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LABOUR MARKET EXPECTATION AND DEMAND FOR HIGHER EDUCATION IN OSUN STATE, NIGERIA

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BY

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DEDICATION

This thesis is dedicated to the Almighty God, who is the Alpha and Omega of my Life and who has made my course of study for this M.sc. programme a reality. I appreciate Him and bless His holy name.

AND

My dear husband, Mr. G.A Olabiyi and my children, Tolulope, Titobiloluwa and Oluwatunmise for their love and support given to me throughout the period of the programme.

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CERTIFICATION

This is to certify that this study was conducted under my supervision by Olabiyi Kehinde Ajike, in partial fulfillment of the requirements for the award of the degree of Master of Science (M.Sc) in Economics in the Department of Economics, Faculty of Social Sciences, Obafemi Awolowo University, Ile-Ife Osun State, Nigeria.

Dr. ADEBAYO A.A.
SUPERVISOR

This ...11th..... day of .....January.....2007.

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ABSTRACT

The study examined the changing labour market expectations at different educational levels and analyzed how the expectations had informed decision for higher education in Osun State. This was with a view to providing insight into the intensity of demand for higher education.

The data for the study were obtained from primary and secondary sources. The primary data were generated from a survey of a purposefully sampled final year students of Senior Secondary Schools; final year students of tertiary institutions; currently serving National Youth Service Corps members and postgraduate students. These were drawn from selected six survey areas in Osun State, namely Ile-Ife, Osogbo, Ilesha, Ire, Ede and Esa-Oke. One private and one public secondary school were selected from the survey areas and forty students were randomly sampled from each of the schools. A total of 1430 students were randomly sampled from the five selected tertiary institutions in the survey areas. The five tertiary institutions were: Obafemi Awolowo University, Ile-Ife; Osun State College of Education, Ilesha; Osun State College of Education, Esa-Oke; Federal Polytechnic, Ede; and Osun State Polytechnic, Ire. Twenty-five National Youth Service Corps members from each of the survey areas who were about entering the labour market were contacted during their weekly Community Development Programme for the survey. Also, 165 Post graduate students were randomly selected across all the faculties of learning in Obafemi Awolowo University for the study. A total of 2,225 respondents were sampled in the study. The secondary data were collected from the publications of Federal Office of Statistics and National University Commission (NUC) Statistical Digest. The data were analyzed using descriptive and econometric technique.

The results showed that employment problem was much higher for secondary school leavers (25.3%) than tertiary institution graduates (6.5%). However, a majority of the respondents across levels of education; secondary school students (79%), tertiary students (63%), corps members (67%) and postgraduate students (87%) showed much optimism in terms of job expectations. Their mean income expectation of ₦67, 000.00 per month was also observed to be generally higher than what is obtainable in the labour market for fresh graduates at present. The trend however showed a downward adjustment as the level of education increased. The demand for higher education was found not to be associated with government subsidy (χ^2 = 4.06 for secondary school, 1.19 for tertiary institution and 6.13 for youth corps, $p < 0.05$). Similarly, age (χ^2 = 4.53 for secondary school, 0.05 for tertiary institution and 0.31 for youth corps respondents, $p < 0.05$) and father's occupation (χ^2 = 11.07 for secondary school, 2.45 for tertiary institution, and 6.10 for youth corps; $p < 0.05$) were not respectively significant determinants of higher education in the study area. However, mother's occupation significantly influenced demand for higher education among the tertiary institution respondents (χ^2=15.41; p, < 0.05), while it was insignificant for secondary school respondents (χ^2 = 10.30; p<0.5) and youth corps members (χ^2=5.85; p<0.05). The perception of employment opportunity also influenced the demand for higher education for tertiary institution students (χ^2 = 8.61, p< 0.05) and for youth corps members (χ^2 = 13.30, $p < 0.05$). The logistic regression results showed also that only the perception of employment opportunity in the labour market significantly influenced the demand for higher education at 5% level of significance.

The study concluded that labour market expectation was high in Osun State and such expectation was responsible for increased demand for higher education in the state.

1.0 GENERAL INTRODUCTION

1.1 Background of the study

Labour market according to Clark Kerr (1950) is described as the area, defined occupationally, industrially and geographically within which worker is willing to move and do moves comparatively freely from one job to another. It could be seen as an area where suppliers of skilled labour come in contact with the demanders (i.e industries, public sectors, institutions etc) to buy and sell all grades or kinds of labour services.

Labour has certain peculiarities that distinguishes it from other factors and so makes its market behaviour different from others and even the product market. Among these special characteristics is the fact that the worker sells his services but retains capital in him and that a great length of time is required for providing specialized skill. As a result of these peculiarities, the problem of pricing and allocation of labour is slightly different from other factors.

For our purpose in this study, the labour market for Nigeria will be the country's geographical area within which all Nigerians who are the suppliers of skilled labour come together with the demanders (i.e. industries, publics sectors, institutions etc) to buy and sell labour services. In a nation like ours, the appropriate labour market for these graduates in reality may be less than that nationwide, due to the cost of moving from one place to the other, the lack of knowledge by many graduates of job opportunities outside their local area; and the quality of existing transportation.

Education is a major instrument for economic and social development. It contributes greatly to poverty reduction by increasing the productivity and

efficiency of its beneficiaries (World Bank, 1991; Akerele, 2002; Okuwa, 1999). According to Obayan (1999), higher education is any situation, in which mature persons are organized for building up their knowledge and skills for application in the analysis and search for solution to life problems. It is then the responsibilities of institutions of higher learning to equip individuals with advanced knowledge and skills required for positions of authority in government, business and other profession (Okuwa, 1999; World Bank, 1999, 1994; Azura 1948,Ayiku 1991)

In most developing economies and particularly in Nigeria, rapid expansion has taken place in higher education since independence. In the sixties, the view of education planner was based on urgent need for substantial expansion of higher education to secure economic growth and social welfare. Current theories of long run growth identify two ways in which this can happen. One way is that highly skilled workers drive technological innovation through research, which in turn leads to larger social productivity increases. The other way is that a country with a highly skilled labour force has a better chance of growing than one with a lesser skilled workforce. This is because skilled workers are more able to learn by doing and therefore adapt to new skills and technology that are crucial for productivity increases.

Before 1960, there was only one University in Nigeria, the University College, Ibadan, which began in 1948 with an intake of 176 undergraduates. In October 1960, Nigeria's second university, the University of Nigeria, Nsukka was established. And following the recommendations of the Ashby commission, three more universities were established in 1962 bringing the total of existing

universities to five. According to Adebayo (1989), ''as at that time, the output of the higher institutions was still within the ability of the economy to absorb". Therefore, the expectation of university graduates as regards securing employment in any sector at a desired wage were still achievable whether the graduates were rigid or flexible in the labour market about their expectations. However, since 1980s, the number of tertiary institutions and the rate of students' enrolment in the country had rapidly increased. Insight from Annual Abstract of Statistics published by the Federal Office of Statistics show that in 1986/87, a total of 279,453 students were enrolled in various tertiary institutions and by 1996/97 academic year, the enrolment figure had risen to 619, 635. Consequently, the total graduate out-turns by higher institution that was 73, 339 in 1986/ 87 rose to 131, 016 in 1996/97.

Given this deliberate increase in the output of higher institutions, due consideration was not given to the other side of the equation i.e the employment situation. This has resulted in over production of educated labour force without reference to the needs of Nigerian economy. The fundamental question one may wish to address here is "why is the demand for education in Nigeria so high and growing when job opportunities are obviously scarce and growing at a distinctly slower pace''. There is the idea that education is wanted in significant quantities for itself. That is education is desired as consumption good rather than as an investment good. But this could be applicable in advanced countries unlike a developing country as Nigeria with low per capita income, urgent needs for other consumption goods essential for a minimum standard of living, and with limited number of families who have incomes large

enough to afford education as a luxury. The increased demand for higher education is therefore considered as being primarily determined by the prospect of earning considerable more income through future employment in the modern sector as perceived by the students. In going for higher education, the student or his family incur some direct and indirect costs. The direct out of pocket cost is the expenditure on books, tuition etc while indirect cost is the forgone labour market earnings. The higher the difference between the expected earning and these costs, the higher the demand for further education and vice versa. Nevertheless, labour market prospect in terms of earning and employment probabilities differ substantially for young graduates according to their field of specialty and home institution. Preference is therefore displayed for those courses that provide above average returns and those institutions whose certificates are well recognized in the labour market. Courses of study such as law, medicine, pharmacy, accounting, business, economics etc are always made first in student's choice of courses and they only opt for others like agricultural studies, geography, teacher preparatory programs etc in the absence of the former ones. It has to be pointed out that the change in the demand for higher education is characterized by a growing interest toward field of specialization in the latter group as well and some other professional courses. According to the survey carried out on demand for higher education in Hungary, the number of applicants to teacher preparatory programs doubled between 1990 and 2000 and there was a four-fold increase in the number of applicants for Agrarian studies and natural sciences (higher education admissions, 2001). Based on these facts, authors question the economic

rationality of students' choices. They claim that potential students do not have accurate information on the labour market prospects of different orientation.

1.2 Statement of the Problem

Education, particularly, higher education has been accorded high priority during the last five decades in the developing nation as the main prerequisite for economic progress. Dating back to the colonial regime in Nigeria, Nigerians who embraced formal education in those early days did so primarily because it conferred a distinction from the rest of society. Education was not pursued primarily because it enabled them to improve their skills but because it made them closer to white men. Even when there was a high demand for the few educated natives to serve as clerical officers, many did not offer themselves for recruitment because they had alternatives like farming and self employment opened to them. However, as few of them embraced wage employment and became visibly richer during the colonial era, many became educated with the hope of improving not only their social status but also their economic standing. There had been a high demand for higher education even before there was any higher institution in Nigeria. In 1950/ 51 there were 1239 Nigerian students in overseas institutions and by 1960/61, students' enrolment in overseas institution had risen to 6800 showing about a four fold increase and an annual compound growth rate of 18.56%. For 1960/61, the total number enrolled in the Nigeria Universities was 1509 which was about 22% of Nigerian students studying abroad in the same year.

Thus, in the 1950s and 1960s, tertiary education clearly improved the employment prospects of the people who received it. As qualified graduates

were turned out from various universities, the government and various firms were prepared to fill their vacancies. Many of the graduates were even offered appointment or made to enter into employment bonds before they finished their courses of study.

However, a dramatic turning point in Nigeria's higher education was reached later in the 60's when the Ashby's report was submitted to, and accepted by the Federal government with some minor modifications. The implementation of the provisions of the report revolutionized the development of higher education in Nigeria. Also, Harbison study of Nigeria's future high level manpower needs which forms an integral part of Ashby's report was another important landmark in the stimulation of private interest in the demand for higher education in Nigeria. The study estimated a total of 31,200 high level manpower needs for Nigeria out of which 20,000 should have university education and the rest would have a sort of informal training to take them to top management positions. As a result, it was estimated that Nigeria would need to produce 2,000 graduates per annum between 1960 and 1970, while other post- secondary institutions at home and abroad would have to produce over 5, 000 intermediate manpower annually (Fafunwa, 1971).

The government's action towards the Ashby's report is note worthy. The government approved the establishment of five universities as against four recommended by the report. Furthermore, a minimum target of total student's enrolment of 10,000 per annum in all the universities by 1970 was envisaged as against 7,500 recommended. And the figure of 10,000 was almost reached in 1966/67 session when 8,888 students were enrolled. In 1986/87, a total of

279,453 students were in various tertiary institutions and by 1996/97 academic year, the enrollment figure had risen to 619, 635.

It has been discussed widely in the literature that the rapid expansion in the educational system has increased the number of unemployed people through the quantity and quality of the output of the system [Oladeji, 1983]. Not only have the primary and secondary schools in Nigeria been rapidly expanded during the last four to five decades, student enrolment in higher education institutions has almost tripled from 1980 to the contemporary period. The number of universities has risen tremendously from 13 to about 80 and the total number of tertiary educational institutions is now over 150. This has implication on the enrolment rate that has also gone up. Such a high level of private demand for higher education has been a source of concern for policy makers because of the problem of unemployment among the educated youths in Nigeria. Various reasons have been advanced for the unemployment situation. These reasons range from limited absorptive capacity of the economy and the quality of education received.

Since the early 70s, unemployment level had been growing at an alarming rate. In 1974, it was estimated to be 4.5%. In the "Report of the Labour Force sample survey' published by the National Manpower Board in 1984, it was reported that the unemployment rate has skyrocketed to 8% for national urban areas. Initially, workers with more than secondary education were experiencing significantly higher labour market success than those with secondary education or less. But by 1990s, the employment advantage of post-secondary graduates started eroding.

In 1992, only six percent of all unemployed claimed to have completed post-secondary education. But four years later, 17 percent possessed post-secondary education. This supports the common argument that unemployment rates among higher institutions graduates have risen in recent years.

In such a situation of co-existence of increased demand for higher education with high level of unemployment among the educated, there is the need to inquire into the connection between labour market expectations and demand for higher education. For a robust insight into this, this study would be making use of micro approach to determine the magnitude (extent) of the connection between labour market expectations and demand for higher education among the final year students of Secondary School, students of colleges of education, polytechnics students, university students and currently serving corps members all in Osun state of Nigeria. The study will also be looking at the variation in labour market expectations at different educational level.

Table:1.3 Percent of Unemployed Persons by Level of Education

Educational Level	**1992**	**1993**	**1994**	**1995**	**1996**
All levels	100.0	100.0	100.0	100.0	100.0
No schooling	19.0	17. 2	13.3	18.7	20.0
Primary	15.7	17.9	13.2	36.7	11.5
Secondary	59.2	60.9	68.7	37.5	51.3
Post Secondary	6.1	4.0	4.8	7.1	17.2

Source: FOS (1997), Table 182.

1.3 Justification of the Study

There were studies, which examined the returns to investment in higher education. Some have examined labour market expectations of Nigerian University graduates while some have analyzed the private demand for higher education and its labour market implications. These issues have been examined in isolation with very scanty studies on the connection between labour market expectations and the demand for higher education. It is needful making enquiry into the co-existence of increasing demand for higher education with high unemployment rate. Despite the educated unemployment problem, there still exists a high demand for education, the rationality underlying this situation needs to be unraveled.

In short, this study would be complementing the existing ones by making use of micro and macro approaches and by widening the scope in analyzing the variations in the labour market expectations of students of Secondary School, tertiary institutions such as colleges of education, and polytechnic in addition to universities and the National youth corps members.

1.4 Objectives of the Study

The broad aim of this study is to analyse the extent to which labour market expectations have influenced demand for higher education in Osun state.

The specific objectives are to:

1. examine the nature of the Nigerian labour market since 1980s;
2. analyse the pattern and trend of enrolment and output from tertiary institutions in the country;
3. analyse the changing labour market expectations at different educational level and
4. analyse how labour market expectations have informed demand for higher education in Osun state.

1.5 Organization of Thesis

The thesis is divided into six chapters. The first chapter introduces the subject matter and formulates the research objectives. In the second chapter, the review of relevant literature on the labour market expectations and demand for higher education are carried out. Chapter three discusses the analytical framework and the techniques adopted in the analysis made.

A macro based descriptive analysis of the structure and condition of the Nigerian labour market is conducted in chapter four using secondary data. This is followed by econometric analysis of the influencing factors on higher education in chapter five.

The major findings from the analysis are summarized in chapter six, with policy proposals and conclusions.

CHAPTER TWO

2.0 LITERATURE REVIEW

2.1 Review of Theories and Theoretical Framework

The concept of ''human capital'' has been given recognition in the economic aspect of education since the time of Adam smith and some other classical economists. The philosopher-economist, Adam Smith provided a justification for treating resources put into education as investments that yield benefit both to the individual and society by drawing an analogy between man and machine. David Ricardo noted that workers' productivity varies according to the level of acquired and natural capabilities and that their rewards vary accordingly. Both Ricardo and Malthus thought education could be instrumental in inculcating habits that could lead to family- size limitation, that is, population control, and thus raise or maintain real national income. Alfred Marshall accepted Adam Smith's analogy that the acquisition of skills by man may be likened to an expensive machine. Marshall thus, viewed education ''as a national investment'' and according to him ''the most valuable of all capital is that investment in human being''. Schultz (1960) strongly attacked the narrowness of restricting the concept of capital to structures and production equipment. He argued that the acquired abilities of man that augment his economic productivity are predominantly forms of capital, a produced means of production, and a product of investment. According to human capital theory, expected earnings and returns are the main

determinants of educational attainment and occupational choice (cf. Mincer, 1974; Becker, 1975). It states that student when making schooling decisions, compare the outcomes of different possibilities and choose that option with the highest return.

According to this theory, people consider education as an investment in human capital. The investment is considered attractive when the benefits, which are typically expressed in terms of wage premium connected with the training program, exceed the costs. The costs include tuition fee payment and forgone labour market earnings which are associated with the training program. Although the expected return on schooling is a key factor in economic thinking towards schooling behaviour, most studies analysing the role of return expectations in enrolment decisions are based on assumptions about expectation as expected lifetime earnings are usually statistically not observed.

There are two schools of thought in the economic literature regarding student expectations. The first presumes that students base their expectation entirely on the present labour market situation. Freeman [1971, 1976] in a series of studies analysing field decisions of college undergraduates assumed that students believed they would obtain the average starting salary realized by the member of an earlier age cohort with the same field specialization and their enrolment decisions were based on these expectations. Most of the recent studies also accept this assumption. Lauder (2000), analysing the factors that influence participation in higher education, assumed that people observed the current labour market situation of ''comparable'' persons of the previous generation-persons with the same characteristics-and expect that their own

situation would be similar. Gianelli and Monfardini [2000] compute expected lifetime earning in order to analyse the effect of expected earning and local market conditions on the joint decision of high school graduates. When computing the expected earnings, we presume that high school graduates form their expectations observing the earnings pattern of people who have just finished their studies.

The second school of thought is of the opinion that students have rational expectations of the future labour market. Siow (1984) points out that students, based on available information, forecast future earnings. And also Zarkin (1985) believes that student (prospective teachers) have accurate knowledge of the current values determining the actual teacher wage and that they can very well predict the future level of earnings as well.

Simply defined, human capital formation, a term invented by T.W. Schultz, refers to the process of increasing the skill level and the health of the labour force with a view to increasing their productivity over time. Such development usually takes the form of skill acquisition through investment in formal and informal training of the willing and able members of the community. Much of the development in the field of economics of education could be attributed to the pioneering work of Schultz (1959) when he advanced the argument that increases in the value of observed aggregate output relative to increases in input could be attributed to investment in human capital.

This high productivity quality had long been realized in most economics and had thus led to a very high private and social demand for education in terms of increased enrolment and investment in education.

2.2 EMPIRICAL REVIEW

2.2.1 Studies on other Countries Economy

Studies abound in both developed and developing economies that established the relationship between employment opportunities and demand for higher education on the one hand and return to education and higher education demand on the other hand. Edwards and Todaro in "Educational demand and supply in the context of growing unemployment in less developed countries" argued that individual student and their families view education as a passport for entry into the modern, urban industrialized economy with its disproportionately high -paying employment opportunities. They stressed that in almost all the nations of Africa, Asia and Latin America, entry into modern -sector public and private jobs is predicated upon successful completion of the requisite years of education associated with particular jobs. This is often irrespective of whether or not such education requirements are really necessary for satisfactory job performance. Individuals are seen as viewing the private benefits (i.e lifetime expected income-earning opportunities) of education as greatly exceeding the private costs (i.e school fees plus 'opportunity cost' of income- generating alternatives foregone while in school). So that in spite of widespread and growing unemployment among the more educated, they would continue to desire entry into and passage through the educational system. Two studies of rural-urban migration in Kenya and Tanzania clearly showed that the average income earned by an urban migrant varies directly with level of

educational attainment and that the probability of securing a salaried urban job is higher, the higher the level of educational achievement.

That additional amount of formal schooling tend to be associated with additional earnings in the labour market is a widely documented and universally acknowledged fact. The magnitude of the earnings differential, however and the rate of return to investment in formal schooling are highly uncertain.

According to Kertesi - Kollo, (1999, 2002) and Kezdi (2002), the cause of the upward shift in the demand for higher education studies was the increased returns to education for the most educated young employees. In spite of the sharp rise in the number of graduates, there is no evidence that the returns to higher education have fallen in the meantime.

Gary Becker's major study (1964) used detailed 1940 and 1950 census data to calculate average incomes of adult by educational attainment. He then calculated private rates of return by establishing the costs borne by students and their families, including forgone income, and social rates of return by adding all educational subsidies. Becker estimated the private rate of return to be approximately 14.5precent in 1939 and 12.7 percent in1949 for white males. The rates of return for non-whites were several percentage points lower. These yields were according to the study slightly higher than the customary 9 to 10 percent rate of return anticipated by investors in private business.

Taubman and Wales (1972) used a sample of Air Force Veterans for whom scores on the Armed Forces Qualifying test (AFQT) were available as well as following survey on education and earnings for 1955 to 1969. The AFQT

data allowed the author to test for interactions between ability, family background, schooling and income. Comparing high school graduate with the same ability and family background, they estimated social rates of return of 14 percent for one to three years of college, 10 percent for baccalaureates attainment, 7 percent for some graduate education, 8 percent for the master's degree, and 4 percent for the PH.D. They concluded that the lower rate of return at the graduate level indicates diminishing returns to additional education, but it could be suggested that they may also reflect increasing components of non pecuniary income for persons with advanced education.

Gary Becker (1960) in his own study observed that social rates of return to investment in education was lower than private rate of returns, being 12% and 14% respectively. However, these rates were revised in his later work, using U.S. data for the period 1940-1950. He found that the rate of return to 4-year college education was around 8%; allowances being made for race, sex and under investment in education. However, most studies have not supported this view.

Psacharopolus (1972) in his study of 25 countries found that private rate of returns in most cases exceeds the social rate and that private rate varies between 9.6% for U.S.A. and 27.4% for Kenya.

Schultz (1961) also estimated rates of return for the three educational levels in the U.S in 1958. These were 35% for elementary, 10% for high school and 11% for college education.

Wilkinson (1960) and Podoluk (1965) using 1961 census of population data estimated that rates of return to investment in

education in Canada were equal to 16.3% for high school graduate and 19.7% for university graduates.

Layard et al (1971) in their analysis of British electrical engineering industry have also estimated that the private and social rates of return to various levels of education are as summarized in Table 2.1.

Corman Hope (1983), using U.S. data of 17,000 individuals aged 17 years and over was intended to find how adults respond to economic variables affecting costs and benefits associated with post- secondary vocational school attendance like the youths. Explanatory variables employed among others were college tuition, tuition in vocational schools, unemployment rate, family income and material status. After estimations, all variables exhibited expected signs and magnitude corresponding to their a priors expectations. However, it was found that family income, a proxy for ability; "is negatively related to post-secondary occupational school attendance - which is consistent with the notion that students do not derive the same consumption component from post–secondary vocational school that they do from college". Labour market expectations of workers could be influenced by factors like; age, sex, family background, parental status, educational qualification, work experience, information exposure and many others. Goldberg and Pavenick (2001) found relative wage across sectors and industries in the economy to be influenced by workers characteristics, nature of Jobs, firms and sectional policies existing in different sectors. These factors account for diversities in the various individual judgments about wage expectations. This view was corrobated by Feenstra and Henson (1996).

Table 2.1 Returns to various Levels of education in British Electrical engineering Industry.

Qualifications	Private Returns	Social Returns
First Degree	12%	8.1%
Master's Degree	10.5%	5.7 %
Doctorate Degree	12.9%	7.4%

Source: Layard et al (1971).

Toeing the same line, Hall (2005) established that unemployment rate rises in most cases because jobs are difficult to find. Thus, having relevant information about the labour market would give the right perception about its workers and further influence the nature of the expectations individual have about it.

Studies on the role of economic factors in University enrolment decision in the Netherlands include Kodde and Ritzen (1984), Huijsman et al (1986), De Jong et al (1990) and Sterken (1995). Adopting time- series analyses to study the role of financial variables in the decision to take up a higher education program, they came up with little consensus in their economic results. The only study reporting a significantly negative impact of tuition fees on student enrolment was Sterken (1995). Using a simple error correction specification, he found a short-run price elasticity of appropriate -0.04, and long-run price elasticity in the order of -0.5. However, as several potentially important variables (such as financial support to students and the alternative wage) were missing, the regression coefficients might suffer from omitted variation bias. Kodde and Ritzen (1984) and Huijsman et al (1986) found empirical support for consumption and investment motives in the university enrolment decision. The latter study reports income elasticity in the range of 0.53-1.02 for males and in the range of 0.15-1.03 for females. The enrolment elasticity with respect to financial aid enters with a positive sign in the model for first-year male enrolment but with a negative sign in the model for first year female enrolment. The enrolment elasticity with respect to foregone earnings was negative in all

cases and the enrolment elasticity with respect to future earnings was positive in all cases. In contrast, De Jong et al (1990) found that the economic variables hardly affect the decision to enrol in an academic program. The only significant variable is per capital income. The income elasticity equals 1.20 for males and 2.01 for females. The alternative wage, the salary of university graduate, financial support and the unemployment rate all appear with regression coefficients insignificantly different from zero and often with the ''wrong'' sign.

Berkhout and Van Leeuwen (2000) explored factors behind the decision to enrol in science or engineering from a questionnaire among second-year students in 1997. Abolition of tuition fees for science and engineering would yield 1,600 additional students in these fields (at the expense of other disciplines). This implies a tuition fee elasticity of appropriately -0.073. Likewise, an increase of the monthly grant to students in science and engineering by $340 was expected to yield an additional 1,150 students, corresponding to an enrolment elasticity of 0.053. This is a strange result, as it suggests that say, a $100 increase in tuition fees combines with a $100 increase in student grants would still result in a rather substantial reduction in student enrolment, whereas students should be indifferent to such a policy change.

2.2.2 Studies on Nigerian Economy

In the case of Nigeria, few studies have been conducted on the connection between education, earning and employment opportunities. Ojo, et al (1988) states that, formal education has a vital bearing on the

development and utilization of human resources. It is a major determinant of who gets jobs and in a negative way a major barrier that prevents people from getting job. This is why Turnham (1993) concludes that a significant lag between labour market entry and finding the first job and the rate of unemployment among educated youth would tend to be relatively high for no other reasons than the higher proportion of the young better educated workers among the first time job seekers. Higher education is seen as a bridge between employment, high production and better standard of living.

In what could perhaps be regarded as the pioneer study on returns to education investment in the country, Psacharopolous (1985) used data obtained from a 1966 survey to estimate both social and private returns for primary, secondary and higher education using the elaborate or fill method. Basically, the study obtains higher rates of returns (private and social) to each level of education for 1966, with the private returns higher than the social returns. The social rate of return was highest for primary education (23.0%) followed by higher education (17.5%) and secondary education (12.8%). On the other hand, the private rate of return was established highest for higher education (34.0%), followed by primary education and secondary education with returns of 30.0% and 14.0% respectively.

Nigerian University graduates have for a long time been enjoying very high return on their education. According to Ojo (1983), the very high pay that University graduates enjoy in Nigeria vis-à-vis graduates of other institutions of higher learning has led to a situation whereby secondary school leavers who qualify for higher education usually prefer to enter the University. He asserted

that in the early 1960's, there was excess demand for university places while Technical institutes were finding it difficult to attract applicants. Not only that, even many of those admitted to such institutes and other institutions of higher learning besides the university usually treat their studies as a step towards university degree. In effect, while still studying or after graduation, they make renewed attempt to secure university admission. The Ashby commission summarizes the situation thus:

''In terms of their need and usefulness for the society, the differentials in compensation and prerequisite between university graduates and highly skilled non-university graduates (in the intermediate high-level manpower category] are much too great. As a consequence, relatively few young persons are satisfied to become or remain engineering technicians, medical technicians, works foreman, junior agricultural officers and qualified (but not graduate) teachers''.

Diejomaoh, (1980) compared the initial salary of a graduate with his salary before embarking on university education by making use of a sample of 1971 Nigerian university graduates. After taking into consideration fringe benefits available to university graduates, he arrived at the conclusion that the immediate post-graduation income on the average was about 4 times the increase before entering the university. He further noted that even though the salary structure resulting from the public service review commission has reduced the immediate gain from university education, it is still about thrice the income before entry to the university if fringe benefit payments are included.

Yesufu (1982) noted the considerable gain from university education on comparing the pre-university earnings of a sample of Nigerian University students registered in 1971/72 with what they could earn on graduation. He found out that nearly 70% of university students could at the very least, about treble their incomes immediately through an average of three years of university education. This would appear a large extent to account for the tremendous demand for university education in Nigeria''. It is therefore seriously argued that earning differential between university graduates and other tertiary institution graduates are simply unjustified.

It was further argued by Ojo (1983) that another economic factor which could encourage secondary school leavers to aspire after higher education in general and university education in particular is the marked difference in unemployment rates between graduates of secondary and tertiary levels of education. In Nigeria, the rate of unemployment among secondary school leavers is very high. According to him a survey was carried out in Lagos which revealed that about 26% of the 1480 unemployed people interviewed had WASC with many of them being unemployed for up wards of six months. Whereas less than 1% of the unemployed had university degrees or equivalent and almost all of them were unemployed for less than six months.

However, in a paper on ''Nigerian education trends and issues'', Fagbule (1983) rejects any correlation between education and employment in developing countries. Such axiomatically postulated statements like those that claim that education contributes to economic growth, and that the earnings of educated manpower reflect their productivity that had gained currency over the last

three or more decades was particularly rejected. Rather his paper supported the thesis of Blaug (1973) that'' the employment problems in developing countries is really a series of overlapping problems involving visible unemployment among young people, including school leavers and graduates". It is argued in his work that it is being accepted as a result of various researches that the most profitable form of investment in education especially from the social point of view is at the primary level and that it is virtually impossible to predict the number of graduates required by the economy in the future (Psacharopoulos, 1978). As wood hall (1981) has observed, the massive investment in education especially by the developing countries has not brought the promised benefits of faster economics growth. Further, she concluded that ''education was not the main determinant of earnings: social class was more important, and luck played the most important part''. She considered education to apparently be a sort of luxury, which produces unrealistic school leavers with aspirations that made them unfitted for actual job opportunities.

Ogunsaju (1983) noted that the rapid expansion of school by the governments has led to the scarcity of jobs for the educated Nigerians. This was because the unemployment rate had swung sooner and more abruptly than what the manpower experts had earlier anticipated. This condition was said to have seriously affected the nation's economy and forced those students studying abroad who could have returned home to take jobs elsewhere.

Adebayo (1989) analysed the labour market expectations of university graduate in Nigeria using the graduating students of 1988/89 session of Obafemi Awolowo University, Ile-Ife as a case study. It was revealed that

majority of the students have no concrete source on which the information they supplied about the labour market could be based. Most of the students interviewed were ready to adjust by accepting other jobs that do not directly utilize their university training rather than remain unemployed in search of the expected job. This shows that they would also be ready to adjust to prevailing wage in such alternative employment. This disproves the assertion that the graduate unemployment is as a result of their high expectations.

Oladeji (1987), in a section of his thesis on graduate unemployment problem and the Nigerian university system established that the country's university graduates unemployment problem is essentially that of qualitative imbalance caused by ''over production'' of graduates from higher institution of learning. He noted that over-population means tight labour market for graduates in general and fresh graduates in particular. This may also limit the extent of inter- occupational mobility for stale graduates in employment and to the fresh graduates it may lead to reversal of expectations downward to be in line with the tight labour market situation.

Another study in line with this was ''labour market prospects of university graduates in Nigeria'' which was conducted to inform the design of the Nigeria university system innovation project by Dabalen, Oni and Adekola (2000). In the study, it was gathered from the surveyed employers that they have the fear that graduates are poorly prepared for work and that academic standards have fallen considerably over the past decades; a university degree is not considered any longer a guarantee of communication skill or technical competence. As a result, university graduates are commonly viewed as ''half

baked''. They also complain of the huge amount of money and effort expended in re-training fresh graduates just to maintain the quality of their products and services and that these increase their operation cost and reduces their profitability and competitiveness. Graduates on the other hand complain of high levels of unemployment. The analysis of labour statistics indicates that the unemployment rate for university graduates may be around 25 per cent and that their prospects for employment have worsened over time. The study emphasized that a serious disconnect exists between university training and the needs of the labour market. The problem has continued to be socially costly to Nigerian as the large numbers of unemployable graduates and the low productivity of those who find work are said to have reflected a poor social return on the investment.

Okuwa (2004) in his work on ''private return to higher education in Nigeria'' established that the mean monthly earnings of workers increase with more years of schooling with university graduates having the highest return, followed by polytechnic graduates and then college of education. It was further discovered that on the average, across all levels and types of higher education, schooling yield about 11% return on the earnings foregone by the household.

By and large, though the topic of this thesis is in line with these reviewed studies, however, the point of divergent are:

The present study made use of both micro and macro approaches and also widened the scope by covering some other institutions which were excluded in the previous studies. This include the final year students of senior

secondary school; final year undergraduate students of other tertiary institutions besides universities such as Polytechnics and Colleges of education. Postgraduate students of the University were also sampled and the currently serving Youth Corp Members; all in Osun State of Nigeria. This is to examine the variation in the labour market expectations at different educational levels.

This study also focused among other things at establishing the connection between labour market expectations and demand for higher education and how the former has effected the latter over the years.

CHAPTER THREE

RESEARCH METHODOLOGY

3.0 INTRODUCTION

In this Chapter, the various methodological issues involved in the analysis of a study of this nature are captured. It spans from analytical framework, Data sources and methods of data collection, coverage and sampling procedure, research instruments and analytical technique.

3.1 Analytical Framework

The basic model formulation that is used in this study is the human capital model. Within the context of this model, demand for education is both consumption and an investment good. Acquisition of higher education yields current consumption benefits as well as future reforms on acquired skill in form of high wages and other non-pecuniary benefits. The model therefore assumes that the individual maximizes his lifetime utility subject to the level of investment in education.

A host of factors have been identified in the literature (Ogunrinola, (1985). Kodde and Ritzen, (1984); Huijsman te al, (1986); De Jong et al, (1990); and Sterken, 1995) as influencing private demand for higher education. Most of these factors are directly derived from the basic analysis of the rate of return to educational investment. Such factors are: expected level of income with higher education, government subsidy on education, expectation of employment opportunities, and total cost of education which consists of direct and indirect costs. The direct cost is the total amount of out of pocket expenditure on education such as tuition fee, expenses on books, e.t.c while indirect cost is the

earning forgone in pursuing higher education. Other factors include age, sex, ability and parent's status as regards educational level and occupation.

The basic theory underlying our model postulates that demand for higher education varies directly with expected income from higher education, government subsidy on higher education and employment opportunities with higher education, but negatively with both the direct and forgone costs. The background of the students is also assumed to exert influence on the demand for education.

Our model is made up of six variables; one dependent variable and five independent or explanatory variables.

The demand function is therefore given by

$D^{HE} = f (INC, GS, TC, EMP, SD, \mu)$ ---------- (1)

This is interpreted to mean that demand for higher Education (D^{HE}) is a function of six sets of variables INC, GS, TC, EMP, SD and μ where

D^{HE} = private demand for higher education

INC = the expected income with higher education

GS = government subsidy on higher education

TC= total cost consisting of direct and indirect costs of higher education.

EMP = Employment opportunity with higher education

SD (socio –demographic characteristics), implying the age, sex, marital status and parent's educational and occupational status.

μ = the stochastic term

The above function can be stated mathematically. Thus;

$D^{HE} = B_0 + B_1\ INC + B_2\ GS + B_3TC + B_4\ EMP + B_5\ AGE + B_6\ SEX + B_7MOCC + B_8\ FOCC + \mu$ _____ (2)

Where the B_i (0-8) are the linear estimates and are expected to be positive i.e $B_i > 0$ with the exception of B_3 and B_5 which are expected to be negative while μ represents the error term capturing other possible explanatory variables not included in the model.

3.2 Specification and Measurement Of Variables

Taste for higher education can be used as proxy for demand for higher education. In which case the respondents could be asked to indicate whether they wish to go further or not in their educational pursuit. The wish to go or demand for higher education is expected to be explained or influenced by some explanatory variables, among which are the following:

First, expected income to a large extent influences expected benefit from higher education. An expected change in the level of income accruing to graduates of higher institutions will call forth a change in demand for higher education in the same direction.

Second, availability of government subsidy on higher education is expected to exert influence on the demand for higher education. Scholarships and government bursary or any other incentive on education reduce the cost incurred on education and therefore increase the benefit of education.

Third, the total cost of education consists of both the direct and indirect costs. By direct cost, we mean out of pocket expenditure such as tuition fee, expenditure on books and so on. Indirect cost is the opportunity cost of higher education. This implies the expected earnings with lower level of education and

the employment probability at the lower level of education. The higher the earning and the employment opportunity, the higher the indirect cost and consequently, the higher the total cost. Higher total cost reduces the expected benefit from education and therefore reduces the demand for higher education and vice versa.

Fourth, an expectation of employment opportunity with higher education would stimulate the demand for it all things being equal. The optimism of students on employment has to a great extent influenced the demand for higher education.

Fifth, the socio- demographic back ground of the students such as age, sex, highest educational level of parents and occupation of parents is expected to be a great influence on the choice of going for higher education.

All the above-mentioned factors exercise either direct or indirect impact on demand for higher education. It is the original intention of this study to quantitatively analyze the effect through regression technique. However, the nature of the data output did not permit the analysis. Hence descriptive analysis was resorted in to.

3.3 Data Used and Method of Data Collection

The data used in this study were both primary and secondary. Secondary data were used in examining the nature of the Nigerian labour market since 1980s and in analysing the pattern and trend of enrolment and output from tertiary institutions in the country. This information was obtained from Federal Office of Statistics, Ministry of Education and National Manpower Board. To be specific the following publication were made use of:

(i) Annual Abstract of Statistics of the Federal Office of Statistics.

(ii) National university commission, National board for Technical Education

(iii) Relevant Statistical publication of the National Manpower Board. Secondly, primary data were used in achieving the last two objectives of the study. Structured questionnaires were used to elicit required information from senior secondary school finalist, tertiary institutions final year undergraduate students and their post graduates students. Also, the fresh graduates who are on their youth service were interviewed. It is expected that the one year of service as youth coppers is long enough to give a well-informed assessment of the labour market situation. Information on their labour market expectations and how these expectations vary from one educational level to another were considered.

3.3.1 Coverage and Sampling Procedure

The study was designed to cover six- survey locations which were purposively selected and these include Ife, Ilesa, Esa-Oke, Ede, Osogbo and Iree where there are tertiary institutions in the state. Osogbo, though without a tertiary institution was chosen on the basis of being the state capital. Two secondary schools were randomly selected from each of the survey areas to include one public and one private school. The five tertiary institutions covered by the study are Obafemi Awolowo University, Ile-Ife; Federal polytechnic, Ede;

Osun state polytechnic, Iree, Osun state college of Technology, Esa-Oke and Osun State College of Education, Ilesa. The multi- stage sampling technique was used in the study. From each of the two selected secondary schools from each survey area, 40 final year (senior secondary school) students were randomly chosen for the study. From the tertiary institutions, 30 final year students were randomly chosen from each of the eleven faculties in Obafemi Awolowo University. Also, 15 postgraduate students were surveyed from each of the faculties. Both the National and Higher National Diploma students of the three polytechnics were contacted for the study. Three faculties were chosen, and 25 final year students were randomly picked from two of the departments in both National and Higher National Diploma classes. From four schools of the colleges of education, two departments each were chosen and 25 final year students from each of the departments were randomly selected for sampling. Thirty youth corps members were randomly selected from each of the survey areas with the exception of Esa-Oke where there is no meeting place for them. A total sample size of 2225 was reached in the study.

3.3.2 Research Instruments

The investigation was carried out at two levels. First, at the macro level, a macro analytic study was conducted in examining the nature of the Nigerian labour market since 1980s and in analysing the pattern and trend of enrolment and output from higher institutions in the country.

Secondly at micro level, questionnaire and interview guide constituted the major instruments used. Four sets of questionnaires were drafted with a view to making enquiry about the relationship between the dependent variable

(demand for higher education) and relevant explanatory variables such as income expectation, perception of the level of government subsidy, cost incurred on the course of study, employment prospect and so on. Information was also collected on the socio economic and demographic characteristics such as age, sex, state of origin, marital status, parental background and so on. The first group of the questionnaires (Appendix I) were drafted to meet the final year senior secondary school students; the second group, (Appendix II) for the final year undergraduate students of tertiary institutions; the third group, (Appendix III) for the youth corps members while the fourth group, (Appendix IV) was for the post graduate students of tertiary institutions. The study was conducted in Osun state of Nigeria.

3.4 Analytical technique

The analytical techniques are discussed here from the macro and micro perspectives. For the macro analysis (Economy-wide labour market view), we adopt a descriptive analytical technique, placing emphasis on tabular and verbal presentation of the issue. This is presented in chapter four of the work.

For the micro analysis, summary statistics such as frequency counts, percentages, cross- tabulations of variables were obtained to capture the characteristics of the respondents.

The varying labour market expectations at different educational level were also captured and discussed through the summary statistics. Also the analysis of the strength of the relationship as well as the level of significance of the explanatory variables on the dependent variables in the models were attempted using the logistic method of regression analysis, employing the statistical package for social sciences (SPSS). However, it did not produce expected result, hence our resolve on descriptive method.

CHAPTER FOUR

4.1 LABOUR MARKET SITUATION IN NIGERIA

4.1.0 INTRODUCTION

Efficiently functioning labour market is important to human resource development and utilization, and economic growth. Labour market allocates labour among alternative productive activities and it is a major force shaping the income distribution. Wages provide incentives for the movement of labour among geographical areas, occupations, industries, and for the acquisition of skills. In this regard, wages and employment affect the income of workers and the well-being of families (Adams, 1992).

A critical issue is whether the Nigerian labour market is properly integrated to maximize opportunity for the nation's human resource development and utilization, to minimize national human resource wastage through mismatch and reduce unemployment.

A proper assessment of the characteristics, nature and structure of the Nigerian labour market is important in unraveling the rationale behind the ever-increasing demand for higher education. Thus, in this chapter an examination of the nature of the Nigerian labour market since 1980s is conducted. This is followed by the analysis of the pattern and trend of enrolment and output from higher institution in the country.

4.1.1 The Supply of and the Demand for Tertiary Institution Graduates

Generally, the supply of labour to the market could be considered from the perspective of population growth and expansion of educational system. One of the major problems facing Nigeria is that of the rapid population growth. Going by the 1991 census, a projection of annual growth rate of 2.8 percent was made (FGN, 1988:3). The population of Nigeria was 115,224,000 in 2000 and by 2004, it had increased to 129,175,000. A rapid rate of population growth not only puts direct pressure on the total resource base of the society to sustain living standards, but also requires the absorption of increasing numbers of people into the labour market. For instance, if population grows at an annual rate of 2.5 percent it means that the number of entrants to the labour force, after appropriate intervals will also double every 28years. The current 2.8 percent rate of population growth and the resultant age structure are foundational factors affecting labour market forces or processes in Nigeria (Adebayo, 1999). According to Hollister and Goldstein (1994), as the age structure of the population evolves, labour market processes must adapt to existing opportunities in the economy. The accelerated population growth of Nigeria has therefore affected the supply side through a high and rapid increase in labour force relative to the absorptive capacity of the economy.

The expansion of educational system has also greatly affected the supply of labour to the market. The supply of tertiary institution graduates to the Nigerian economy can be said to be policy- determined rather than being market – determined. The recommendations of the high-level manpower study for Nigeria conducted by Professor F.A Harbison at the request of the Nigerian

government influenced, to a high degree, the supply of tertiary institutions trained manpower. For instance, Oladeji (1987) argued that the rapid expansion increases the number of unemployed people through the quantity and quality of the output of the system. Not only have the number of the institutions in Nigeria been rapidly increased, students enrolment in these tertiary institutions has also been on a high increase (Adebayo, 1999). During the last few years, consequently, the substantial growth of higher education has been accompanied by increasing difficulties in finding suitable employment by graduates in a variety of courses. The rapid expansion of our educational system has thus acted firstly to increase the supply of educated manpower to the labour market above the corresponding demand for them and consequently contributes greatly to the problem of unemployment in Nigeria. The existence of few vacancies for highly qualified manpower side by side with educated unemployment could be observed. This shows that our higher education system is not properly designed to match education with employment opportunities. The implication of this for unemployment cannot be over emphasized.

The demand for labour services on the other hand is a derived demand that depends entirely on demand for those goods and services produced by labour. Thus, labour is a factor of production whose demand is not based on its own intrinsic value but on the value of what it can contribute to production. The global depression coupled with the limited absorptive capacity of the Nigerian economy has led to a sharp decline in employment. Lacks of raw materials have forced some industrial firms to operate very much below

optimum capacity while some have even folded up. There is also the production technique problem. Technologies that emanate from the developed countries are designed in the light of the investment and manpower resources available within the countries. Those technologies, when borrowed were not appropriate for Nigerian's situation. Thus, capital- bias in production currently manifests in Nigeria in the form of re-engineering and computerization of business activities which has led to mass retrenchment in many firms. Such increased consciousness of technological transformation in Nigeria where human resources are abundant complicates unemployment problems.

4.1.2 Employment Situation

The human resource potential of any country, in the narrow quantitative sense, is usually referred to as the population of that country. A nation's labour force is usually confined to persons who are within the working age, which conventionally refers to the broad age group of 15 to 55 in Nigeria and 15 to 65 in developed countries. The active labour force is usually defined to exclude students and full-time trainees, house wives and persons who are physically or mentally incapacitated. The percentage of the working – age population actually in the labour force is often referred to as the "labour force participation rate". It should be noted, however, that the active labour force in Nigeria is actually greater than is suggested in official statistics. This is because the incidence of child labour (that is, workers below the age of 15) is quite significant in Nigeria, particularly in the rural areas and in the informal sector in urban centers. Also, the proportion of the population above 55 that is excluded by the official definition is not insignificant.

As revealed on table 4.2.1, the total working population grew from 43, 600,000 in 2001 to 46, 800, 000 in 2003 and 47,993, 400 in 2004.

The percentage contribution to total working population by economic activity between 2001 and 2004 is as shown on table 4.2.2

For all the years, Agriculture, Hunting, forestry and fishing absorbed the largest percentage of the working population which increased from 54.8% in 2001 to 59.6 in 2002 and was 59.3% in 2004. This was followed by education sector which absorbed 20.2% of the working population in 2001 and later decreased to 18.6% in 2002 and 18.3 in 2004. Public Administration and Defence which was third in the ranking accounted for 12.5% in 2001 after which it declined to 11.0% in 2002 and later to 10.5% in 2004. Manufacturing industries accounted for 1.78% of the working population in 2001, 1.52% in 2002, 1.75% in 2003 and by 2004 it was 1.74%. The low percentage of employment in manufacturing industry in all the years call for attention as such an industry is expected to be a major source of employment generation for the company Mining and Quarrying had the smallest percentage of the working population. It was 0.16% in 2001, 0.15 in 2002 and was 0.14% in 2004. This sector, which has largely been relied upon by the economy since 1980s has not been able to provide employment for a major proportion of the economy. No wonder the government has been making frantic effort to diversify the economy base of the country. The total working population grew at the rate of 2.75% in 2002, 4.46% in 2003 and 2.55%in 2004. Of all the sectors, it was Agriculture Hunting Forestry and Fishing that grew at a remarkable rate. In 2002, it grew at the rate of 11.86. In 2003, it grew at the rate of 4.27 and at the

rate of 2.15 in 2004. It is observed from table 4.2.3 that the growth rate was negative in almost all the sectors in 2002. By 2003, manufacturing industries which formerly grew at a negative rate of 12.26 now grew at a positive rate of 20.59 which was remarkable. Health and social work grew from a negative rate of 33.70 in 2002 to a positive rate of 53.01 in 2003 which was the largest growth rate that was recorded in all the sectors in 2003. The proportion of the total working population that was involved in educational activity in the economy grew from a negative rate of 5.49 to a positive growth rate of 1.36 in 2003. It is noteworthy that positive growth rate was recorded in all the sectors of the economy in 2004. This may not be unconnected with various development programmes of the present administration.

4.1.3 Unemployment Problems

The existence of adequate and appropriate employment is a signal on how healthy an economy is. The level of development of a country is thus measured by the availability of employment opportunities for her citizens. It can be asserted with a fair degree of confidence that one of the main driving force behind the phenomenal growth of education in Nigeria has been economic-the expectation that, as a result of their education, young persons would be more likely to find jobs including productive self-employment and that thereafter the more education they had the more they would earn. It was also generally assumed that, if these gains materialized, they could be regarded as the minimum social benefits of education. It is argued that these expectations have almost certainly not been fulfilled.

Table 4.2.1 Total Working Population (2001-2004)

Year	Total Working Population
2001	43,600, 000
2002	44, 800, 000
2003	46,800,000
2004	47,993,400

Source: Statistical fact sheets, 2005

Table 4.2.2 Percentage Contribution to Total Working population by Economic Activity (2001-2004).

Description	2001	2002	2003	2004
Total Working Population	100.0	100.0	100.0	100.0
Agric, Hunting, Forestry & Fishing	54.75	59.60	59.49	59.26
Mining & Quarrying	0.16	0.15	0.14	0.14
Manufacturing industries	1.78	1.52	1.75	1.74
Prod & Dist of Elect, Gas & water	0.82	0.71	0.88	0.88
Building and construction	0.66	0.56	0.56	0.56
Comm. & Repairs of Auto & Domestic ant	0.28	0.20	0.20	0.2
Hotels & Restaurants	0.21	0.19	0.19	0.19
Transport, storage & communication	0.89	0.87	0.85	0.86
Finance and Intermediation	0.83	0.54	0.58	0.57
Real Estate, Renting & Business Act.	0.16	0.13	0.13	0.12
Public Adm. & Defence	20.18	18.56	18.01	18.25
Education	20.18	18.56	18.01	18.25
Health & Social Work	0.63	0.41	0.60	0.61
Others	6.21	5.52	6.17	6.13

Source: FOS

Others include community, social and personal services, Private Household with Employed persons and Extra Territorial organization & Bodies.

Table 4.2.3 Growth Rate of Total Working Population by Economic Activity (2001-2004)

Description	2002	2003	2004
Total Working Population	2.75	4.46	2.55
Agric, Hunting Forestry and Fishing	11.86	4.27	2.15
Mining and Quarrying	- 0.51	-2.30	1.5
Manufacturing Industries	-12.26	20.59	1.98
Prod and Dist of Electricity, Gas and water	-10.11	28. 13	2.88
Building and construction	-12.80	3.17	2.75
Comm. and Repairs of Auto and domestic art	- 23.70	1.44	3.99
Hotels and Restaurant	- 8.26	4.42	2.65
Transport, storage and communication	0.52	2.56	2.77
Finance Intermediation	-32.22	10.66	1.89
Real Estate, Renting and Business Activities	-18. 87	4.42	2.1
Public Admin and Defense	-9.01	-0.81	2.83
Education	-5.49	1.36	3.8
Health and social	-33.70	53.01	3.79
Others	-8.62	16.57	1.95

Source: Statistical News, 2005.

OTHERS: include community, social and personal services, private household with Employed persons and Extra Territorial Organization and Bodies.

4.1.3.1 Nature and Dimensions of Unemployment in the Nigeria's Labour Market

The last four decades in Nigeria have witnessed manpower imbalances. In the 1960's it was a case of manpower shortage of critical skills, and 1970's, there was the school leavers' unemployment problem affecting those with primary education and later secondary school leavers. By the turn of 1970's, the educated unemployment phenomenon had become visible, affecting post secondary graduate and especially in the southern part of the country (Dabalen et al, 2002).

The employment situation in Nigeria became worsened when in the early 80's there was a glut in the world oil market. Oil price plummeted to $30 per barrel in 1983 from $44 per barrel in 1981, while Nigerian export fell from 2.1 million barrel per day in 1983 (Federal planning Office, Lagos). As a result of this deadly blow on the Nigerian mono-economic structure whose dependence on revenue from oil was well over 80% between the years 1974 and 1980, the Economic stabilization Act of 1982 was inevitable. Its aim was to reduce foreign spending in order to conserve the dwindling foreign reserves and revive the already badly battered economy. Most imported raw materials were placed on license while importation of some other consumer goods and raw materials were stopped out-rightly. Industrial production stagnated while retrenchment and stoppage of filling of existing vacancies became the order of the day. In a study conducted by the National manpower titled Report of the Shuttle Employment Enquires, 1983, it was reported that about 29,000 staff were retrenched in responding establishment between October 1982 and October 1983.

The incidence of retrenchment fell heavily on construction and manufacturing sectors whose staffs were retrenched to the tune of 37.3% and 24.7% respectively. This observed high rate of retrenchment in the sectors mentioned are due to the fact that "manufacturing and commercial establishments generally depend heavily on importation of raw materials and spare parts… whose supply has been severely restricted because of the then financial constraints" (Shuttle Empt. 1983).

Since 1983, the federal office of statistics (FOS) has been conducting studies and producing reports from sample surveys of the Nigerian labour force taken on a regular basis. Some quantitative evidence regarding the magnitude of the unemployment situation in Nigeria are provided to show the employment problem. As shown on table 4.3.1, Composite unemployment rate figure fluctuated downwardly from 1985 to 1995, declining from 6.1% to 1.9%. However, the rate started to increase consistently since 1996; rising from 2.8% in 1996 to 3.4% in 1997 and to 3.5 in 1998. In 1999, it increased sharply to 17.5% until the year 2000 when it got to a peak of 18.1%. One possible explanation that could be provided for the sudden skyrocketed unemployment rate for this period was that 1999 was the beginning of the third democratic government and that the previous military administration had been suppressing the true unemployment situation as a face – saving strategy. It could also be as a result of wrong definition given to unemployment then. A trend of declining rate was observed from 2001 to March 2005. It declined from 13.7% in 2001 to 12. 2% in 2002, but moved up to 14.8% in 2003 after which it started to decrease to 11.8% in 2004 and 11.9% in 2005. It could be noted

that the continuous decline in the rate appears to reflect the impact of the positive economic transformation across all sectors of the Nigerian economy through the various economic reforms programmes put in place by the present government.

The rural and urban dichotomy of the unemployment rate trend reveals a consistently higher urban unemployment rate than rural rate between 1985 and 1998. The trend was however reversed from 1999 to 2005 (with the exception of year 2003) when the rural unemployment rate became consistently higher than the urban rate. The later scenario is an unusual case with developing economy like Nigerian. One wonders why this is the case for Nigeria. Open unemployment is often an urban phenomenon with developing countries where the informal sector provides employment opportunities for as many as possible even at a miserable income level.

A breakdown of unemployment rate by state, age and educational attainment is revealing concerning the specific problems of the labour market.

As captured by FOS (2005) and presented on table 4.3.2 there were significant quantitative differences of unemployment rates from one state to the other. The unemployment in some state like Niger, Osun, Ogun, Plateau, Kwara, Taraba, Sokoto and Delta were at a relatively low rate of 0.2, 1.9, 2.5, 2.8, 2.9, 3.4, 4.1 and 4.5 respectively. Notable for high unemployment rates among the states were; Bauchi, (29.7) Enugu (27.4) Katsina (23.8) Adamawa (21.4) Kebbi (19.9), Kano (19.1), Jigawa (19.0),

Benue (18.6), Imo (16.5), Akwa-Ibon (14.4), kaduna (12.1) and Cross-River (11.1). These figures indicate that the problem is significant and in different proportion over the states. The significant difference in the rates for 2005 across states shows that Nigeria is not a completely national labour market

geographically. If the markets are properly integrated, people are expected to move from high unemployment rates areas to the low unemployment rate areas and settle down. The lack of Homogeneity is connected with the existence of political, religious, cultural and tribal barriers, which inhibit mobility of labour in Nigeria. The significant difference in unemployment rate could also be attributed to lack of accessibility to information. Increased access to information is expected to improve manpower mobility across states and therefore reduce the quantitative differences in the unemployment rates across states.

Table 4.3.3 shows the percentage distribution of unemployed persons by age group. It indicated that the largest proportion of the unemployed is within the youth age group (i.e between the age of 15 and 24 years) in all the years. This is followed by the persons between the age group 25 and 44 while the persons between age group 45 and 59 are with the lowest proportion. For 2003 and 2004, The Nigeria statistical Fact sheets captured it in a different way. The rate was shown to be far below the figures of 1986 to 1999. Yet, the highest rate of 14.1 was recorded for the age group 15 to 24 in 2003 and 28.9 for the same group in 2004. By and large, the decomposition indicates that the employment problems are still most of a youth unemployment phenomenon.
If we turn our attention to unemployment by level of education (table 4.5), three important conclusions emerge.

First, workers with more than secondary education experienced significantly higher labour market success than those with secondary

Table 4.3.1 National Unemployment Rates (1985-2005)

Survey Period	Composite	Urban	Rural
December 1985	6.1	9.8	5.2
December 1986	5.3	9.1	4.6
December 1987	7.0	9.8	6.1
December 1988	5.1	7.8	4.8
December 1989	4.5	8.1	3.7
December 1990	3.5	5.9	3.0
December 1991	3.1	4.9	2.7
1992 (Annualized)	3.5	4.8	3.0
1993 "	3.4	4.0	3.2
1994 "	3.2	4.0	2.8
1995 "	1.9	3.6	1.6
1990 "	2.8	4.4	2.4
1997 "	3.4	5.7	2.8
1998 "	3.5	4.5	3.1
1999 "	17.5	11.6	19.6
2000* "	18.1	14.2	19.8
2001* "	13.7	10.3	15.1
2002* "	12.2	9.5	13.3
2003* "	14.8	17.1	13.8
2004* "	11.8	11.0	12.1
Mach 2005	11.9	10.1	12.6

Source: Federal Office of Statistics and National Bureau of Statistics, June 2005*(Those asterisked were collected from the statistical fact sheets)

Table 4.3.2 Unemployment Rates by States 2005

States	2005 (Percentages)
Nigeria	11.9
Abuja	6.5
Akwa-Ibom	14.4
Anambra/Enugu	9.8/27.4
Bauchi	29.7
Edo/Delta	9.9/4.5
Benue	18.6
Borno/Yobe	6.3/8.0
Cross-River	11.1
Adamawa/ Taraba	21.4/3.4
Imo/Abia	16.5/7.9
Kaduna	12.1
Kano/ Jigawa	19.1/19.1
Kasina	23.8
Kwara/Kogi	2.9/8.7
Lagos	6.5
Niger	0.2
Ogun	2.5
Ondo	6.2
Oyo/Osun	5.3/1.9
Plateau	2.8
Rivers	7.0
Sokoto/Kebbi	4.1/19.9

Source: FOS: Statistical News, 2005

Table 4.3.3 Percentage Distribution of Unemployed Persons by Age Group

Age group/years	15-24	25-44	45-59
1986	73.8	22.6	3.6
1987	68.35	23.5	9.2
1988	65.65	29.95	4.4
1989	70.30	24.90	4.4
1990	65.65	25.95	10.7
1991	62.9	24.2	12.9
1992	65.5	23.2	11.3
1993	69.0	25.2	5.8
1994	70.4	21.0	8.6
1995	57.5	28.7	13.8
1996	47.6	38.4	14.0
1997	46.7	42.3	11.0
1998	47.1	35.1	11.8
1999	58.4	29.2	11.2
2000	NA	NA	NA
2001	NA	NA	NA
2002	NA	NA	NA
2003	14.1*	10.8*	7.8*
2004	28.9*	11.4*	7.7*

Source: Federal Office of Statistics and Fact Sheet, 2005*

education or less. The data in table 4.5 indicates that the proportion of workers with post secondary education was smaller among the unemployed than for any other groups. These differences are particularly sharp when secondary school certificate holders are compared with post-secondary graduates.

Second, the table indicates the highest percentage of unemployment among the secondary school; more than half of the total unemployed are secondary school leavers. This could be seen as a major reason, which motivates an ever-increasing demand for higher education. Because they believe that attaining higher level of education would widen their chances of employment.

Third, the table also indicates that employment advantages of post secondary (i.e tertiary institution) graduates have been eroding throughout the 1990s.In 1992, only 6 percent of all unemployed claimed to have completed post- secondary education. But four years later, 17 percent of the unemployed possessed post-secondary education. This supports the common argument that unemployment rates among tertiary institution graduates have risen in recent years. However, the statistical news of March 2005 presented the report in a different way for 2004 and 2005. It shows that over 50 percent of the unemployed in Nigeria belong to the "No Schooling" group while the proportion of the secondary school leavers was 24.3 and 25.3 percent respectively for year 2004 and 2005.

Table 4.3.4 Percentage of Unemployed Persons by Level of Education

Educational level/Year	No schooling	Primary school	Secondary school	Tertiary school
1992	19.0	15.7	59.2	6.1
1993	17.2	17.9	60.9	4.0
1994	13.3	13.2	68.7	4.8
1995	15.7	36.7	37.5	7.1
1996	20.0	11.5	51.3	17.2
1997	11.3	8.1	48.1	32.3
1998	20.2	15.8	49.5	6.5
1999	20.7	12.9	59.4	7.0
2000	N.A	N.A	N.A	N.A
2001	N.A	N.A	N.A	N.A
2002	N.A	N.A	N.A	N.A
2003	N.A	N.A	N.A	N.A
2004	50.5*	17.8*	24.3*	7.5*
2005	51.9*	16.3*	25.3*	6.5*

Source: FOS (1997), Table 182 and Statistical News 2005*

Table 4.3.3 Share of Unemployment by Level of Education

Metropolitan Area	Secondary	Polytechnic and Monotechnic	University (1st degree)
Abia	45.7	12.3	12.3
Abuja	47.8	18.9	8.9
Ibadan	53.6	13.2	9.0
Jos	45.8	15.6	1.2
Kano	46.7	8.8	0.0
Lagos City	53.8	19.4	11.4
Maiduguri	33.3	21.2	6.1
Port Harcourt	68.1	4.7	10.8
All metro areas	53.9	14.5	9.4

Source: labour market study of 8 metropolitan areas, unpublished, 1998. (Note that the values do not add up to 100 percent because shares of other unemployed groups are not shown).

On the same table is shown the unemployment incidence on tertiary graduates to be 7.5 percent in 2004. This declined to 6.5 percent in 2005.

Since the post- secondary category includes graduates of colleges of education and polytechnics as well as University graduates, it is possible that unemployment rates for university graduates may be different from those for the post-secondary category as a whole. Exploring this possibility, in a study which was undertaken in 1998 by the National manpower Board, the breakdown of unemployed persons in some metropolitan areas of the country according to their level of educational attainment confirms that University graduates are much less represented among the unemployed. In all metropolitan areas the proportion of University graduates among the unemployed is only about 10 percent. (see table 4.6).

The severity of the unemployment problem among graduates varies across regions. Although in many of the local markets, unemployment rates for graduates are lower than for individuals with secondary education, there are places where the rates cannot be generalized for the whole country in places where many graduates are located, e.g. major urban areas; the labour market prospects for university graduates are bleak.

The gender dimension of the unemployment rate for 2003 and 2004 revealed that the rate is becoming increasingly higher for the female labour force than for the male. To be specific, the rate for female in 2003 was 11.2 percentage as against the 10.6 percent for male. In 2004, it increased to 14.1 percent for female while that of the male was 10.4 percent.

4.1.4 UNDER- EMPLOYMENT

Labour under-utilization in the form of under- employment is also a common phenomenon especially in the rural areas of developing countries like Nigeria. The underutilization normally assumes the form of disguised employment, which is very difficult to measure. Table 4.3.3 presents the data of under employment in both the rural and urban areas of Nigeria for the years 1992 to 1998 for which data were available. The trend from 1992 to 1998 shows that under –employment problem is a significant one in Nigeria. A careful study of the data presented reveals a fluctuating national under-employment rate within the period. It was 18.3% in 1992 but jacked a little to 18.8% in the following year. By 1994 it declined to 16.4% and to 14.7% in 1995 after which it moved up again to 15.9 in 1996. In 1997, it declined again to 13.7%, but jumped up to 18.5% in 1998.

A careful consideration of the above table also shows that for most of the years, specifically 1992, 1995, 1996 and 1997, the yearly rural under –employment rates doubled the yearly urban average under employment rate.

Table 4.3.5. Unemployment Rate by Sex , 2003 and 2004

Sex	**2003**	**2004**
Male	10.6	10.4
Female	11.2	14.1
All groups	10.8	11.8

Source: Statistical Fact Sheets, 2005.

Table 4.3.6 Under- Employment Rates in Nigeria (1992-2004)

Years	National	Urban (Yearly)	Rural (Yearly)
1992	18.3	11.6	25.1
1993	18.8	15.5	22.0
1994	16.4	12.7	20.0
1995	14.7	9.3	20.1
1996	15.9	11.4	20.4
1997	13.7	8.8	18.6
1998	18.5	11.2	20.1

Source: federal Office of Statistics.

4 .2 THE PATTERN AND TREND OF ENROLMENT AND OUTPUT FROM HIGHER INSTITUTIONS IN THE COUNTRY

Tertiary education in Nigeria is made up of all post-secondary institutions in the country, which include Colleges of Arts and Sciences, Polytechnics/Colleges of Technology, Advanced Teachers Colleges/ Colleges of Education and the Universities. These institutions are meant to train the middle- level and high level manpower needed for the development of the nation. The report of the Ashby commission gave a new lease of life to most of these institutions in terms of reconstitution, improvement in the quantity and quality of academic staff and increasing annual students' enrolment figure.

Other tertiary institutions in Nigeria exhibited similar high rate of growth like the universities. For example, enrolment trend in Nigerian colleges of Technology and polytechnics showed that student enrolment increased from 11,993 in 1975/76 session to 41, 097 in 1980/81 session. With reference to table 4.4.1, the number of Universities in the country in 1986/87 were 28 with an enrolment of 148, 728. In 1987/1988, it grew to 30 Universities and with an enrolment of 158,758. This implies a growth rate in enrolment of 6.7%. The number of Universities was 32 in 1989/90 and in 1990/91 but enrolment figure increased from 173,911 to 195,758 within this period. The enrolment grew at the rate of 13.2%. In 1992/93, the number of Universities that were recorded was 37 with an intake of 237,467. This number of Universities was maintained till 1994/95 but the intake that was recorded in 1994/95 was 256780. By 1996/97, the number of Universities had reached 40 while the enrolment in these Universities had moved to 291,563. This shows the trend of the growth of Universities during these periods.

TABLE 4.4.1 Growth of Nigerian Tertiary Institutions and Enrolment (1986-1999)

Year	Universities		Polytechnics		College of Education	
	No of Institutions	Enrolment	No of institutions	Enrolment	No of institution	Enrol-ment
1986/87	28	148,728	27	65907	45	64, 818
1987/99	30	158,758	28	68675	48	61,890
1988/80	30	164,004	28	72134	50	67,757
1989/90	32	172,911	28	75468	51	72,525
1990/91	32	195,758	31	106926	54	85,574
1991/92	35	222,974	32	111806	56	92,393
1992/93	37	237,467	34	121529	57	97,836
1993/94	37	246,265	37	131978	61	103,706
1994/95	37	256,780	46	187738	63	108,373
1995/96	40	276,440	46	204954	63	114,412
1996/97	40	291563	46	207198	65	120874
1997/98	N.A	N.A	N.A	N.A	N.A	N.A
1998/99	N.A	N.A	N.A	N.A	N.A	N.A

Source: Federal Office of Statistics, Lagos (1998).
N.A = Not available

Table 4.4.2 Growth of Nigerian Tertiary Institutions (2000-2004)

YEAR	**Universities**		**University Equivalent**	
	No of Institutions	**Enrolment** (000)	**No of Institutions**	**Enrolment**
2000	43	488.2	75	208.6
2001	49	481.8	75	215.5
2002	52	518.0	76	228.2
2003	52	597.5	76	249.7
2004	52	621.4	76	267.5

Source: Fed Ministry of Education, NUC, and National Board for Technical Education.

(University equivalent includes institutions like the polytechnics, specialized tertiary institutions that admit students that had acquired at least a secondary education).

Polytechnics were not however left out in this skyrocketed growth in the number of institutions and enrolment growth. The number of polytechnic in 1986/87 was 27 and with an intake of 65,907. This moved to 31 institutions in 1990/91 with an enrolment of 106,926. The growth rate started with 4.2% in 1987/88 and increased to 8.6 % in 1993/94. By 1995/96 session, the number of polytechnic in the country had moved up to 46 with an intake of 204,954 and at the rate of growth of 9.2%. The number of Polytechnic institution that was maintained till 1996/97 was 46 but yet, the enrolment figure increased to 207, 198.

The rate of growth of the number of college of education institutions as well as its enrolment is also greatly alarming. The number of institution was recorded to be 45 in 1986/87 with an intake of 64818. Even though the number of institution increased to 48 in 1987/88 but enrolment number declined to 61,890. However, in 1988/89, the number of institutions increased to 50 and enrolment to 67,757. There was an initial growth rate of 9.5% in the enrolment figure which declined to 7.0 in 1989/90. 1990/90 recorded the highest growth rate of 18.0% after which the enrolment was growing at a declining rate. The rate declined drastically to 8.0% in 1991/92 from 18.0% in 1990/91. By 1996/97, the number of the institution though has increased to 65, the enrolment was 120, 874. The growth rate had seriously declined to 5.6% a declining growth rate was observed in the situation of enrolment in colleges of Education. This reveals the growing unpopularity in the education of colleges of Education.

The education basic data for 2000-2004 was however presented in a different way in the statistical fact sheets of June 2005. All other tertiary institutions beside Universities were grouped together and the total number of student in them in each year was recorded.

It is observed from table 4.4.2 below that the number of Universities grew from 43 in 2000 to 49 in 2001 and in 2002; it was 52 which was maintained till 2004 after which some private Universities were added. The number of the other tertiary institutions grew from 75 in 2000 to 76 in 2004. It is also revealed that for each of the years, the number of students in the Universities more than doubles the number of students in the University equivalent institutions despite the fact that the number of the former is less than the latter. A more sensitive indicator of enrolment growth is the number of first time entrants rather than total enrolments, especially when graduation rates are significantly less than 100 percent. Evidence has shown that new admissions rose sharply.

Observing the growth of enrolment in universities, this phenomenal expansion of the student population was experienced by all institutions and regions, however, some differences could be observed. In general, first generation Universities which include Ibadan, Lagos Nsukka, Zaria, Ife and Benin experienced significantly lower than average (5) percent enrollment growth rates in this period. Between 1991 and 1998, enrollments in these elite first generation Universities increased by an average of just 1.4 percent per year. Although the second generation Universities i.e Jos, Calabar, Kano Ilorin, Maiguduri, Sokoto and Port Harcourt had stronger enrollments growth than

first generation Universities, with rates of 2.6 percent per year over the same period. In contrast, the third generation Universities consisting of the remaining university growth rates were around 10 percent.

Among regions, the highest enrolment growth rates of about 8 percent occurred in the North East and South- south. Below average growth rates of 3 percent were observed in the South- East during these years.

Observing the breakdown of the student population by gender as shown in table 4.4.4 below, it is revealed that the population of male students grew by 42 percent between 1991 and 1997. Over the same period, the population of female students rose by 66 percent. Consequently, the population of female students in the population of all students increased from 27 percent in 1991 to 33 percent in 1997.

Although, high enrolments suggest a large supply of skilled labour, high repetition and drop-outs could undermine the expected flow of such workers. Data on repetition and drop-out rates are not available but there are data on the actual number of student out-turn by the institutions and also the number of labour market entrants.

An estimate of the real supply of skilled labour shows that in 1986, federal universities alone supplied 27,312 job seekers with degree training. Five years later, this output had risen to over 41,000. By 1997, annual labour market entrants with a University undergraduate degree from federal Universities were 47,000.

Judging by the size of graduates output, the evidence from table 4.4.5 suggests a tendency for the federal Universities to produce fewer graduates in

critical skill areas. In 1996, education and social sciences supplied 12,390 and 9,201 graduates respectively. In contrast, science- related majors who entered the labour market that year were about 7,000. The numbers were even much smaller in more specialized professional disciplines. Just 2042 graduates of medicine, 405 pharmacists and only 275 veterinary medical graduates were produced for the nation. Presently there is rarely any field or discipline where there is not over production of graduates but the supply in the first group is more than the later group

The total number of out-turn from all the Universities in 1986/87 was 31,864, in 1996/ 97 it was 51,853. For 1986- 1997, the figure was 473,121. Table 4.4.6 reveals the out-turn from polytechnic in 1986/87 to be 22426 and 50900 in 1996/97. For the period of 1986 -1997, 389971 graduates were released to the labour market. Also as revealed on the table, colleges of education turned out 19049 in 1986/87, 28263 in 1996/97. Total out turn for 1986-1997 was 252319. Despite the fact that there has been a steady increase in the supply of graduate educated applicants in Nigeria, accurate information on labour demand is still extremely difficult to come by. This is because hiring decisions by firms are typically uncoordinated and in many cases unannounced (Dabalen et al 2000). There is however, no doubt, that there is excess supply of graduate labour judging by the growing trend of unemployment, underemployment and non- employment. As a matter of fact, labour market surveys and other studies

Table 4.4.4 Enrolment by Gender

Year	Male	Female
86/87	92,564	28,106
88/89	98,868	32,401
91/92	121, 432	52,582
95/96	140,995	63,864
96/97	176,378	74,027
97/98	172,675	87,229

Source: Adapted from NUC statistical Digest, Table 1 and NUC total enrolment by institution.

Table 4.4.5 Federal Universities Graduate Output by Discipline and Year.

Discipline	1986/87	1988/89	1991/92	1995/96	1996/97
Administration	1897	2088	2459	2233	2332
Agriculture	1120	1366	1681	2371	2453
Arts	3907	4072	4292	5569	5596
Education	7836	10686	13950	14449	12390
Engineering	1569	1871	2246	2867	3210
Environment	842	814	942	779	669
Law	1440	1714	1892	1264	1417
Medicine	1439	1593	1646	2205	2402
Pharmacy	295	298	551	421	405
Science	2582	3503	5109	6593	6989
Soc. Science	4190	4139	6383	9199	9201
Vet. Medicine	195	152	207	297	293
Totals	27,312	32,296	41,358	48,243	47,339

Source: FOS

TABLE 4.4.6 Distribution of Student out-Turn by Institutions and Academic Year (1986/87-1996/97)

Year	University	Polytechnic	College of education
1986/87	31,864	22,426	19,049
1987/88	37,286	25,573	19,803
1988/89	38,367	27,450	20,374
1989/90	40,094	28,656	21,095
1990/91	41,497	31,321	21,757
1991/92	42,908	34,234	22,440
1992/93	44,624	37,418	23,144
1993/94	46,454	40,898	23,870
1994/95	48,219	43,965	25,684
1995/96	49,955	47,130	26,840
1996/97	51,853	50,900	28,263
Total	473,121	389,971	252,319

Source: Federal Office of Statistics, Lagos (1998).

by government and international agencies reveal that graduate unemployment is a serious problem. (Federal Office of statistics, 1997; Oni,1988, 1996,2000; Dabalen et al, 2,000; Development policy centre, 1999; Creswell, 1995; ILO, 1999). The situation in Nigeria is rather paradoxical in the sense that it is a situation of persistently increasing demand for higher education existing side by side with high unemployment rate.

4.3 Concluding Remarks

The situation of the labour market with reference to the supply of and demand for tertiary institution graduates; employment situation; the nature and dimension of unemployment problems: and the pattern and trend of enrolment and output from higher institutions in the country is examined in this chapter.

What emerges from the analysis is that the market is characterized by a greater rate of supply of tertiary institution graduates than the demand for them resulting in the problem of over-production. It involved a high rate of unemployment and under- employment with the presence of barriers to smooth inter- regional and inter- state employment opportunities. The rate of unemployment is however shown to be comparatively higher for secondary school levers than the tertiary institution graduates. Besides, an examination of the trend of the enrolment and output from the tertiary institution reveals a growing taste for higher education and a high rate of turnout.

CHAPTER FIVE

LABOUR MARKET EXPECTATIONS AT DIFFERENT EDUCATIONAL LEVELS

5.0 INTRODUCTION

It is generally believed and has been theoretically and empirically proven that the expectations of students in terms of high employment opportunities and higher earnings are great motivation for undertaking further education. Throughout the world, the school system performs the function of selecting people for occupations. It is assumed that young people are rational being and are therefore income maximizers who would enter that labour force which offers the highest expected income. Demand for secondary school education was propelled by a high unemployment rate among the primary school leavers. With time, the problem of school leaver unemployment among the secondary school graduate emerged which resulted into a great rush for higher education in tertiary institutions. Even, among students of tertiary institutions, many are still willing to move from one level to another. There is therefore the need to examine the labour market expectations among students of different educational levels.

The characteristics of the respondents were herein discussed on group-by-group basis.

5.1 Labour Market Expectations among Secondary School Respondents

This group consists of the final year students of Senior Secondary School in Osun State. Out of the 480 questionnaires, which were administered, 431 were retrieved constituting 88% retrieval rate. Five private

secondary schools and six public Secondary Schools were covered in the study. The proportion of the respondents, which were from private, Secondary School were 35.8% while 64.2% were from public secondary schools.

5.1.1 Social and Demographic Background of the Respondents

From tables 5.1.1 and 5.1.2, 47.8% of the respondents were male while 52.2% were female and majority of them (about 56.9%) fall within the 13-16 age groups, followed by 17-20 age group having about 41.8% while the remaining 1.6% falls within 10-12 age group.

Table 5.1.3 shows as expected that the largest proportion of 95.7% of the respondents were single, 2.6% were married, 1.2% were divorced while 0.5% falls into other category of marital status.

Concerning their state of origin, majority of the respondents (81.2%) were of Osun state origin where the study was conducted. Oyo state which is the nearest state had 3.2% of the respondents while the rest were from other states in the country.

5.1.2 Influence on Demand for Higher Education

As shown on table 5.1.5, 93.4% were wishing to proceed in their academic career to higher institution while only a negligible proportion (6.6%) of them were satisfied with the secondary school level. As regards parental educational background, the largest proportion of their father (53.6%) had post – secondary education while 27.9% of them had secondary education. Those who had primary education were 12.8% while only 5.7% did not have any formal education.

Table 5.1.1 Distribution of Respondents by Demographic factors

Sex	**Frequencies**	**Percentages**
Male	206	47.8
Female	225	52.2
Total	431	100
Age		
13-16	251	58.3
17-20	180	41.7
Total	431	100
Marital Status		
Single	413	95.7
Married	11	2.6
Divorced	5	1.2
Others	2	0.5
Total	431	100

5.1.4 Distribution of Respondents by Parents' Occupation

Parents' Occupation		Frequencies	Percentages
Father	Farming	98	22.8
	Trading	53	12.2
	Artisan	16	3.8
	Civil Servant	157	36.5
	Business Executive	73	16.9
	Political Leader	14	3.1
	Others	20	4.7
	Total	431	100
Mother	Farming	36	8.3
	Trading	199	46.2
	Artisan	8	1.7
	Civil Servant	109	25.2
	Business Executive	62	14.3
	Political Leader	5	1.2
	Others	14	3.1
	Total	431	100

Source: Author's Field Survey.

Table 5.1.5 Distribution of Respondents by Sponsorship

Sponsorship	Frequencies	Percentages
Self	11	2.6
Parents/ guardian	379	87.8
Scholarship	36	8.4
Government Bursary	5	1.2
Total	431	100

Source: Author's Field Survey

5.1.6 Distribution of Respondents by perception of Government Subsidy

Perception of Government Subsidy	Frequencies	Percentages
Highly Subsidized	132	30.6
Moderately Subsidized	156	36.3
Lowly Subsidized	110	25.4
Not really Subsidized	33	7.8
Total	431	100

Source: Author's Field Survey, 2006

For mothers of the respondents, 51.3% had post secondary education while 30.1% had secondary school education. Just 11.8% had primary education while only 6.7% were without any formal education. In reference to the occupation of the parents, table 5.1.4 shows that majority of the respondents' father (36.5%) were civil servants, 22.8% of them were farmers, 16.9% of them were business Executives, 12.2% were traders, 3.1% were political leaders, while only 3. 8% were artisans. Also for their mothers occupation, majority (46.2%) were traders, 25.2% of them were civil servants, 14.3% were business Executives, 8.3% were farmers while only 1.7% were artisan. The statuses of the parents are expected to be of great influence on decision of the students for more education.

Table 5.1.5 shows that 87.8% of the students expected sponsorship from their parents/guardians, 8.4% expected scholarship from different organisations, 2.6% expected to sponsor themselves while 1.2% of them claimed they expected government Bursary.

The respondents were asked about their perception of government subsidy in which 30.6% considered higher education to be highly subsidized by the government, and 36. 3% considered it to be moderately subsidized. For 25.4% of them, higher education was considered to be lowly subsidized while only 7.8% of the sampled population perceived that higher education fee is not really subsidized. See table 5.1.6. Government subsidy is therefore considered a major determinant of decision for further education.

For subject combination, majority of the students interviewed (47.7%) did sciences, 29.7% did social Sciences, 19.2% did Arts while 3.4% were all

rounder. This shows that the government's move in encouraging science in schools is gaining ground.

As concerning the influencing factors on the demand for their courses,58.1%, 66.0%, 71.2% and 70.3% of the respondents were very strongly influenced by counselling from teachers, counselling from parents, personal interest and nature of their intended University, courses respectively. This indicates that the mentioned factors are major determinants in the decision making for higher education by the respondents.

5.1.3 Labour Market Expectations of the Respondents

The expectation of the students of secondary school who were about going to higher institution were observed to be too high above what is realistic. As shown on table 5.1.7, the largest proportion of the respondents (29.6%) expected their monthly income to be within the income bracket of ₦18, 001 – ₦80, 000. Also 28% claimed their expectation to be within N80, 001- ₦200,000, and 25.1% had income expectation within the income bracket of N200, 001 and N1m per month. As much as 7.9% of the population of the respondents had monthly income expectation which is above ₦1m. The table also reveals that just 9.4% of the respondents were having an income expectation that could be considered realistic in the public establishment and this is ₦1000- ₦18, 000. This is a revelation of the fact that the students in most cases do not have the correct knowledge of what the labour market is holding for them in terms of income or earning.

The respondents were asked to indicate which higher institution they would prefer to study. Majority of them (87.9%) indicated their preference for university; only 7.1% prefer polytechnic while 2.6% prefer college of education, just 0.9% opted for Technical College while 1.4% indicated preference for other higher institutions. This confirms that University education is more popular than any other higher institution education. This may not be unconnected with the discrimination between the holder of university degree and the holder of Higher National Diploma or it's equivalent.

When asked which of the institutions of higher learning they would want to choose, the largest percentage (40.6%) of the students' population indicated Obafemi Awolowo University among all the higher institutions of learning in Nigeria. This is not unconnected with the recognition of the University's certificate as indicated by about 97.9% of the respondents. Also 97.8% indicated that admission process is easy, 99.5% gave the reason that their course of study is available there. It is not unlikely that the proportion is also high because the university is the closest to them within Osun state.

In consideration of what they were expected to incur as direct cost on their higher education, 85 respondents which constitute 19.7% of the total population did not respond to the question. This is a problem that is always associated with declaration of amount of money in questionnaire. Out of 346 respondents that reacted to the question, the largest proportion (32.1%) claimed the session cost on their education to be between ₦20, 001 – ₦80, 000. This is followed by the group of ₦1,000- ₦20, 000 which was 30.6%. Also, 18.2% of them claimed they would spend between ₦80,0001-

₦150,000 while 9.0% claimed their expenditure would be ₦150001-₦250 000. For 6.9% of the respondents, what they expected to incur was ₦250,001-₦1, 000,000 while about 3.2% declared their own expenses to be over 1 million naira. See this on table 5.1.8. It appears that most of the respondents do not consider cost before embarking on higher education and more so as the cost is not borne by them but by their parents or sponsors.

By and large, the observed difference between what they expected as monthly income and session direct expenditure on education still worth embarking on higher education.

In assessing their preference for establishment of job, the largest proportion of the respondents (40.7%) preferred public establishment for job. For 34.9% private establishment was preferred while 24.4% preferred self-employment. This still shows much reliance on government white-collar job.

The expectation of the respondents as pertaining to job opportunities was a very high one as about 57.9% of them perceived securing job in the preferred establishment to be very easy. Of all the respondents, 21. 19 perceived job opportunity to be quite easy, 17.5% of them perceived job opportunity to be somehow easy while only 3.5% perceived it not to be easy. See this on table 5.1.9

5.1.7. Distribution of Respondents by Income Expectation (Monthly)

Income Expectation	Frequencies	Percentages
N1000-N18,000	38	9.4
N18,001-N80,000	119	29.6
N80,001-200,000	128	28
N200,001-N1,000,000	101	25.1
Above N1,000,000	17	7.9
Missing System	28	
Total	431	100

Source: Author's Field Survey, 2006

Table 5.1.8 Distribution of Respondents by Expenditure on Education (Per Session)

Amount	Frequencies	Percentages
N1000-N20,000	97	30.6
N20,001-N80,000	111	32.1
N80,001-N150,000	63	18.2
N150,001-N250,000	31	9.0
N250,001-N1m	24	6.9
Above N1m	11	3.2
Missing	85	
Total	431	100

Source: Author's Field Survey, 2006

Table 5.1.9 Distribution of Respondents by Perception of Job Opportunity

Perception of Job Opportunity	Frequencies	Percentages
Very easy	250	57.9
Quite easy	91	21.1
Somehow easy	76	17.5
Not at all	14	3.5
Total	431	100

Author's Field Survey, 2006

5.2 Labour Market Expectation Among Respondents Of Tertiary Institution

Five tertiary institutions in Osun state were covered in the survey. They were Obafemi Awolowo University, Ile- Ife; Federal polytechnic, Ede; Osun state College of Education, Ilesa; Osun state college of Technology, Esa-Oke and Osun state Polytechnic, Ire. From each of the institutions, 20.4, 26.89, 2.2, 27.1 and 23.5 percent of the respondents were respectively sampled.

5.2.1 Social Background of Respondents

A total number of 963 students responded to this group of questionnaires administered on them. Out of this figure, 507 representing 53 percent were male respondents and the remaining 450 representing 47 per cent were female respondents (Table 5.2.1)

Majority of them (56.9%) fall within the 16-24 years age group, followed by 25-34 years age group having about 40.9 percent, 35-44 years age group having 1.8 percent while those above 45 years were just 0.4 percent as revealed on the table. Most of the tertiary institutions undergraduates were single (88.6%) and Just 9.5% were married, while the divorce was 1.5%.

The distribution of the respondents by their state of origin shows that the majority (35.0%) were of Osun state origin perhaps being the state where the study was conducted. This was followed by those from Oyo state (11.1%), Ogun state (9.1%), Ondo state (7.7%) etc. The percentages of the respondents' distribution by state increase in relation to their proximity to the state where the study was conducted. This shows that distance is an important factor in the choice of educational institutions.

Table 5.2.1. Distribution of Respondents by Demographic Factors

Sex	**Frequencies**	**Percentages**
Male	510	53.0
Female	453	47.0
Total	963	100
Age		
16yrs-24yrs	394	40.9
25yrs-34yrs	548	56.9
35yrs-44yrs	17	1.8
45 and above	4	0.4
Total	963	100

Author's Field Survey.

5.2.4 Distribution of Respondents by their Parents' Occupation

Parents' Occupation		**Frequency**	**Percentage**
Father	Farming	109	11.5
	Trading	214	22.6
	Artisan	43	4.5
	Civil servant	411	43
	Business executive	86	9.1
	Political leader	19	2.0
	Others	64	6.8
	No Response	36	
	Total	982	100.0
Mother	Farming	49	5.2
	Trading	502	53.5
	Artisan	21	2.2
	Civil servant	334	35.6
	Business executive	10	1.1
	Political leader	1	0.1
	Others	22	2.3
	No Response	24	
	Total	963	100.0

Source: Author's Field Survey, 2006

5.2.2 Influence on Demand for Higher Education

In reference to acquiring more education, despite the fact that the respondents were at different levels of tertiary institutions, only 7.3% of them were satisfied with their present level of education but 92.7% of them were wishing to go further in their educational career. This shows that taste for higher education, which is used as a proxy for demand for higher education in this study, is very strong. This is shown on table 5.2.3

In relation to the highest educational level of the respondents' parents, it was revealed that the largest proportion of the respondents' parents (i.e 63. 8% of father and 50% of mother) had post-secondary education. Also, 19.2% of father and 27.4% of mother had secondary school education, 9.8% of father and 13.3% of mothers had primary school education, while those without formal schooling accounted for 7.2% of their father and 8.6% of their mother.

With regards to the occupation of the respondents' parents, table 5.2.4 shows that majority of the fathers (43.4%) were civil servant while that of the mothers were trader (53.5%).

The proportion of their fathers that were traders was 22.6% while the proportion of their mothers that were civil servant was 35.6%. Those who were farmer among the fathers were just 11.3% while 5.2% of the mothers were trader. Those that were artisan were 4.5% and 2.2% of the fathers and mothers respectively. The educational and occupational statuses of the parents are believed exert great influence on the students decision to further their education (Ogunleye et al 2005).

On the comparison of the students' course of study with the first choice course, it was revealed that the courses they were pursuing were in line with their first choice course. Courses, which are under and related to the faculty of Administration, had the largest percentage (34.5 % and 31.8%) in both cases. And in both cases this was followed by courses under and related to faculty of Technology (19.2% and 24.5%) and then courses under social sciences.(i.e 16.1% and 15.3%). This implies that most of the students had their admission expectation. With regards to employment prospect,77.6% of the respondents were aware of the employment prospect of their courses at the time of the choice of the courses.

It was shown that 31.1% of the students sampled wished to go as high as post graduate level, 27.2% wished to stop at professional training (ICAN, CIBN) level, 23.0% wished to stop at university first degree level, only 12.1% wished to get to Higher National Diploma level while only 6.6% wished to stop at other higher institutional level. It was observed that those wishing to go for university education were almost double those wishing to go for Higher National Diploma. There is generally preference for University education as many treat their admission to any other tertiary institution as a stepping-stone to get to university.

5.2.7 Respondents' Perception of Government Subsidy

Perception of Govt. Subsidy	Frequencies	Percentages
Highly subsidized	252	26.2
Moderately subsidized	368	38.2
Lowly subsidized	205	21.3
Not really subsidized	138	14.3
Total	963	100

Source: Author's field Survey, 2006

Table 5.2.8 Respondents Perception of Job Opportunity

Perception of Job Opportunity	Frequencies	Percentages
Very easy	376	39.0
Quite easy	232	24.1
Somehow easy	183	19.0
Not easy at all	172	17.9
Total	963	100

Source: Author's Field Survey, 2006

Table 5.2.9 Distribution of Respondents by their Expenditure on Education (Per Session)

Average cost/session	Frequencies	Percentages
N2400-N20,000	320	33.2
N20,001-N40,000	262	27.2
N40,001-N60,000	176	18.3
N60,001-N80,000	86	8.9
N80,001-N100,000	58	6.0
N100,001-N200,000	45	4.7
Above N200,000	16	1.7
Valid total	963	100

Source: Authors Field Survey, 2006

As shown, 79.6% of the respondents indicated that they were very strongly influenced by intellectual development in opting for higher education. Those who went for higher education because they were very strongly influenced by the expectation of a better job were 78.4% of the population. For 75.6%, it was for more productivity, 69.7% for employment opportunities, also, 61. 4% for enhancement of social status, while 53.7% were influenced by parents'/ guardians expectation. Intellectual development had the largest percentage and this was closely followed by the expectation of better job. The influence of parents/guardians expectation had the least percentage.

In consideration of the sponsorship and subsidy on education, the largest percentages (79.0%) of the respondents were sponsored by their parents/guardian while 11.8% were sponsored by themselves. Only 6.8% enjoyed scholarship and 2.5% enjoyed government bursary. Table 5.2.7 shows that 26.2% of the sampled students perceived that higher education was highly subsidized, 38.2% indicated a moderate subsidy, 21.3% indicated a low subsidy while 14.3% indicated that it was not really subsidized. The opinion of the respondents would perhaps have changed if they have the knowledge of the fees that are charged in private higher institutions which are by far very high.

5.2.3 Labour Market Expectations of the Respondents

When interviewed on what establishment they would prefer for job, 34.8% preferred private establishment, 32.8% preferred public establishment while 32.4 preferred self employment. This group of respondents has come to realize the importance of self reliance and there is less expectation from

government white collar job. This may probably be as a result of the experience and information they already had from the labour market.

In reference to job expectation, table 5...2.8 depicts that 39.0% perceived job opportunity in their preferred establishment as being very easy and 24.1% perceived it to be quite easy. Among them, 19. 0% saw it as being somehow easy while 17.9% perceived it as not being easy at all. Those who perceived job opportunity to be very easy accounted for the largest percentage while the smallest percentage perceived it not to be easy at all. This implies that their expectation as pertaining to job opportunity was very high. The information which they got before making the choice of their course was considered as being right by 85.8% of the respondents but 14.2% considered it not to be right.

As shown on table 5.2. 9, 33.2% which is the largest percentage of the respondents for this grouping indicated that their cost on higher education per session was between N2, 400 and N 20, 000. 27.2% indicated theirs was between N20, 001 and N40, 000. Just 1.7% claimed their cost on education to be above N200.000. It could be observed that the direct cost is not much for most of the respondents. This reflects the lower fees charged in public schools and colleges as against private ones.

The distribution of the respondents by income expectation on table 5.2.10 revealed that the majority in the grouping which is 24.4% expected between N40, 000 and N80, 000 per month. This was followed by 23.7% of the group which indicated N6, 000 to N40, 000 per month. Another (18.3%) stated that they expected their monthly income to be between ₦80,001 and ₦120,000.

The least percentage of (5.4%) expected above ₦500, 000 per month. Judging by what operates in the public sector, the income expectation of this group of respondents could be considered to be closed to reality as almost 50% of them expected between 6,000.00 and 80,000. 00.

Table 5.2.10 Distribution of Respondents by Income Expectation (Monthly)

Income Expectation per month	Frequencies	Percentages
N6,000-N40,000	228	23.7
N40,001-N80,000	235	24.4
N80,001-N120,000	176	18.3
N120,001-N160,000	108	11.2
N160,001-N200,000	80	8.3
N200,001-N500,000	84	8.7
Above N500,000	52	5.4
Valid Total	963	100

Source: Authors Field Survey

5.3 Labour Market Expectations Among Youth Corps Members Respondents

This group consists of the 2005/2006 serving youth corps members from the selected survey areas of the state. Out of 150 questionnaires which were administered to this group 135 copies which constitutes 90% of them were recovered.

5.3.1 Social and Demographic Background of the Respondents

Tables 5.3.1 shows that 54.5% of the respondents were males while 45.5% were females and majority of them (87.7%) fall within 20-30 years age group, followed by 31-40 years age group having 11.5% while the remaining 0.8% falls within 41-50 years age group. Even though they were graduates of higher institutions majority of them (77.9%) were still single while only 17.6% were married. About 4.6% were divorced. That they were predominantly single at their age could perhaps be as a result of the problem of unemployment or its fear among them.

5.3.2 Influence on Demand for Higher Education

On the desire to study further, 97.2% of the corps members were still wishing to acquire more education by going for their post graduate study immediately after the youth service as indicated on table 5.3.3. The expectation of better job was the reason why 56. 4% of the respondents embarked on higher education as indicated by them.

Table 5.3.1 Distribution of Respondents by Demographic Factors

Sex	**Frequencies**	**Percentages**
Male	74	54.5
Female	61	45.5
Total	135	100
Age		
20-30yrs	118	87.7
31-40yrs	16	11.5
41-50yrs	1	0.8
Total	135	100

Source: Author's Field Survey, 2006

Table 5.3.3 Respondents' Taste for Higher Education

	Freq	**%**
Wishing to go further	107	79.2
Satisfied with the present level of education	28	20.8
Valid Total	135	100

Source: Author's Field Survey, 2006

The distribution of the respondents' fathers' highest educational level reveals that it was only 9.7% of them who were without any formal education, 10.4% were having primary education, 9.0% had secondary education while the largest proportion (70.9%) were having post secondary education. Report on the highest educational level of the respondents' mothers indicated that just 11.2% of their mothers did not have any formal education and 16.4% were having primary education while also the largest proportion of 49.3% were having post secondary education. There is therefore a correlation between the parents' educational level and the respondents desire to acquire more education.

The largest percentage (44.0%) of the respondents' father were civil servants by occupation. This was followed by those who were farmers (14.2%). Those who were traders were 11.9% while those who were artisans were just 3.0% of the population. So also, the largest percentage (42.5%) of the respondents mother were traders, 32. 1% were civil servants, 4.5% were farmers while only 2.2% were Artisan. The educational and occupational statuses of the respondents' parents are great factors affecting their demand for further education.

It was revealed that, 56.2% of the respondents were university graduates, 40.8% were graduates of polytechnic while only 3.1% of them were graduates of College of Education. The university graduates were mostly represented among the youth corps members' respondents.

As regards their course of study, those that studied courses in the faculty of Administration and related courses accounted for the largest percentage of the population (35.8%). This was followed by 17.2% in social sciences, 11.9% in EDM, 10.4% in Technology. Health sciences and Law recorded the least percentage of 1.5% in each faculty.

The survey shows that 1.5% of the respondents did not indicate the quality (class) of their academic awards. In ranking the quality of the respondents' first degrees, it was observed that 9.0% had first class honours; 48.9% bagged second class upper, 34.6% obtained second class lower and 7.5% had third class. The class of their degree could be an influencing factor in demanding for more education and their chances of getting employed.

On the issue of the factors that influence the choice of their course of study, those that choose their course of study because of job opportunities carried the largest percentage of 32.8%, followed by those that chose theirs because it is professional (24.4%). The third in the proportional ranking were 23.7% who choose the course they were pursuing for intellectual development. Enhancement of social status was the least (6.1%) factor that determined the course of choice.

About 82.3% of the respondents affirmed that the information they got about the labour market as at the time they were making the choice of their courses were sufficient ones while 17.7% indicated it was not sufficient enough.

The respondents were asked to state what they expected to earn as monthly salary supposing they did not embark on higher education. This is

income expectation at the lower level of education, which is assumed to have a negative influence on the demand for higher education. The reaction of the respondents to this question revealed that most of them were not consistent. About 30% claimed their expected income to be between ₦30,000 and ₦130,000 which is high enough to prevent them from enrolling for their present level of education. About 20% of them also claimed not to have the idea of what they would have been earning supposing they were not furthering their education. All these show that the respondents might not in anyway have been influenced by this factor.

5.3.3 Labour Market Expectations of the Respondents

As at this stage of their service, about 48.10% had not attended interview for work at all. Those that had attended interview once were 37.1% of them, 27.1% attended twice while 17.1% attended thrice. The highest number of interview was 9 with only 1.4% of the respondents. The respondents were still very optimistic about their getting recruited very soon. About 27.1% considered the probability of getting recruited within the next 6 months very high, 38.8% of them considered it high, only 11.6% considered it low while 22.5% were not having any opinion.

Table 5.3.4 Distribution of Respondent by Job Expectation

Perception of Job Opportunities	Frequencies	Percentages
Very High	37	27.1
High	52	38.8
Low	16	11.6
I do not know	30	22.5
Valid total	135	100

Source: Author's Field Survey, 2006

Table 5.3.5 Distribution of Respondents by Expenditure on Higher Education (Per Session)

Direct cost /session	Freq	%
₦ 1000 – ₦ 20, 000	38	28.1
₦ 20, 001 – ₦ 40, 000	22	16.6
₦ 40, 001 - ₦ 60,000	35	25.5
₦ 60,001 – ₦ 80,000	21	15.8
₦ 80,001 – ₦ 100,000	8	6.1
₦ 100, 001- ₦ 120, 000	3	1.8
Above 120,000	8	6.1
Valid Total	135	100

Source: Author's Field Survey, 2006

Table 5.3.6 Distribution of Respondent by Income Expectation (Monthly)

Income expectation per month	Freq	%
N 10,000 – N30, 000	76	56.4
N 30, 001 – N 60,000	37	27.2
N 60, 001 – N90,000	8	5.5
N 90,001- N120, 000	2	1.8
Above 120,000	12	9.1
valid Total	135	100

Source: Authors Fields Survey, 2006

With reference to the direct cost which the respondents incurred on their education, table 5.3.4, revealed the distribution of the respondent's statement of cost. The largest percentage (28.1%) stated their cost per session on higher education to be N1, 000-N20, 000. This was followed by the group of N40, 000-N60, 000 with 25.5% of the respondents. Above 50% of them stated their cost to be between N1, 000 and N60, 000 per session. This low cost could be considered a major reason motivating the desire to go further in the educational pursuit. Most especially as some of the institutions surveyed were public institutions, what they paid as fees were far below what is charged at private institutions. Consequently, government subsidy on higher education was considered to be high by 20.5% of the respondents. For 38.6% of the respondents, subsidy on higher education was considered to be moderate, 15.7% considered it to be low while 25.2% considered higher education not to be really subsidized at all. Their knowledge of the fees charged in private institutions could have changed their perception of the level of subsidy.

As regards income expectation, it was observed from table 5.3.6 that the largest proportion of the respondents (56.4%) were having monthly income expectation between N10, 000 and N30, 000 as new entrant to the labour market. Income that is between

N30, 001 and N60, 000 were expected by 27.2% in a month while 9.19% of them were having their monthly income expectation to be above N120, 000.

This group of respondents who were serving youth corps members are closer to the labour market and they are already facing reality. It could be

observed that the income expectation that is held by them is not as high as those who were just seeking admission to higher institution and those who are yet to graduate from higher institution. It was maintained by 88% of them that their expectations from the labour market was a realistic one.

5.4 Labour Market Expectations among Post Graduate Respondents

The responses of the postgraduate students who were sampled in this study were reported in this section. Fifteen postgraduate students were randomly selected from each of the 11 faculties in Obafemi Awolowo University, 108 of them were retrieved and this constitutes about 65% retrieval rate.

5.4.1 Social and Demographic Background of the Respondents

Of the students that were interviewed, 76.6% were male while 23.4 were female and majority of them (46.1%) fall within age group 31-40 years. This is followed by age group 20-30 years (38.2%) and 41-50 years (15.7%). This is as shown on tables 5.4.1 and 5. 4.2.

Table 5.4.3 indicates that 44.4% of them were single and 54. 7% were married while 0.9% falls within other marital status. This large proportion of those who are still single in their age distribution could be seen as a reflection of a particular problem in them, which may not be unconnected with unemployment problem.

Table 5.4.1 Distribution of Respondent by Demographic Factors

Sex	**Frequencies**	**Percentages**
Male	82	76.6
Female	26	23.4
Total	108	100
Age		
20-30yrs	41	38.2
31-40yrs	50	46.1
41-50yrs	17	15.7
Valid Total	108	100
Marital Status		
Single	48	44.4
Married	59	54.7
Others	1	0.9
Valid Total	108	100

Source: Author's Field Survey, 2006

Table 5.4.4 Distribution of Respondent by Parents' Occupation

Parents' Occupation		**Frequencies**	**Percentages**
Father	Farming	29	27.1
	Trading	17	15.9
	Artisan	3	2.8
	Civil Servant	34	31.8
	Business Executive	10	9.3
	Others	14	31.1
	Valid Total	107	100
Mother	Farming	6	5.8
	Trading	63	61.2
	Artisan	1	1.0
	Civil Servant	21	20.4
	Business Executive	4	3.8
	Others	8	3.8
	Valid Total	108	100

Source: Author's Field Survey, 2006

In reference to their state of origin, 38.9%, which constitute the largest percentage of the respondents, were from Osun state. The reason for this may not be far from the fact that the institution where the study was conducted is situated in the state. This is followed by 13.0% from Ondo State 11.1% from Oyo state, 9.3% from Ekiti state and so and so forth.

5.4.2 Influence on Demand for Higher Education

Observation of the distribution of the respondents' fathers highest educational level shows that 21.9% of them were without any formal education, 12.4% of them had primary education, 17.1% had secondary education while the majority of 48.6% of them had post secondary education. Also 29.1% of their mothers had no formal education, 11.7 % had primary education, 27.2% had secondary education while the rest (32%) being the largest proportion had post secondary education. In both cases, those that had post secondary education were of the largest proportion. This could be a great factor responsible for the respondent's decision for more education.

It was revealed that 31.8% being the largest proportion of the respondents fathers were civil servants, 9.3% were business Executives, 2.8% were Artisans while 13.1% fall within other occupation. Also, their mothers' occupational distribution reveals that 61.2% being the largest percentage were civil servants, 5.8% were farmers and 7.8% fall within other occupations (Table 5.4.4)

The largest proportion (59.8%) of the respondents continued the course they studied at the undergraduate level because it was professional. While

about 28.4% opted for their present course of study because of employment prospect, 4.9% were influenced by parents/guardians' wish but 6.9% of the respondents were pursuing their present course because there was lack of option. Among the post graduate students' respondents, 69.2% had a change of discipline as a result of change of orientation, 15.4% change discipline as a result of joblessness while 15.4% changed discipline as a result of other reasons such as diversification.

With reference to work experience, many of the respondents claimed they had attended several interviews before they started their postgraduate program. Among them 12.6% claimed they had attended their twenty- fifth interview and the same proportion, their fifteenth. Those that had attended their third interview were 8.2%, 29.5% attended twice while those that had attended only once were 32.8% of the population. A high unemployment incidence was revealed among the postgraduate respondents as 42.7% were not working with their program. Only 58.3% of them were working along with there program as claimed. About half (42.1%) of those who were not working claimed there was no job. Other reasons such as wishing to finish study before working accounted for the reason why 52.% were not working. For 2.6% of them, it was their parents'/guardians' wish.

On the consideration of the influence of government subsidy on the decision of this group of respondents, table 5.4.6 indicates that just 9.1% of the respondents perceived the government subsidy on higher education to be high while 14.1% considered it to be moderate. The proportion of the respondents that considered subsidy to be low is 12.1% while 64.6% indicated higher education was not really subsidized. The perception of this group of respondents about government subsidy is different from other groups whose

majority considered subsidy on higher education to be high and moderate. If they had compared what they pay with what is charged as fees in private institutions, their perception would have been different from what it is. Consequent on the above indication, only 26.3% claimed they were very strongly influenced by government subsidy on their decision for higher education. This shows that government subsidy was not reckoned with in the higher education demand of the postgraduate group of respondents.

5.4.3 Labour Market Expectations

When the respondents were asked to indicate the reason why they were still studying while working, just 1.7% of them indicated that it was to increase their earning through promotion, 3.3% claimed it was to enhance their social status, 35.0% which was the largest percentage claimed it was for intellectual development, 28.3% claimed it was to be productive in the world of work while the remaining 31.7% claimed it was to take advantage of better employment opportunities. Top on the list of the factors influencing further education at this level could now be seen as majorly for intellectual development while this was followed by the expectation of better employment opportunities. This implies that as a result of eroding employment opportunities of higher institutions' graduates many now treat acquisition of further education particularly after the first degree as a means of development intellectually.

In reference to job expectation, the respondents were very optimistic about labour market as about 54.7% of them rated their probability of getting recruited within the next six months after their postgraduate programme to be very high. About 32.6% rated the probability to be high, only 2.3% rated it to be low while 10.5% claimed they do not know. This is shown on table 5.4.6.

5.4.5 Distribution of Respondents by their Perception of Government Subsidy

Perception of Govt. subsidy	Frequencies	Percentages
Highly Subsidized	10	9.1
Moderately Subsidized	16	14.7
Lowly Subsidized	13	12.1
Not really subsidized	70	64.6
Valid Total	108	100

Source: Author's Field Survey, 2006

Table 5.4.6 Distribution of Respondent by Perception of Job Opportunity

Perception of job opportunity	Frequencies	Percentages
Very high	59	54.6
High	35	32.6
Low	3	2.3
I don't know	11	10.5
Valid total	108	100

Source: Authors Field Survey, 2006

Table 5.4.7 Distribution of Respondents by their Income Expectation (Monthly)

Income Expectation/Month	Frequencies	Percentages
N2,000-N50,000	19	28.4
N50,001-N100,000	24	35.8
N100,001-N150,000	10	14.9
N150,001-N200,000	2	3.0
N200,001-N500,000	10	4.9
Above N 500,000	2	3.0
Valid Total	67	100

Source: Author's Field Survey, 2006

As regards income expectation, it was revealed on table 5.4.7 that the largest proportion (35.8%) of the post graduate students that were interviewed indicated their expected salary per month to be between N50,0001 and N 100,000.This was followed by the group of N2,000 to N50, 000 which was 28.4% of the respondents. Also 14.9% of the respondents indicated N100, 001 –N150, 000. Those who expected above N150, 000 were only 10.9% of them while just 3.0% expected their monthly salary to be above N500, 000. It could be observed that the salary expectation of this group of respondents being the highest level of education considered in this study were not as high as the lower levels. This could probably be as a result of the reality of labour market, which they already had.

As pertaining to direct cost on their education, the least amount of money expended on higher education per session and per student as indicated on table 5.4.8 was N10, 000. About 28.9% claimed their direct expenditure to be between N10, 000 and N50, 000 in a session. The largest proportion being 35.6% claimed to expend between N50, 001 and N100, 000 directly on their higher education per session while only 2.6% claimed spending above ₦500, 000 per session.

The respondents expected a large difference between their monthly income and expenditure on their education. This appears to have served as a great motivation in their pursuit of higher education. This is line with human capital theory which states that expected earning and return are the main determinants of educational attainment and occupational choice (cf. Mincer, 1974, Becker 1975).

Table 5.4.8 Distribution of Respondent by their Expenditure on Higher Education. (Per Session)

Cost Per Session	Frequencies	Percentages
N10,000-N50,000	31	28.9
N50,001-N100,000	38	35.6
N100,001-N150,000	19	17.1
N150,001-N250,000	10	9.2
N250,001-N500,000	7	6.6
Above N500,000	3	2.6
Valid Total	108	100

Source: Author's Field Survey, 2006

5.5 ANALYSIS OF CHI- SQUARE RESULTS

5.5.1 Secondary School Respondents

Table 5.5.1 DEMAND FOR HIGHER EDUCATION BY:

Characteristics	Chi square	Remark (at 5%)
Age	10.4	Not significant
Sex	-	Not significant
Father's Occupation	0.086	Not significant
Mother's "	0.112	Not significant
Employment opportunity Perception	0.586	Not significant
Sponsorship	0.255	Not significant

5.5.2 Tertiary Institution Respondents

Table5.5.2 DEMAND FOR HIGHER EDUCATION BY:

Characteristics	Chi square	Remark at 5%)
Sex	0.831	Not significant
Father's Occupation	0.874	Not Significant
Mother's "	0.017	Significant
Employment opportunity Perception	0.035	Significant
Sponsorship	0.756	Not significant

Source: Author's Field Survey, 2006

5.5.3 Youth Corps Member Respondents

Table 5.5.3 Demand for Higher Education By:

Characteristics	Chi square	Remark at 5%)
Sex	0.578	Not significant
Father's Occupation	0.412	Not significant
Mother's "	0.321	Not significant
Employment opportunity Perception	0.04	Significant
Sponsorship	0.106	Not significant

Source: Author's Field Survey, 2006

As could be observed from tables 5.5.1, 5.5.2 and 5.5.3, the result of the Chi square test indicated that all the explanatory variables (i.e age, sex, fathers' occupation, income e.t.c.) in the demand for higher education model of the secondary school students were not significant at 5%. This could be as a result of the responses provided by this category of respondents whose demand for higher education at this level is more of parental desire and influence rather than the personal characteristics of the students interviewed. Besides, their knowledge of the labour market condition is shallow. For the tertiary institution respondents, two of the explanatory variables (mother's occupation and employment opportunity perception) were significant at 5% level. Other variables such as age, sex, father's occupation, and subsidy were insignificant. This group of respondents appears to be more informed and more matured in knowledge, perhaps because of their level of education and closeness to the needs in the labour market.

Only one explanatory variable (employment opportunity perception) was significant among the youth corps members at 5% level. This implies that their demand for first degree/Higher national Diploma and their demand for further education after this was and are being greatly influenced by their expectation of employment opportunity in the labour market.

In reference to regression analysis, the model specified in the study could only be subjected to logistic regression because of the nature of the data collected. Besides, the logistic regression came out with some funny results as most of the explanatory variables were not significant for the four groups. However, the regression of the tertiary institution group indicated that the

perception of employment opportunity in the labour market is significant at 5%.

Generally, for all the groups, government subsidy, age, sex, fathers' occupation did not play any significant role in their decision for higher education as shown by the chi square result and on the regression result.

By and large, this result and the responses of the students show that increasing pressure for higher education, especially at the level beyond first degrees is largely influenced and determined by labour market condition and reality. In other words, inability to secure employment in the labour market now and the expectation that tomorrow will be better are strong factors in contemporary pressure for higher degrees.

As regards labour market expectations in terms of employment opportunity and increased earnings with higher education, some variations were observed for the four groups of respondents that were involved in this study. For all the groups, the proportion that perceived employment opportunities to be low with their higher education was very small. They were very hopeful of getting employed as they acquired more education. No wonder the sky- rocketing demand for higher education. With reference to their expected income, it is observed from the study that students of secondary school who are just seeking admission to higher institution are expecting too high income beyond what is realizable. There are even some of them who claimed they expected as much as ₦4 million as monthly income. The final year students of tertiary institution who are about graduating were also having high expectation of income but not as much as the secondary school students.

The income expectation of the graduate serving coppers was still below that of the students who are yet to graduate. For the post graduate students, it is just 3.0% of them who expected monthly salary that is above N.5m. Others in the group had expectation that appear in tune with what is obtainable in the labour market. This perhaps may not be unconnected with their experience in the market.

Thus, comparatively, the higher the respondents' level of academic attainment, the lower the income expectation. The finding appears to be confirming the search theory, which indicates adjustment of expectation with experience of what obtains in the labour market. This indicates that the higher the level of education the more informed the respondents are about the labour market condition.

CHAPTER SIX

SUMMARY, CONCLUSIONS AND POLICY IMPLICATIONS

Attempt has been made in the preceding chapters to examine and analyse labour market expectations and their implications on the demand for higher education. To this end, the nature, characteristics and structure of the Nigerian labour market were assessed with the analysis of the pattern and trend of enrolment and output from tertiary institutions in the country. Also, an opinion survey of income and job expectations of the final year students of senior secondary school; tertiary institutions comprising of colleges of education, polytechnics, and universities; fresh graduates who were currently on their youth service and university postgraduate students were analyzed. Besides, the study examined the factors influencing demand for higher education using chi square and regression analysis.

6.1 Highlight of Main Findings

The assessment of Nigerian labour market reveals a situation of high unemployment rate with significant under employment problems. The unemployment characteristics in the country's labour market show that Nigerian's unemployment problem is significant and multidimensional. There appears to be a problem of over- production of graduates of tertiary institutions relative to the nation's demand for manpower. This has majorly been a result of rapidly growing population and low manpower absorptive capacity of the economy. This had also been compounded by the deliberate action of the democratically governments in expanding the educational system -the rate of enrolment and output from the tertiary institutions had been alarming. All

these together had great implications on the nation's unemployment problem. Significant differences in unemployment rate across the states are manifested, indicating the existence of barriers to mobility of Nigerian workers in search of employment outside their region and states of origin. This is confirmed by a very high rate of unemployment in some states while some have low unemployment rate. For instance while the unemployment rate of Bauchi in 2005 was 29.7%, the rate at Niger for the same period was as low as 0.2%. If there were no regional restrictiveness and lack of accessibility to information, people are expected to move from high unemployment rate areas to the low unemployment areas to get employed. It is also observed that it affects largely the youths between the age of 15 and 24years who hold different qualifications. This implies a tremendous cost to the nation in terms of wastage of the manpower; the loss of financial and social resources invested in their preparation; and the high opportunity cost in terms of the forgone alternatives. Worst still is the social and psychological frustration being experienced by the unemployed educated youths which generate negative external effects resulting in most cases to some of them engaging in criminal behaviour as a form of reaction to their social and economic hardship imposed on them by prolonged unemployment.

The lowest unemployment rate is however observed among tertiary institutions graduates in relation to other educational level. Important also, is the higher rural dimension of the unemployment problem as revealed by the analysis. This phenomenon is serious in terms of seasonal human resource

wastage, bearing in mind that over 69 percent of the employed labour force in Nigeria is engaged in the rural area.

From the gender perspective, a higher unemployment incidence is observed among the female labour force. The rate of unemployment of 10. 4 percent for male and 14.1 percent for female in 2005 shows that there is still significant disparity in access to employment opportunity across sex. Labour under utilization in the form of under- employment is also a common phenomenon especially in the rural areas of the country. It normally assumes the form of disguised employment, which is very difficult to measure. The trend of underemployment from 1992 to 1998 shows that it is a significant one in Nigeria.

In reference to the findings from the surveyed opinion of the interviewed respondents, taste for higher education was used as proxy for demand for higher education in the econometrics models used to capture the responses of each of the four groups of the respondents. We attempted a logistic regression of the explanatory variables such as father's occupation, mothers' occupation, perception of employment opportunity and subsidy on higher education on the demand for it. For all the groups, all the explanatory variables were insignificant at 5% with the exception of the tertiary institution group. In the tertiary institution group, the only significant variable at 5% was the perception of employment opportunity in the labour market.

The demand for higher education was also crosses tabulated with the above-mentioned explanatory variables and the chi square results taken. For the first group, which comprises of the senior secondary school finalist none of

the explanatory variables was significant at 5% level. The second group, which comprises of the final year students of the tertiary institutions, out of all the explanatory variables, mother's occupation and employment opportunity perception were significant at 5% level. (i.e 1.7% and 3.5% respectively). Among the youth corps members, which are the third group, only employment opportunity perception out of all the explanatory variables was significant at 5% level. It could thus be concluded that the perception of employment opportunity in the labour market has a great influence on the decision of the respondents in embarking on higher education. An explanation that could be provided for the insignificancy of all the explanatory variables in the econometrics model for the secondary school respondents was that they lack the knowledge of what operates in the labour market.

The government subsidy on higher education is expected to positively influence the respondents demand for it. It is revealed from the survey that the largest proportion of the respondents in all the groups (with the exception of post graduate group) perceived higher education to be moderately subsidized. The largest percentage in the post graduate group perceived higher education not to be really subsidized. This reveals that Nigerian students and graduates do not have correct understanding of the cost of higher education and the extent of government subsidy on it.

Direct cost on higher education is hypothesized to be negatively related to its demand while the income expectation is hypothesized to be positively related to it. The indicated cost that is expected to be incurred on higher education by all the four groups is below what it should ordinarily have been supposing there is no subsidization. High subsidization and consequent low cost of education could therefore be a major determinant of increased demand for education by the respondents.

The income expectation of the respondents was observed to be high with the secondary school respondents having the highest. The final year students of tertiary institution followed this and then the Post graduates students' respondents. The coppers were having the least income expectation. An important thing that could be observed among these groups of the respondents is their income expectation that goes down as they attain more education. An explanation that could be provided for this is that the closer the respondents are to the labour market, the more knowledge of it they have and the more realistic they are in their expectations.

It could also be observed for all the groups that the income expectation of the respondents exceed what they expected to incur directly. Consequently, the ever-increasing demand for higher education.

By and large, the perception of employment opportunity in the labour market with higher education by the respondents and the net benefit from it are shown to be great motivating factors in their pursuit of it.

6.2 Policy Implications and Recommendations

The emerging issues from the basic findings of this study rest on what could be done to reduce the supply of labour to the market and increase the absorptive capacity of the labour market.

It had been discussed that the rate at which the population of the country increases is alarming; having implications on the supply of labour to the market. The government should intensify plan on how to create employment opportunities at a rate that can be consistent with the rate of increase of the population or be ready to practically enforce policies that can curtail the rate of growth of the population of the country.

The government policy in expanding the educational system and subsidization of higher education have greatly contributed to increasing production of graduates of tertiary institutions and has consequently impacted on the increased level of unemployment in the country. It was recommended in Ogunrinola (1985) that students wishing to benefit from university education should be made to pay the full cost of such level of education. But in terms of social justice, the introduction of full tuition fees or the complete removal of subsidy on higher education is likely to discriminate against candidates from poor families thus pertuating social and economic inequalities. To alleviate these, the academically good candidates from poor families could be assisted by means of scholarship programmes. In the alternative, all candidates may be asked to take a government loan to finance their higher education and, as suggested by Blaug (20, p.43), the loan should be deducted in the form of "graduate tax" on monthly basis from future incomes of all graduates when

they are employed. It is perhaps a more subtle form of cost shifting; the incidence in this case is borne exclusively by those who consume education rather than their parents. This policy has the advantage of reducing the already high private rate of return to investment in education. Furthermore, a more optimal resource allocation will result in the long run. For instance, when the loan is being repaid, government expenditure on education would have reduced considerably and thus more funds will be available for other development programmes and other job creating investments, which will lead to increased national income through the multiplier effect. Ultimately, this policy will in the long run reduce unemployment problem among tertiary institution graduates without any adverse effect on manpower supply.

The high unemployment rate among the secondary school leavers needs to be urgently looked into by the government with a view to reducing it. After all, the strong demand for higher education might not be unconnected with the unemployment at this level of education.

Other policy recommendations, which have received much attention in the literature, include those policies aimed at reducing unemployment among the educated, some of which include the following;

(a) evolving appropriate measures to enhance labour mobility across state, regions and sectors, which could include removal of employment discrimination in public service across Nigeria states;

(b) the development of an appropriate technological base that will utilize more labour and less capital in the production process;

(c) creation of an enabling economic environment for manufacturing firms in attempts to increase employment opportunity through provision of improved infrastructural facilities and introduction of incentives to encourage the expansion of the manufacturing activities in Nigeria;

(d) ensuring relevance of education received. There should be periodic interaction between tertiary institutions, the relevant public agencies (National Universities commission, National Board for Technical Education) employers of labour, professional associations and the National Manpower Board to ensure that academic programmes are linked to the world of work;

(e) entrepreneurship education should be seen as one of the solutions to graduate employment since there is a growing emphasis on the role of small and micro enterprises as a source of employment. Entrepreneurship education should therefore be incorporated into Nigeria's educational system to inculcate entrepreneurial ability and private self employment in the face of declining formal employment in the modern sector;

(f) the growth and development of the private sector, especially informal, micro and small scale enterprises should be seen as a strategy for employment creation. The legislation on business registration should be made easy and fiscal incentives be provided in the budgets of both the federal and state government.

6.3 Limitations of the Study and Suggestions for Further Study.

The limitation of this study is majorly in the collection and analysis of the primary data used. Poor response was recorded particularly on the part of the youth coppers as well as the post graduate students. A low retrieval rate was also recorded in both cases. The specified models in the study could only be subjected to logistic regression because of the nature of the data collected. The originally intended regression method could not be carried out.

The logistic regression still came out with some funny results as most of the explanatory variables were not significant. We then resorted into cross tabulating the dependent variable with the explanatory variables to obtain the chi square estimate.

The analysis of labour market expectations of different groups of respondents at different educational level is subjective. If the expectations of the same group of people were assessed as they move from one educational level to the other, the changes (variation) in the expectations would have been on the same set of people and would have been more revealing.

Nevertheless, these limitations do not invalidate our conclusions but are only suggestive of areas for future study. Further study could therefore be made by subjecting the same set of people to enquiry on their labour market expectations right away from their secondary school to the post graduate level and thereby observe the changes (variations) in their labour market expectations.

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APPENDIX I

FACULTY OF SOCIAL SCIENCES,
DEPARTMENT OF ECONOMICS,
OBAFEMI AWOLOWO UNIVERSITY,
ILE-IFE.

QUESTIONNAIRE ON THE LABOUR MARKET EXPECTATIONS OF SECONDARY SCHOOL STUDENTS.

You are kindly requested to respond to the following questions by simply marking 'X' in the box that is appropriate for your answer. Your sincere response would be highly appreciated. Information received from you will be treated as confidential. We wish to thank you in advance for completing this questionnaire.

Olabiyi kehinde A,
Department of Economics,
Obafemi Awolowo University,
Ile-Ife.

I. BACKGROUND INFORMATION.

1. Sex: (1) Male ( ) (2) Female ( )

2 Present age……

3. Marital status

(i) Single ( ) (ii) Married ( )

(iii) Divorce ( ) (iv) Other……..

4. State of origin …….

5. Parents' highest level of education.

(a) Father (i) none ( ) (ii) Primary education ( )

(iii) Secondary Education( ) (iv) Teachers or technical training ( )

(v) University education ( ) (vi) 0thers (specify)……

(b) Mother (i) none ( ) (ii) Primary education ( )

(iii) Secondary Education ( ) (iv) Teachers or technical training ( )

(v) University education ( ) (vi) 0thers (specify)……

(6) Parents' occupation

(a) Father (i) Farming ( ) (ii) Trading ( ) (iii) Artisan ( )
(iv) Civil servant ( ) (v) Business executive ( )
(vi) Political leader ( ) (vii) Others (specify)……

(b) Mother (i) Farming ( ) (ii) Trading ( ) (iii) Artisan ( )
(iv) Civil servant ( ) (v) Business executive ( )
(vi) Political leader ( ) (vii) Others (specify)……

II. EDUCATIONAL INFORMATION

(1) Indicate the name of your school

……

(2) What is your subject combination?

(i) Arts ( ) (ii) Social sciences ( )

(iii) Sciences ( ) (iv) All round ( )

(3) What influence did the following factors have on you when making the choice of subject combination?

	very strong influence	fairly strong influence	not quite strong	no influence
(i) Counseling from teacher				
(ii) Counseling from parent				
(iii) Personal interest				
(iv) Nature of university course you like to pursue.				

(4) Given your present level of education, how much additional education do you wish to obtain. (i) Satisfied with the present level ( ) (ii) Wishing to further education

(5) What course will you like to study in higher institution?

(i) Medicine ( ) (ii) Law ( ) (iii) Fine Art ( ) (iv) Economics ( )

(v) Engineering ( ) (vi) Agric (vii) Education (viii) Natural Science (ix) Others……

(6) Assuming you were working today in a full-time permanent job, what is the salary you expect to earn per month? …….

(7) If wishing to further education, how further do you still want to go?

(i) technical College ( ) (ii) College of Education ( ) (iii) Polytechnic ( )

(8) What course will you like to study in higher institution?.. …….

(9) How is your choice of course influenced by the following factors?

		Very strong influence	fairly strong influence	not quite strong	no influence
(i)	To get a better paid job				
(ii)	To enhance your social status				
(iii)	Influenced by your parents' or guardians' expectation				
(iv)	To make you more productive in the world of work				
(v)	For intellectual development				

(vi) Other reasons (specify)……

(10) Which higher institution would you prefer choosing? …….....

(11) Why is your preference for the institution indicated?

(i) Recognition of certificate ( )

(ii) Admission is easy ( )

(iii) Availability of your course of study ( )

(iv) Other reason (specify)

(12) Who will financially sponsor you for the study?

(i) Yourself ( ) (ii) Parents/Guardian ( ) (iii) Scholarship ( )

(iv) Govt. bursary ( )

(13) How much do you expect to incur per session on your course? ₦ ……..

(14) Considering the amount you pay as fees for your education, what is your perception of the level of government subsidy. (i) Highly subsidized ( ) (ii) Moderately subsidized ( )

(iii) Lowly subsidized ( ) (iv) not really subsidized ( )

(15) Please indicate type of establishment you would prefer to take up a job after graduation.

(i) Private establishment ( ) (ii) Public establishment ( )

(iii) Self employment ( )

(16) How easy do you think you can secure opportunity in the sector of employment?

(i) Very easy ( ) (ii) Quite easy ( ) (iii) Somehow easy ( )

(iv) Not at all ( )

(17) If employed in the preferred sector of employment, what do you expect your income to be per month? …….

APPENDIX II

FACULTY OF SOCIAL SCIENCES,

DEPARTMENT OF ECONOMICS,

OBAFEMI AWOLOWO UNIVERSITY,

ILE-IFE.

QUESTIONNAIRE ON THE LABOUR MARKET EXPECTATIONS OF FINAL YEAR STUDENTS OF TERTIARY INSTITUTIONS IN OSUN STATE

You are kindly requested to respond to the following questions by simply marking 'X' in the box that is appropriate for your answer. Your sincere response would be highly appreciated. Information received from you will be treated as confidential. We wish to thank you in advance for completing this questionnaire.

Olabiyi kehinde A,

Department of Economics,

Obafemi Awolowo University,

Ile-Ife.

I. BACKGROUND INFORMATION

1. Sex: (1) Male ( ) (2) Female ( )

2 Present age……

3. Marital status

(i) Single ( ) (ii) Married ( )

(iii) Divorce ( ) (iv) Other ……..

4. State of origin……

5. Parents' highest level of education.

(a) Father (i) none ( ) (ii) Primary education ( )

(iii) Secondary Education( ) (iv) Teachers or technical training ( )

(v) University education ( ) (vi) 0thers (specify)……

(b) Mother (i) none ( ) (ii) Primary education ( )

(iii) Secondary Education( ) (iv) Teachers or technical training ( )

(v) University education ( ) (vi) 0thers (specify)……

(6) Parents' occupation

(a) Father (i) Farming ( ) (ii) Trading ( ) (iii) Artisan ( )

(iv) Civil servant ( ) (v) Business executive ( )

(vi) Political leader ( ) (vii) Others (specify)……

(b) Mother (i) Farming ( ) (ii) Trading ( ) (iii) Artisan ( )

(iv) Civil servant ( ) (v) Business executive ( )

(vi) Political leader ( ) (vii) Others (specify)……

II EDUCATIONAL INFORMATION

(1) Indicate the name of your school……..

(2) What is your course of study?.....

(3) As at the time of applying for higher education, what was your

(i) 1st choice course …….

(ii) 2nd choice course ……

(4) Why did you go for your course of study if not your first or second choice

……

(5) Were you aware of the employment prospect of the course studied at the time of your choice.

(i) Yes ( ) (ii) No ( )

(6) Indicate what your income would have been assuming you were working with your secondary school certificate and not furthering your education. ₦……...

(7) Given your present level of education, how much additional education do you wish to obtain? (i) Satisfied with the present level ( ) (ii) Wishing to further education ( )

(8) If (ii), how further do you want to go? (i) HND ( ) (ii) University first degree ( ) (iii) Post graduate ( ) (iv) Professional training (ICAN, CIBN, etc ( ) (v) Others (specify)……

(9) What influence did the following factors have on you when you were making decision for higher education?

Reasons for going for higher degree	very influence	fairly strong influence	not quite strong influence	no influence
(i) To get a better job				
(ii) To earn the degree as it enhances your social status				
(iii) Influenced by your parents' of guardians' expectation				
(iv) For employment opportunities				
(v) To make you more productive in the world of work				
(vi) For intellectual development				

(vii) Other reason (specify) ……

(10) Who was financially responsible for your course of study (i) Yourself ( )

(ii) Parents/guidance ( ) (iii) Scholarship ( ) (iv) Government bursary ( )

(11) How much do you incur per session on your course ₦ ……

(12) Considering the amount you pay as fees for your education, what is your perception of the level of government subsidy? (i) Highly subsidized ( )

(ii) Moderately subsidized ( ) (iii) Lowly subsidized ( ) (iv) Not really subsidized ( )

(13) Please indicate which type of establishment you would prefer to take up a job after graduation.

(i) Private establishment ( )

(ii) Public establishment ( )

(iii) Self employment ( )

(14) How easy do you think you can secure opportunity in the sector of employment?

(i) Very easy ( )

(ii) Quite easy ( )

(iii) Somehow easy ( )

(iv) Not easy at all ( )

(15) If you secure your expected job, what is your income expectation? ₦…….

(16) Do you now feel that the information you got was sufficiently helpful in making the right choice of course? (i) Yes ( ) (ii) No ( )

(17) What is the minimum salary per month below which you will not accept a job? ₦ …….

APPENDIX III

FACULTY OF SOCIAL SCIENCES,
DEPARTMENT OF ECONOMICS,
OBAFEMI AWOLOWO UNIVERSITY,
ILE-IFE.

QUESTIONNAIRE ON THE LABOUR MARKET EXPECTATIONS OF THE YOUTH SERVICE CORPS MEMBERS IN OSUN STATE

You are kindly requested to respond to the following questions by simply marking 'X' in the box that is appropriate for your answer. Your sincere response would be highly appreciated. Information received from you will be treated as confidential. We wish to thank you in advance for completing this questionnaire.

Olabiyi kehinde A,
Department of Economics,
Obafemi Awolowo University,
Ile-Ife.

I. BACKGROUND INFORMATION

1. Sex: (1) Male ( ) (2) Female ( )

2 Present age……

3. Marital status

(i) Single ( ) (ii) Married ( )

(iii) Divorce ( ) (iv) Other……

4. State of origin……..

5. Parents' highest level of education.

(a) Father (i) none ( ) (ii) Primary education ( )

(iii) Secondary Education( ) (iv) Teachers or technical training ( )

(v) University education ( ) (vi) 0thers (specify)……

(b) Mother (i) none ( ) (ii) Primary education ( )

(iii) Secondary Education( ) (iv) Teachers or technical training ( )

(v) University education ( ) (vi) 0thers (specify)……

(6) Parents' occupation

(a) Father (i) Farming ( ) (ii) Trading ( ) (iii) Artisan ( )

(iv) Civil servant ( ) (v) Business executive ( )

(vi) Political leader ( ) (vii) Others specify)……

(b) Mother (i) Farming ( ) (ii) Trading ( ) (iii) Artisan ( )

(iv) Civil servant ( ) (v) Business executive ( )

(vi) Political leader ( ) (vii) Others specify)……

II EDUCATIONAL INFORMATION

(1) Indicate the name of your school……..

(2) What is your course of study?.....

(3) Class of first degree obtained

(i) First class ( ) (ii) 2nd class (upper) ( )

(iii) 2nd class (lower) ( ) (iv) third class ( )

What influence your choice of the course?

(i) job opportunities ( ) (ii) enhancement of social status ( ) (iii) intellectual development ( )

(iv) it is professional ( ) (v) other reasons (specify)

What was your source of information?.....

Do you feel the information you got about labour market as at the time you were making your choice was sufficiently helpful in making the right choice of course?

(i) Yes ( ) (ii) no ( )

Assuming you do not embark on higher educational course, you would have been on a salary of~~₦~~ ……per month?

What was your average cost per session on your course ~~₦~~? ……

(9) Considering the amount you paid as fees for your education, what is your perception of the level of government subsidy? (i) Highly subsidized ( )

(ii) Moderately subsidized ( ) (iii) Lowly subsidized ( ) (iv) Not really subsidized ( )

(10) How many interviews have you attended? ……

(11) What is the likelihood of your being recruited within 6 months after your youth corps service? (i) Very high ( ) (ii) High ( ) (iii) Low ( ) (iv) I don't know ( )

(12) How related was the task performed as a corper and your training?

(i) no relationship ( ) (ii) Weakly related ( ) (iii) Fairly related ( ) (iv) Strongly related ( )

(13) Do you think the task can be completely handled by a non-graduate?

(i) yes ( ) (ii) no ( )

(14) Do you intend to go for a P.G. study immediately after the youth service

(i) yes ( ) (ii) no ( )

(15) How much are you influenced by the following factors in your decision above.

Reasons for going or not going for higher degree		Very strong influence	fairly strong influence	not quite strong influence	no influence
(i)	No job is available now				
(ii)	To get a better job				
(iii)	Influenced by parents'/guardians' expectation				
(iv)	For intellectual development				
(v)	There is no money for the study now				
(vi)	It does not make difference				

(vii) Other reason (specify) ……

(16) What is the monthly salary reservation below which you cannot take up an appointment? ₦ …….

(17) Do you feel your expectations from the labour market is a realistic one?

(i) Yes ( ) (ii) No ( )

APPENDIX IV

FACULTY OF SOCIAL SCIENCES,
DEPARTMENT OF ECONOMICS,
OBAFEMI AWOLOWO UNIVERSITY,
ILE-IFE.

QUESTIONNAIRE ON THE LABOUR MARKET EXPECTATIONS OF THE POST GRADUATE STUDENT IN OSUN STATE TERTIARY INSTITUTION

You are kindly requested to respond to the following questions by simply marking 'X' in the box that is appropriate for your answer. Your sincere response would be highly appreciated. Information received from you will be treated as confidential. We wish to thank you in advance for completing this questionnaire.

Olabiyi kehinde A,
Department of Economics,
Obafemi Awolowo University,
Ile-Ife.

I. BACKGROUND INFORMATION

1. Sex: (1) Male ( ) (2) Female ( )

2 Present age……

3. Marital status

(i) Single ( ) (ii) Married ( )

(iii) Divorce ( ) (iv) Other …….

4. State of origin …….

5. Parents' highest level of education.

(a) Father (i) none ( ) (ii) Primary education ( )

(iii) Secondary education ( ) (iv) Teachers or technical training ( )

(v) University education ( ) (vi) 0thers (specify)……

(b) Mother (i) none ( ) (ii) Primary education ( )

(iii) Secondary Education( ) (iv) Teachers or technical training ( )

(v) University education ( ) (vi) 0thers (specify)……

(6) Parents' occupation

(a) Father (i) Farming ( ) (ii) Trading ( ) (iii) Artisan ( )

(iv) Civil servant ( ) (v) Business executive ( )

(vi) Political leader ( ) (vii) Others (specify)……

(b) Mother (i) Farming ( ) (ii) Trading ( ) (iii) Artisan ( )

(iv) Civil servant ( ) (v) Business executive ( )

(vi) Political leader ( ) (vii) Others (specify)……

II EDUCATIONAL INFORMATION

(1) Indicate the name of your school…….

(2) What was your discipline at graduation?.....

(3) What influence your choice of the discipline?

(i) Employment prospect ( ) (ii) It is professional ( )

(iii) Parents/Guidance which ( ) (iv) Lack of option ( )

(4) Indicate your discipline in current postgraduate study……

(5) If there is a change of discipline, why is there the change?

(i) change of orientation ( ) (ii) joblessness ( )

(6) Number of interviews attended before postgraduate study started ……

(7) Are you working along with your postgraduate degree?

(i) yes ( ) (ii) no ( )

(8) If yes why are you still on study?

(i) To increase your earning through promotion ( )

(ii) To enhance my social status ( )

(iii) For intellectual development ( )

(iv) To make you more productive in the world of work ( )

(v) To take advantage of better employment opportunities. ( )

(9) If no, why are you not working?

(i) No job ( ) (ii) Wanting to finish study before work ( )

(iii) Parents' wish ( ) (iv) Other (specify) …….

(10) What is the probability of your being recruited in the next six months after P.G. study?

(i) Very high ( ) (ii) high ( )

(iii) Low ( ) (iv) I don't know ( )

(11) If you secure your expected job, what is your income expectation per month?

₦…….

(12) Do you have a monthly reservation below which you will not take up a job appointment? ₦…….

(13) What do you incur averagely per session on your course? ₦ ……

(14) To what extent is the amount you pay as fees subsidized by the government?

(i) Highly subsidized ( ) (ii) Moderately subsidized ( )

(iii) Lowly subsidized ( ) (iv) Not really subsidized ( )

(15) What influence did this have on your decision for more education?

(i) Strong influence ( ) (ii) Fairly strong influence ( )

(iii) Not quite strong influence ( ) (iv) Not at all ( )

(16) If working, what is your current monthly salary? ₦……..