared to the minimum wage rate of a civil servant will take care of nineteen (19) workers annual salary. When multiplied by the total number of members in the upper chamber, their annual take home pay will take care of nineteen thousand eight hundred and fifty two (19852) workers annual salary. No wonder the CBN Governor in 2013 opined that bulk of the budget of the federation is used in serving recurrent expenditure and the political class takes over 50% of the recurrent expenditure.

### 2.3 Causes and Types of Corruption

For any serious progress to be made in an economy, the government must take proactive steps in the fight against corruption identified as the main cause of the crisis rocking the economy at the moment. Evidence is seen from the ongoing fight against corruption from the present Buhari led administration who has taken fight against corruption as the back bone of his administration. Corruption be it any type or called by any name must be seriously identified, understood and tackled. Hence, the economy stands the possibility of stagnancy and retrogression if proper attention is not been paid to corruption fight (Rotimi *et al.*, 2013). In understanding corruption, Konie (2003) identified two types of corruption, these are: Vertical corruption, which involves the top level management i.e managers and decision makers. This is more common in less developed countries and Horizontal corruption, which involves the entire official, informed, and laymen groups in the countries. Various scholars have cited causes of corruption such as Ali and Isse (2003) who argued that in a nation where economic condition is poor, there is tendency for such country to experience high level of corrupt practices which further worsen the growth rates, Sowunmi (2010) opined that a weak enforcement mechanism is one of the major causes of corruption in Nigeria. Likewise, Johnston (1997) identified weak political competition as a strong factor that helps to sustain corrupt practices. We cannot shy away from the fact that the role religion play in encouraging corrupt practices cannot be overlooked likewise. The accustom of fat tithes and offerings, positions in churches and mosques has encouraged corrupt practices among civil servant as they want to portray to the public their

new status and title they acquired with stolen cash.

### 3. Research Method

#### 3.1 Research Design

The study employed survey descriptive research design. Descriptive research design was used to elicit responses from samples drawn from population with the use of structured questionnaire.

#### 3.2 Population of the Study

The study cover a population of 7,062 workers drawn from thirteen (13) chosen Ministries, Departments, Agencies and Government Corporations in Public Service of Ekiti State with staff strength of two hundred (200) and above. This comprises the two major categories of staff in the Public service of Ekiti State. The junior category consists of officers on Grade level 1 to Grade level 6 while the senior category consists of officers on Grade level 7 and above. Table 3.1 shows the employees of the selected Ministries, Departments and Agencies in Public Service of Ekiti State as at 31<sup>st</sup> June, 2016.

**Table 3.1: Population of the study**

S/N	Ministries, Departments, Agencies and Government Corporations	No of Employees
1.	Board Of Internal Revenue	319
2.	Broadcasting Service Of Ekiti	272
3.	Commerce Industries And Cooperatives	250
4.	Education And Technology	735
5.	Ekiti State Water Corporation	568
6.	Finance And Economic Development	274
7.	General Administration Dept, Governor's Office	357
8.	Hospital Management Board	2478
9.	Ministry Of Agriculture And Rural Development	584
10.	Ministry Of Health	267
11.	Ministry Of Housing And Environment	209
12.	Teaching Service Commission HQ	293
13.	Works and Infrastructure	456
	<b>TOTAL</b>	<b>7,062</b>

Source: Ekiti state wide payroll summary generated by the Accountant-General's Office, June, 2016

#### 3.3 Sample and Sampling Technique

Sample size according Harper (1971) is a group of items taken from the population for examination. It is simply a smaller part of the population. Samples are useful because they allow the researcher to examine the characteristics of the population without having to study the whole population because, it is a known fact that the whole population cannot be studied hence a sample was drawn to represent the population.

The statistical formula applied to determine the sample size from the population of the study as formulated by Muo (2000) cited in Isreal (2009) is stated as follows:

$$n = \frac{N}{1 + N(e)^2}$$

Where: n = Sample size to be tested

N = total population size

e = acceptable error term (0.05)

Therefore, the total sample size is calculated thus:

$$n = \frac{7062}{1 + 7062(0.05)^2} = 378$$

Therefore, the sample for the study is 378 employees which are divided among the chosen Ministries, Departments, Agencies and Government Corporations in public service of Ekiti State.

The study adopted Stratified random sampling techniques. Stratified sampling techniques were employed to ensure that different group is adequately represented. To determine the selected respondents in each thirteen (13) MDAs, the population was grouped into thirteen strata based on the population of each chosen Ministries, Departments, Agencies and Government Corporations in public service of Ekiti State. Each Organisation represented a stratum so that a representation of the number of the employees were selected based on the total representation in the population of the study. Taro formula by Muo (2000) cited in Isreal (2009) model was used to calculate the sample size of each stratum as stated below:

$$n = \frac{N_i n_i}{N}$$

Where:

$n$  = number of respondents from each chosen MDAs in public service of Ekiti State (group);  
 $n_s$  = total sample size;  
 $N_i$  = number of senior and junior workforce in each group;  
 $N$  = population size of the study.  
 Therefore,

**Table 3.2: Stratified sample size**

S/N	Ministries, Departments, Agencies and Government Corporations	Number of expected respondents (sample)
1	Board of Internal Revenue	$= \frac{(319)(378)}{7062} = 17$
2	Broadcasting service of Ekiti State	$= \frac{(272)(378)}{7062} = 15$
3	Commerce, Industries and Cooperatives	$= \frac{(250)(378)}{7062} = 13$
4	Education and Technology	$= \frac{(375)(378)}{7062} = 39$
5	Ekiti State Water Corporation	$= \frac{(568)(378)}{7062} = 30$
6	Finance and Economic Development	$= \frac{(274)(378)}{7062} = 15$
7	General Administration Dept, Governor's Office	$= \frac{(357)(378)}{7062} = 19$
8	Hospital Management Board	$= \frac{(2478)(378)}{7062} = 133$
9	Ministry of Agriculture and Rural Development	$= \frac{(584)(378)}{7062} = 31$
10	Ministry of Health	$= \frac{(267)(378)}{7062} = 14$
11	Ministry of Housing and Environment	$= \frac{(209)(378)}{7062} = 11$
12	Teaching Service Commission HQ	$= \frac{(293)(378)}{7062} = 16$
13	Works and Infrastructure	$= \frac{(456)(378)}{7062} = 25$
	<b>Total</b>	<b>378</b>

Source: Field Survey, 2017

From the table above, 378 respondents is the sample size of this research study.

### 3.5 Research Instrument

Structured questionnaire was administered to collect data from the respondents. The questionnaire is divided into two parts. Section A was designed to capture the demographic of the respondents while Section B is divided into six sections and questions was designed to capture the stated objectives using a 5-point Likert-type. The Likert-scale battery is in the order of strongly agree (5), agree (4), undecided (3) strongly disagree (2) and disagree (1) in line with Atiku, Genty and Akinlabi (2011). Also, unemployment, bribes, basic salary, Annual bonus, productivity and performance pay were employed for measuring corruption.

### 3.6 Validity and Reliability of Instrument

A research instrument is said to be valid when it has the ability to effectively measure what it purports to measure and the reliability of the research instrument could only be enhanced when it is dependable and reproduce able (that is when it consistently measure whatever it is intended to measure) (Ajila, 2012). Two methods of validation measurement that is face and content validities will be used for ascertaining the validity of the research instrument. To ensure its face validity, the research instruments will be given to experts in the field of management as well as my supervisor to judge the appropriateness of each item of the instrument by mere look. Their comments will be used to obtain final items which will be further subjected to content validity by the same experts who will be asked to ascertain the relevance of each item to traits measured. After validating the questionnaire, its reliability will also be estimated by the test-retest method. According to Ojerinde (1986), test-retest co-efficient is a type of reliability co-efficient obtained by administering the same test, a second time after a short interval and correlating the two sets of score.

### 3.7 Administration of Research Instrument

Structured questionnaire which is the test instrument for this study will be administered individually on the employees of the selected Ministries, Department and Agencies by the researcher and some researcher's assistants over a period of one month. Due to the nature of their job, questionnaires will be allowed to stay with them for about two days. Completed questionnaires will be collected for data analysis.

#### Model Specification

The theoretical underpinning for this model is based on the equity theory. The main thrust of this theory is that employees will increase organizations' productivity if there is adequate minimum wage (bonus, basic salary, allowance) for their effort. One model were formulated for this study.

This model examines the effect of minimum wage in the fight against corruption among civil servants in Nigeria. Thus,

$$C = f(MW)$$

$$MW = f(BS, AB, A, PPP)$$

MW = minimum wage

$$C = f(BS, AB, A, PPP, U, B)$$

C = Corruption, U= Unemployment, B= Bribes, BS= Basic salary, AB= Annual bonus, PPP= Productivity and performance pay, A= Allowances

### 3.8 Method of Data Analysis

The data collected were analyzed by administering the research instrument in line with each research questions and hypotheses. Descriptive statistics (such as frequencies and percentages) were used to present information obtained from the respondents. The qualitative data collated were transformed to quantitative data and multiple regressions was employed to test the significant the relationship of the parameters.

### 4.0 Results and Discussion

From Table 4.1, age distribution of the respondents showed that three (0.8%) of the respondents between 25-30years, four (1.1%) are between 31-35years, twenty (5.4%) of the respondents are between 36-40years, one hundred and twenty-four (33.7%) of the respondents are between 41-45years, two hundred (54.3%) of the respondents are between 46-50years and seventeen (4.6%) of the respondents are between 51-55years of age. This implies that the age bracket between 41-50 years is more than the others in civil servants of Ekiti State. The sex distribution indicated that two hundred and forty-four (66.3%) are male among the civil servants of the respondents, one hundred and twenty-four (33.7%) are female. This shows that majority of the civil servants that attended to the researchers are male.

The work status indicated that one hundred and eight (29.3%) are junior workers in the civil service of Ekiti State while two hundred and sixty (70.7%) are senior workers. This showed that senior civil servant is more than the junior civil servants that filled the questionnaire. Educational background of the respondents showed that, one hundred and thirty-five (36.7%) have NCE/OND qualification certificate, one hundred and eighty-five (50.3%) have HND/B.Sc. certificate, thirty-seven (10%) have MBA/MPA certificate, and eleven (3%) have M.Sc./M.Ed. certificate. This implies that all the respondents have all credentials to work with the parastatals and also understand the meaning of the topic in question.

**Table 4.1: Demographic Distribution of Respondents**

Variables	Frequency	Percent	Valid Percent	Cumulative Percent
<b>Age Distribution</b>				
25-30Years	3	.8	.8	.8
31-35 Years	4	1.1	1.1	1.9
36-40 Years	20	5.4	5.4	7.3
41-45 Years	124	33.7	33.7	41.0
46-50 Years	200	54.3	54.3	95.4
51-55 Years	17	4.6	4.6	100.0
<b>Total</b>	<b>368</b>	<b>100.0</b>	<b>100.0</b>	
<b>Sex Distribution</b>				
Male	244	66.3	66.3	66.3
Female	124	33.7	33.7	100.0
<b>Total</b>	<b>368</b>	<b>100.0</b>	<b>100.0</b>	
<b>Work Status</b>				
Junior	108	29.3	29.3	29.3
Senior	260	70.7	70.7	100.0
<b>Total</b>	<b>368</b>	<b>100.0</b>	<b>100.0</b>	
<b>Educational Qualification</b>				
NCE/OND	135	36.7	36.7	36.7
HND/B.Sc.	185	50.3	50.3	87.0
MBA/MPA	37	10.0	10.0	97.0
M.Sc./M.Ed	11	3.0	3.0	100.0
<b>Total</b>	<b>368</b>	<b>100.0</b>	<b>100.0</b>	

Source: Field Survey, 2017

The unstandardized beta co-efficient of unemployment are -0.218 with  $t = -2.142$  and ( $p = 0.033 < 0.05$ ). These results showed that unemployment has a negative effect on corruption. This implies that the fear of persistent rise in unemployment in the nation propel the people to steal government funds and also divert the citizens' wealth for personal use. It was found significant; therefore we reject null hypothesis and accept alternative hypothesis. This findings correlate with Wei (1997) who concluded that corruption reduces foreign direct investment and also, Gupta, Davoodi and Alouso-Terme (1998) find that corruption tends to increase inequality and poverty due to lower economic growth.

The unstandardized beta co-efficient of bribes are 0.062 with  $t = 0.757$  and ( $p = 0.450 > 0.05$ ). These results showed that bribes has a positive effect on corruption in the civil service of Ekiti State. The implication of this is that due process in awarding government contract are not strictly adhere to, this give room for civil servant in the state to be conscious of what to be receive either in form of gift or bribe. It was found not significant; therefore we reject alternative hypothesis and accept null hypothesis. The findings is in agreement with the findings of Becker and Stigler (1974), who affirmed that government officials choose corruption based on a cost benefit analysis that equates corruption returns to their potential forgone future income.

The unstandardized beta co-efficient of basic salary are 0.209 with  $t = 2.691$  and ( $p = 0.007 < 0.05$ ). These results showed that basic salary has a positive effect on corruption. This implies that that minimum wage received by workers are insufficient to meet their financial need which could lead to corruption when compared to the amount received on a monthly bases by the Nigerian politicians. It was found significant; therefore we reject null hypothesis and accept alternative hypothesis. The findings of Hodess (2009) asserted that growing consensus that low government wages combined with weak monitoring systems are breeding grounds for corruption and misuse of public resources.

The unstandardized beta co-efficient of annual bonus are 0.040 with  $t = 2.947$  and ( $p = 0.003 < 0.05$ ). These results showed that annual bonus has a positive effect on corruption. This implies that the annual bonus has no effect on their daily living even when paid. It was found significant; therefore we reject null hypothesis and accept alternative hypothesis.

The unstandardized beta co-efficient of productivity and performance pay are -0.107 with  $t = -1.215$  and ( $p = 0.225 > 0.05$ ). These results showed that productivity and performance pay has a negative effect on corruption. This implies that, the government do not encourage work effectiveness and efficiency which leads to lackadaisical attitude of workers in various district. It was found not significant; therefore we reject alternative hypothesis and accept null hypothesis.

The unstandardized beta co-efficient of allowance are 0.741 with  $t = 7.794$  and ( $p = 0.000 < 0.05$ ). These results showed that allowance has a positive effect on corruption. The implication of this is that the various work allowance e.g. wardrobe, leave, furniture, newspaper allowance, still could not meet their various needs. It was

found significant; therefore we reject null hypothesis and accept alternative hypothesis.

**Table 4.2: Estimated Effect of Minimum wage and corruption**

Variables	B	Std. Err.	t-value	p
Constant	1.083	.133	8.153	.000
Unemployment	-.218	.102	-2.142	.033
Bribes	.062	.082	.757	.450
Basic Salary	.209	.078	2.691	.007
Annual Bonus	.117	.040	2.947	.003
Performance Pay	-.107	.080	-1.215	.225
Allowance	.741	.095	7.794	.000
R	.896			
R Square	.803			
Adjusted R Square	.800			
F Statistics	245.142			

Source: Field Survey, 2017

## 5.0 Conclusion and Recommendations

### 5.1 Conclusion

The following are the conclusion made based on findings:

The fear of persistent rise in unemployment in the nation propel which the civil servant that have access to public funds to steal government funds and also divert the citizens' wealth for personal use.

Due process in awarding government contract are not strictly adhere to, this give room for civil servant in the state to be conscious of what to be receive either in form of gift or bribe.

The annual bonus has no effect on their daily living even when paid and the various work allowance (e.g. wardrobe, leave, furniture, newspaper allowance), still could not meet the works' needs do to economy recession.

### 5.2 Recommendations

The findings recommendations are made to the government to reduce the level of corruption among the civil servants in Nigeria at large:

- i. The minimum wage of an employee should be calculated on an hourly basis. The basis for arriving at such calculation should be in-line with the global exchange rate which will be subjected to review every 4 years.
- ii. That salary of all political office holders from the president of the federation to the least elected offices should be ranked in accordance with various levels in every ministries.
- iii. That all political offices should be less attractive
- iv. That there should be a law which will spelt out the required punishment for anyone found of corruptible practices both in the public sector and political office holder.

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