

NIGERIA

Workforce Profile

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INTRODUCTION TO NIGERIA



About this Statistical Profile

Organizations striving to be employers-of-choice in different countries around the world need access to current information about the economic, social, political, and demographic characteristics of the countries where their employees live and work.

This Country Profile is part of a set of resources about Nigeria available on the website of the Global Perspectives Institute:
www.bc.edu/agingandwork.

Nigeria is the most populous country in Africa and the eighth most populous country in the world.¹ It is a member of the Commonwealth of Nations and is also listed among the “Next Eleven” economies. Nigeria’s economy is the second largest economy in Africa and one of the fastest growing in the world, with a growth rate of 9.0% in 2008 and 8.3% in 2009.²

Nigeria is one of the world’s largest producers of crude oil, with 2.1 million barrels/day. It also has enormous natural gas reserves, vast agricultural lands, natural resources and a dynamic private sector. However, the country is heavily dependent on its crude oil export, which accounts for over half of federal government revenue and over 90% of export earnings. Despite the large economic role of oil, the agricultural sector is the biggest employer in the country, employing over two thirds of the population and accounting for a third of Nigeria’s GDP.³

A country with longstanding history of ethnic and religious tensions, Nigeria attained independence in 1960, following 19th century British control and a series of constitutions after World War II. After nearly 16 years of military rule, Nigeria adopted a new constitution in 1999, completing a peaceful transition to civilian government. Having experienced irregularities in previous elections in 2003 and 2007, Nigeria is currently undergoing its longest period of civilian rule since independence.¹ April 2007 marked the first civilian-to-civilian transfer of power in the country’s history.

Following independence, Nigeria’s government has continuously faced the twin tasks of reforming a petroleum-based economy, whose revenues have been squandered through corruption and mismanagement, and institutionalizing democracy. Recently, the government has instituted a number of reforms to battle political instability, corruption, poor infrastructure, and poor macroeconomic management. Past ruling governments have been overly reliant on the capital-intensive oil sector, which provides 95% of foreign exchange earnings and about 80% of budgetary revenues, causing attempts to reform and diversify the economy to fail. The current ruling government has attempted to rectify this situation through a series of private-public partnerships on public goods, such as the provision of electricity and the building of roads.

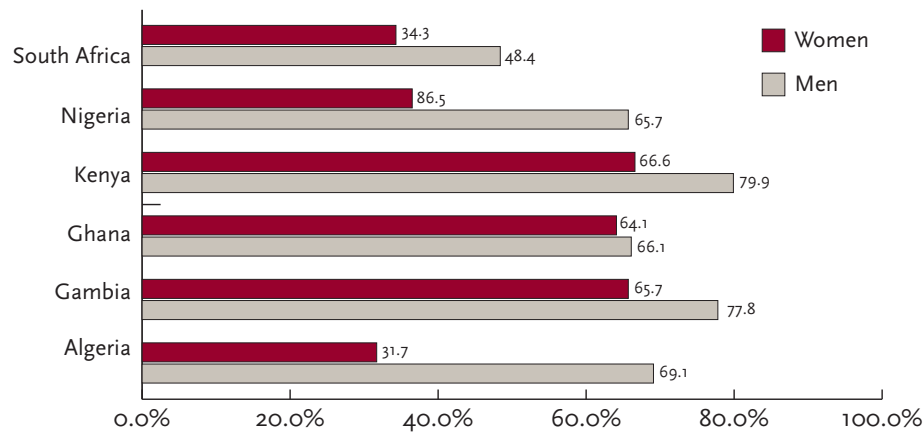
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LABOR FORCE HIGHLIGHTS

- 🌐 As of 2007, about 66% of the Nigerian population was in the labor force, and the country's population growth rate between 2005-2010 is estimated at 2.3% per annum.⁴
- 🌐 Labor force participation in Nigeria for adult women was 38.7% in 2007, a rise from 38.1% in 2005 and 37.0% in 2000. For adult men, labor force participation has been declining from 73.7% in 2000 to 71.7% in 2005, and then to 70.6% in 2007.⁴ The “economically active population” comprises all persons of either sex above the age of 14 who furnish the supply of labor for the production of goods and services during a specified time reference period.
- 🌐 The unemployment rate in Nigeria was at 4.9% according to the 2007 estimate.⁴
- 🌐 According to 1999 estimates, the Nigerian labor force by occupation is 70% for agriculture, 10% for industry, and 20% for services.⁴
- 🌐 70.9% of men and 74.8% of women in the total civilian employed labor force reported being self-employed in 2005.⁵

Figure 1a. Employed as Percent of Total Population - Selected Regional Countries, 2007



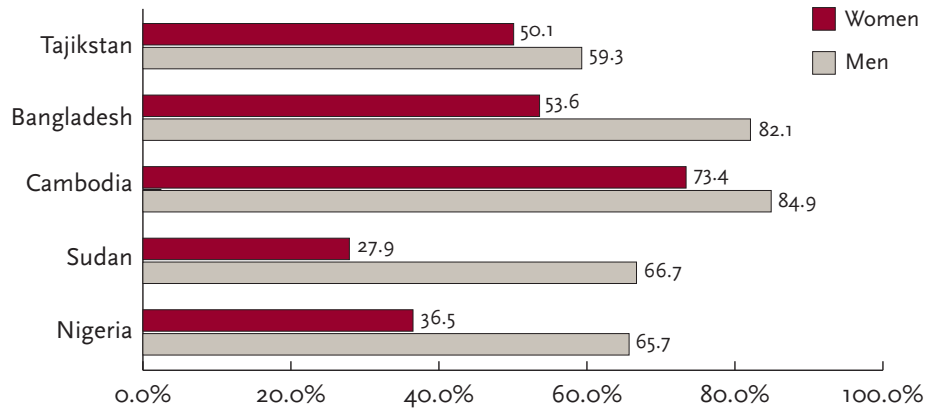
36.5% of women and 65.7% of men are employed in Nigeria. This is by far lower than Kenya, where 79.9% of men and 66.6% of women are employed. South Africa has the lowest percent of its population employed with 48.4% of men and 34.3% of women in employment.

Source: UN (2009)⁶

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JULY 2010

Among selected GNI countries, Nigeria has one of the lowest rates of employed women, as percent of the total population. Cambodia has the highest percentage of its total population employed at 84.9% for men and 73.4% for women. Sudan has the lowest percentage for women at 27.9%, and Tajikistan has the lowest for men with 59.3%.

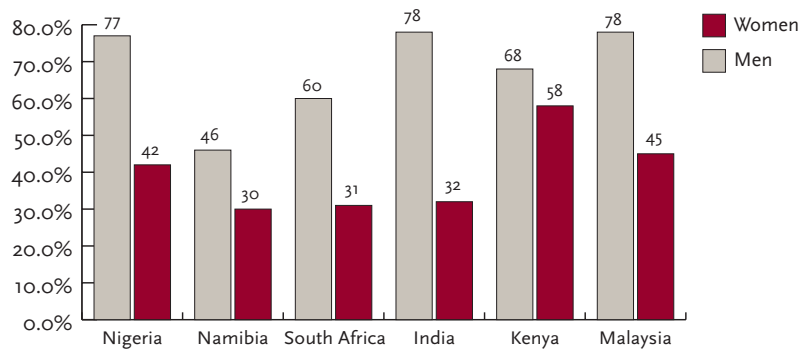
Figure 1b. Employed as Percent of Total Population - Selected GNI Countries, 2007



Source: UN (2009)⁶

Nigeria shows strong gender inequality amongst the regional African countries, but there is a better margin when compared against the Asian countries within the same GNI.

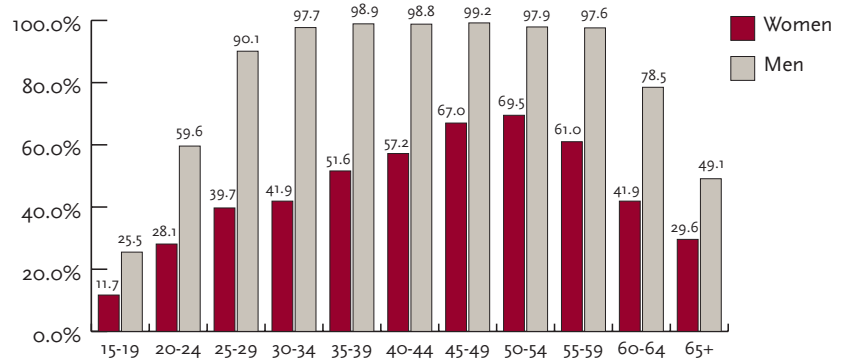
Figure 2. Employment Rate, Ages 15-64, by Gender, Nigeria and Comparable Regional Nations, 2006



Source: UN (2009)⁶

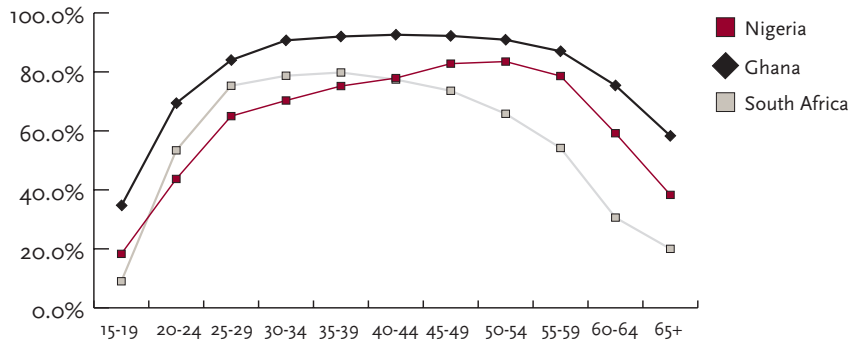
Figure 3. Employment Rates in Nigeria, within age group, 2008

The figures show a high level of inequality in the workforce. The highest percentage of men in the workforce is among those aged 45-49 (99.2%) compared to just 67% of their female counterparts. The highest percentage of women in the workforce (69.5%) is among those aged 50-54.



Source: ILO (2010)⁴

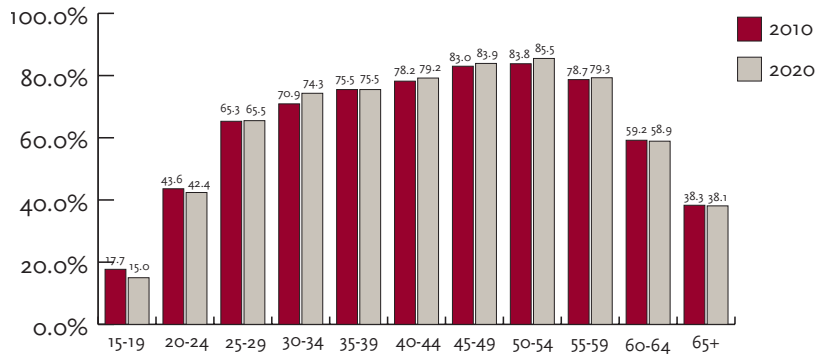
Figure 4. Employment Rates in Nigeria Compared to Selected Regional Countries, within age group, 2008



In 2008, the highest employment rate in Nigeria was among people aged 50-54 (83.5%). South Africa recorded the lowest for that age range for the region (65.8%). Ghana's highest was among workers aged 40-44 (92.6%) which was also the highest for the region.

Source: ILO (2010)⁴

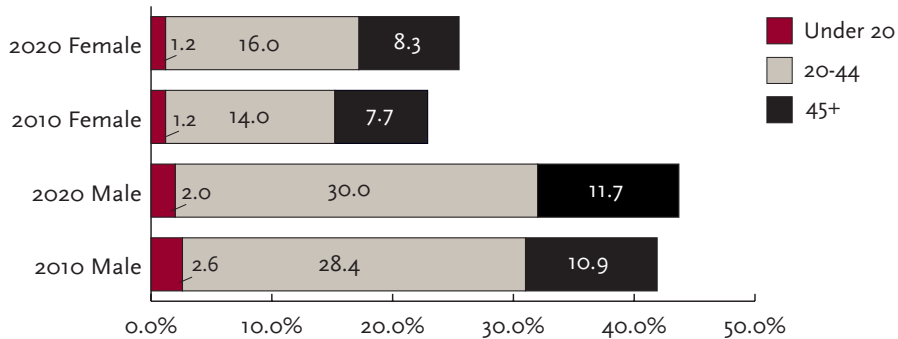
Figure 5a. Current & Projected Economically Active Population Rates in Nigeria, within age group, 2010 and 2020



Economically active population rates from 2010 to 2020 show just a meager projected change in the decade.

Source: ILO (2010)⁴



Figure 5b. Current & Projected Economically Active Population as % of Total Population in Nigeria by Gender, 2010 and 2020



There is a wide gap between men and women in both years.

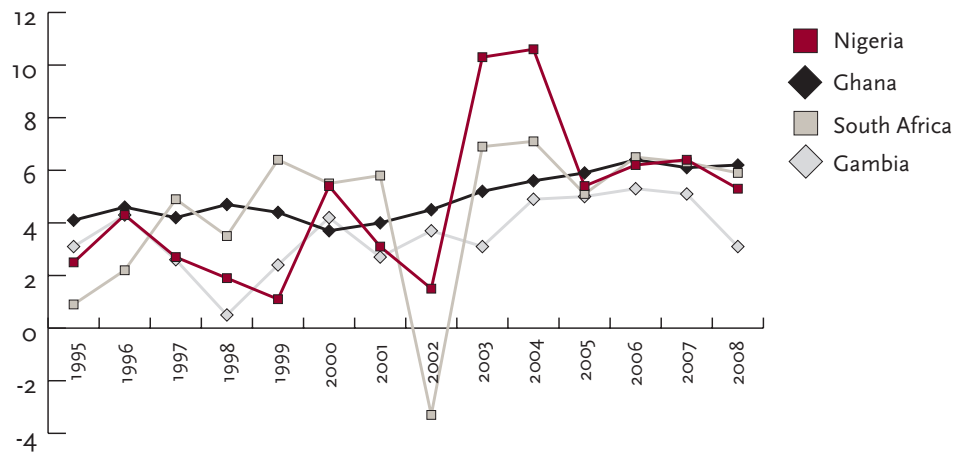
Source: ILO (2010)⁴

ECONOMIC HIGHLIGHTS

-  Gross Domestic Product per capita in Nigeria was \$2,300* in 2008, which is an increase from the estimate of \$2,100* in 2006 and of \$2,200* in 2007. Nigeria is ranked 182 for GDP per capita in comparison to the world.¹ (*Data are in 2008 US dollars)
-  The gross domestic product growth of Nigeria shrunk by 1.1% in 2008 as it dropped to 5.3% from 6.4% in 2007 and 6.2% in 2006. The country is ranked 82 for GDP growth in comparison to the world.¹

Nigeria recorded its highest GDP growth in 2003 and 2004 with 10.3% and 10.6%, respectively, which was also the highest so far for the region. Gambia had the lowest regional GDP growth in 2002 with -3.3%. With the recession, it is unlikely that Nigeria will be able to reach over 10% again.

Figure 6. GDP Growth, Regional Comparison, 1995-2008



Source: UN (2009)⁶

Though Nigeria has had the highest external debt through the years with a peak in 2005 at 8.82 billion, the country's GDP has also risen since then from crude oil export.

Figure 7. Total External Debt in Billions, Regional Comparison, 1995-2005



Source: UN (2009)⁶

Nigeria's External Debt

In August of 2000 Nigeria received a debt-restructuring agreement from the Paris Club after signing a stand-by agreement with the International Monetary Fund (IMF). In conjunction with this agreement, the IMF also gave Nigeria \$1 billion in credit, with both offers being contingent upon Nigeria instituting economic reforms. Failure to meet the spending and exchange rate targets as stipulated in the IMF program led to Nigeria's withdrawal in April 2002. This withdrawal further exacerbated their economic problems by making the country ineligible for additional debt forgiveness from the Paris Club.¹ In a bid to rectify the situation, the government instituted several reforms such as privatizing the nation's four oil refineries, deregulating fuel prices and implementing the National Economic Empowerment Development Strategy (a local program that was modeled after the IMF's Poverty eradication and Growth Facility for fiscal and monetary management) in 2003. With the implementation of these reforms, Nigeria successfully won a debt relief deal from the Paris Club in 2005. This deal attempted to eliminate the \$18 billion of debt in exchange for \$12 billion in payments (a total package worth \$30 billion of Nigeria's total \$37 billion external debt), with the caveat that the country agree to strict IMF reviews. Since 2008 the government has also instituted various widespread market reforms at the urging of the IMF, such as controlling inflation by blocking excessive wage demands, modernizing the banking sector and resolving regional disagreements over income distribution from the oil sector. The country's strong GDP increase in 2007 and 2008 was a result of high global crude oil prices and increased oil exports.³

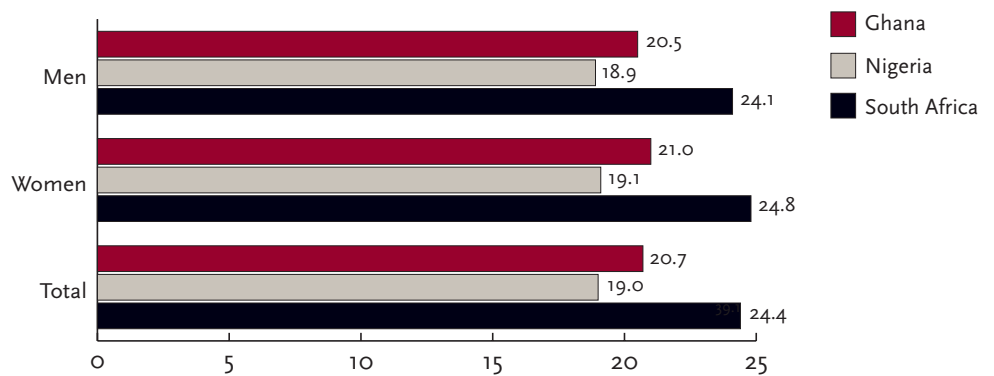
DEMOGRAPHIC HIGHLIGHTS

- 🌐 Nigeria still remains the most populous nation in Africa. In 2009, the population of Nigeria was estimated at 149,229,090, with Ghana at 23,887,812, and South Africa at 49,052,489.⁶
- 🌐 Nigeria is composed of more than 250 ethnic groups. The three major ethnic groups include: Hausa and Fulani (29%), Yoruba (21%), and Igbo [Ibo] (18%).³
- 🌐 The total fertility rate for Nigerian women from 2005-2010 was 5.3 children per woman, according to Nigerian demographic estimates.⁷ Total fertility rate indicates the average number of children born to a woman during the reproductive span of her life.
- 🌐 The portion of the Nigerian population aged 65 and older comprises 3.1% of the total population. In comparison, Ghana has 3.6% and South Africa has the highest in the region with 5.4% of its population aged 65 and older.⁶

Nigeria had the lowest median age compared to Ghana and South Africa for the year 2009.

Nigeria had a total median age of 19 (male, 18.9 and women, 19.1). In comparison, Ghana had a total median age of 20.7 (male, 20.5 and female, 21.0), and South Africa has total of 24.4 (male, 24.1 and female, 24.8).

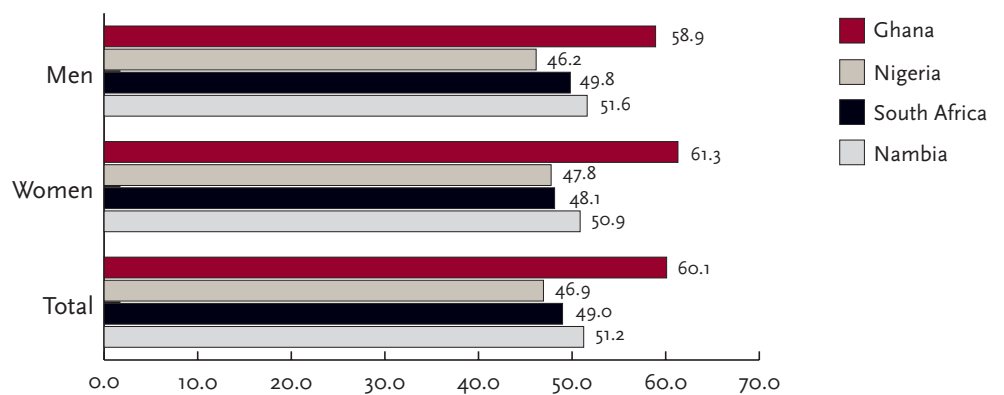
Figure 8. Median Age, by Gender, Regional Comparison, 2009



Source: CIA (2009)³

The life expectancy at birth for the Nigerian population in 2009 was 46.9 years (46.2 for men and 47.8 for women).

Figure 9. Life Expectancy at Birth, Regional Comparison, 2009



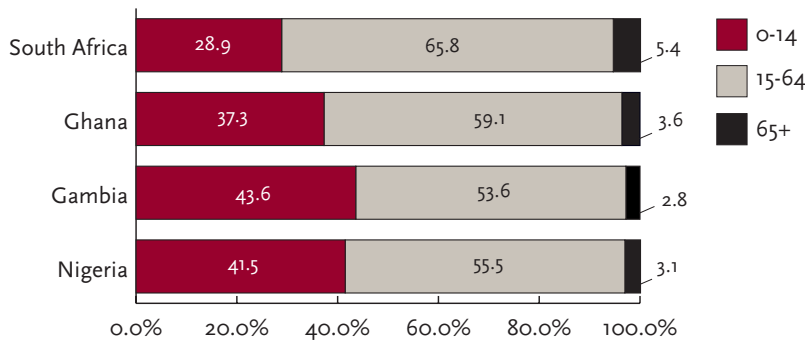
Source: CIA (2009)³

🌐 In Nigeria, the sex ratio for the total population is 1.04 men/women and for 65+ years, it is 0.94 men/women.¹ In comparison:

- In Ghana, the ratio is 1 men/women for the total population and 0.85 man/woman of those aged 65+years.
- In South Africa, the ratio is 0.99 men/women for the total population and 0.69 men/women of those aged 65+years.

🌐 In Nigeria, there is a bulge in the population aged 15-64 years, which was 54.8% of the total population in 2005, 55.1% in 2007, and rising to 55.5% in 2009. Regional countries show similar dynamics for some age groups, with Ghana showing an increase from 57.4% in 2005 to 58.3% in 2007 and 59.2% in 2009.⁷ (See Figures 10a-10d).

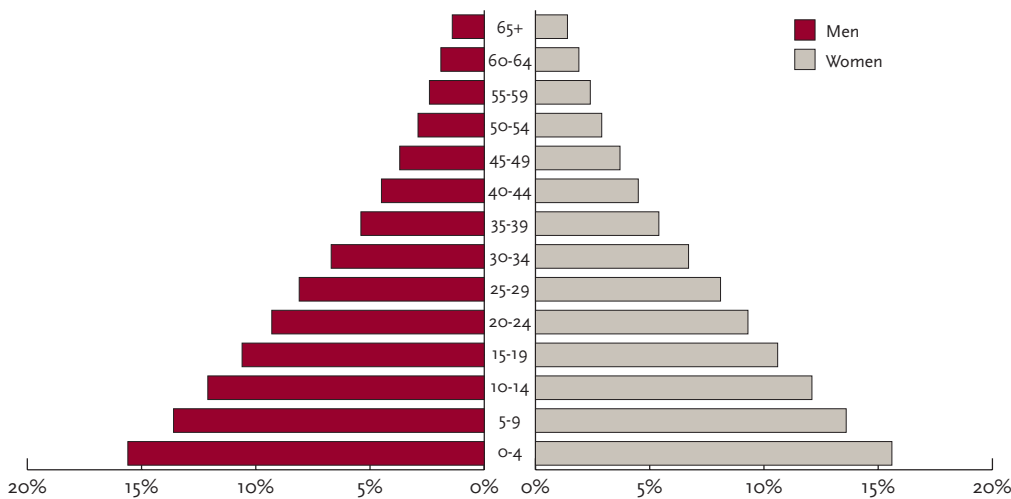
Figure 10a. Population Distribution, Regional Comparison, 2009



41.5% of the total population of Nigeria is between 0-14 years, and 55.5% are between 15-64 years, while 3.1% are aged 65+. 65.8% of the South African population is between 15-64 years, which is the highest for the region in that category.

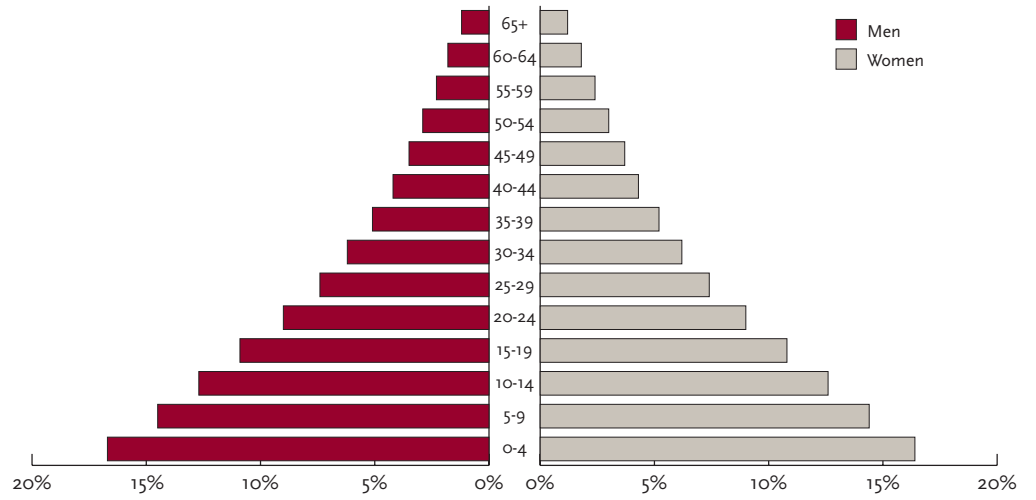
Source: CIA (2009)³

Figure 10b. Population Distribution of Nigeria, 2009



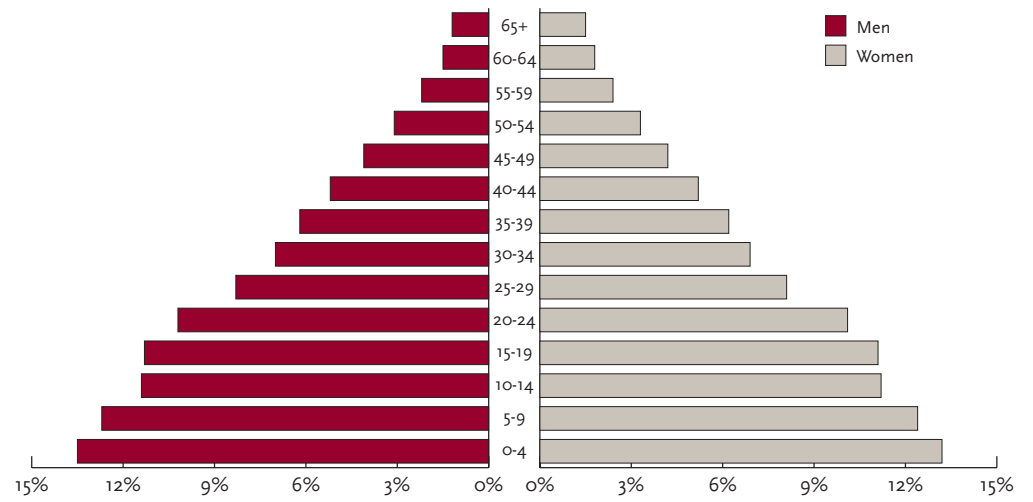
Source: US Census Bureau (2009)⁷

Figure 10c. Population Distribution of Gambia, 2009



Source: US Census Bureau (2009)⁷

Figure 10d. Population Distribution of Ghana, 2009



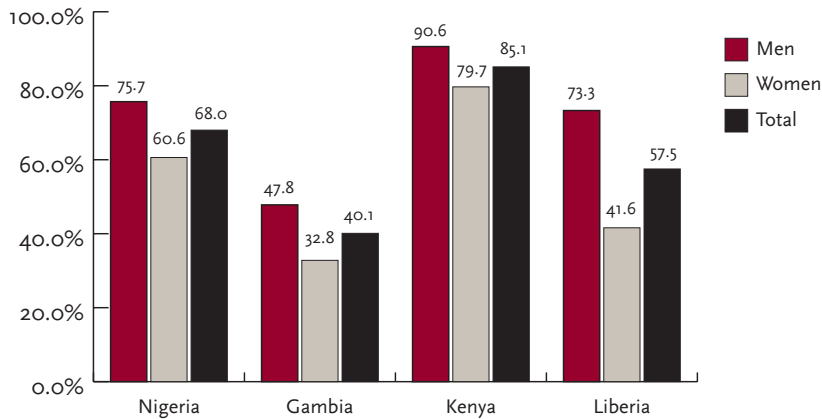
Source: US Census Bureau (2009)⁷

Literacy level in Nigeria

Nigeria's population has a literacy rate of 68%, with 75.7% of the female population and 60.6% of the male population being literate. These figures are relatively high in comparison to regional countries such as Ghana, Kenya, Egypt, Morocco and South Africa, and it is also one of the highest in Africa according to the 2003 population estimates (see Figure 11).⁵

The 6-3-3-4 educational policy system was introduced in 1982. This consists of 6 years of elementary school, a two-tiered high school education (3-year junior and 3-year senior respectively), and finally, 4 years of university education.⁵ There are fully-funded government elementary schools all over Nigeria, and the government also runs various high schools, technical institutions and universities in states across the nation. In conjunction with these educational reforms, the government has also approved hundreds of private schools in order to cater to those who prefer receiving education from a private institution.⁵

Figure 11. Literacy rate, Regional Comparison, 2003



Source: CIA (2009)³

While 85.1% of Kenya's total population is literate, Nigeria has 68% literacy and Gambia is the lowest with 40.1%. The figure also shows that generally, men seem to be more literate than the women, suggesting possible inequality in educational opportunities.

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Established in 2007 by the Sloan Center on Aging & Work at Boston College, the Global Perspectives Institute is an international collaboration of scholars and employers committed to the expansion of the quality of employment available to the 21st century multi-generational workforce in countries around the world.

The Global Perspectives Institute focuses on innovative and promising practices that might be adopted by employers and policy-makers.

The Institute's research, publications, and international forums contribute to:

- 🌐 a deeper understanding of the employment experiences and career aspirations of employees of different ages who work in countries around the world;
- 🌐 informed decision making by employers who want to be employers-of-choice in different countries; and
- 🌐 innovative thinking about private-public partnerships that promote sustainable, high-quality employment.

The Sloan Center on Aging & Work at Boston College promotes quality of employment as an imperative for the 21st century multi-generational workforce. We integrate evidence from research with insights from workplace experiences to inform innovative organizational decision making. Collaborating with business leaders and scholars in a multi-disciplinary dialogue, the Center develops the next generation of knowledge and talent management.

The Sloan Center on Aging & Work is grateful for the continued support of the Alfred P. Sloan Foundation.

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