

Achieving Reduction in Unemployment and Labour Conflicts: The Cooperative Model

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Abstract

This paper examines the instrumentality of the cooperative business model in addressing unemployment and some labour related problems in the African society. The study was necessitated by the incessant occurrence of industrial actions like employees' demonstrations, picketing, strike actions and employers' maltreatment, sack, lockout and no-pay in the African Sub region. Considering the nature of these developing nations of the world, there are evidences that availability of job opportunities is short-circuited by corrupt leadership practices. Consequently, unemployment becomes the problem in the environment with its attendant social vices. Where jobs are created, unfair employers' practices tend to scuffle conducive work atmosphere. As a result, trade unions (Employees' Association) began to spring up. Their activities here are picketing and strike actions; and employers' retaliation with sack, lockout and no-pay measures leading to low productivity occasioned by discordant work environment. The worrisome presence of these labour related problems – unemployment, industrial actions, low wage payment, avoidance of unskilled labour – has necessitated a call on the cooperative business model for rescue. The Researchers studied 6 non-institution based cooperatives in 2 LGAs of Imo State. A simple random sampling technique was used to select 45 respondents from each of the LGAs under study. A five point Likert scale questionnaire instrument was formulated for data collection. The various responses collected from the respondents were descriptively scored and added; the mean; mean set; standard deviation and rank order were used to answer the research question, while the hypothesis was tested with a multiple regression model. It was found that cooperatives have the capacity to: create self employment for members, absorb unskilled labour, curtail social vices, reduce economic crises of the members and ultimately eliminate industrial actions. The researchers recommend the encouragement of the cooperative system of economic activity and industrial relations in all sectors of the African Sub region like Nigeria, as the saying goes; 'there is strength in unity'.

Keywords: Labour Problem, Unemployment, Cooperative, Industrial actions.

Introduction

One of the approaches to the challenges of the industrial revolution in the 18th century is the creation of labour unions (Onyima and Okoro, 2009). Labour unions needed to protect the interest of workers and show general concern to people (Monaco & Pastorelli, 2014). Amongst the labour unions that were created then is cooperative society. Cooperatives were also borne in attempt to address the labour related problems of the industrial revolution era. The promotion of labour-related issues and the protection of labour rights are the responsibility of trade unions as observed by (Conforth, 1982). However Cattabiani (2012) observed that work is also the constitutive component of the cooperative pact of yesterday, today and tomorrow, especially for worker cooperatives.

Nowadays, the major cooperative associations still regard work as a driver for democracy, freedom and individual dignity, social inclusion and cohesion, legality and security; for both their individual and collective development (Monaco & Pastorelli, 2014).

In most developing nations of the world, labour and labour-related matters have become an issue of concern (Okoro, 2009). A nation like Nigeria has been observed to have numerous natural endowments bestowed on it which if properly harnessed should invariably reduce the labour associated problems in Nigeria. This is in a situation where personnel of all status can comfortably fix themselves in a particular sector to earn livelihood (Okoro, Amaechi and Onyima, 2010). Everybody concentrating on one sector, which may be requiring certain requisite skills, compounds the problems with regard to labour. For a nation to develop economically there must be the existence of both Natural and Human Resources. The existence of only one will not bring a nation to a desired platform of economic development. These resources are dependent and independent of each other. The natural resources are independent of the human resources, which must depend on the natural resources to survive.

At this point, I want to affirm that in labour and labour-related problems, possible solution and solutionary measures hinge on the issue of entrepreneurship development (Okoro, 2009). This is because a lot of people could not really fix themselves in the economy consequent upon the skills acquired or inherent. This led to unemployment issues, and where employed, there is much presence of industrial actions.

In attending to these barrage of labour-related problems, worker-cooperatives in particular claim a primary 'concern for people' in their role as workers and also (though not

necessarily) cooperative members as individuals and citizens being part and parcel of the community. Here, attention is given to doing business in a coherent way that furthers both social and collective goals (ICA, 2005; European commission, 2011a & European Parliament, 2012).

Monaco & Pastorelli (2014) posit that cooperative associations have often engaged with trade unions in the pursuit of mutual goals relating to employment, innovation, education, social inclusion, equality and environmental sustainability. This is particularly so in the areas of industrial relations and social dialogue. Quality employment, good working conditions and high economic performance are in the interest of trade unions and cooperatives alike.

Labour cannot be talked of without people. Human beings are the undertakers of the activities in labour market. Labour market being any arrangement which brings job seekers and employers and organizations that need services of job seekers in contact for the main purpose of exchanging human effort for a price (Uwazie, 2006). This readily brings to mind the issue of human resource development, which invariably is entrepreneurship development.

On entrepreneurship development, potentials of one's immediate environment should be exploited through a synergistic effect. One of such synergistic effect is cooperation (Okoro, 2009); Onuegbu & Obiah, 2011).

Cooperatives, among the numerous kinds of business undertakings, deal with the coming together of people in a group, to seek their common well-being (Uchendu, 1998). In the presence of numerous labour problems of unemployment, industrial actions, low wage payment and avoidance of unskilled labour; cooperatives have the capacity to address these challenges if their operational variables are properly put in place.

The researchers would therefore focus on finding research answers to how cooperatives can arrest unemployment and its social outcomes; and how unemployment and its social outcomes can be determined.

The Concept of Cooperation

Cooperative business by a way of definition has to do with the coming together of people who wish to share a common interest and towards achieving such an interest. Otite and Ogionwu (1994), described it as groups made up of individuals whose inter-related tasks and specialties enable the total aggregate to achieve set goals; perform complementary and

reciprocal functions, and satisfy complementary needs. That is to confirm that cooperative is the business that emphasizes cooperation towards a common goal (Uchendu, 1998).

There is no doubt that in human endeavours, cooperation is sought in all sectors. From the upstream sector of an economy to the downstream sector, there is a concerted yearning for cooperation. Oftentimes in Sub-Saharan Africa, government has requested for Public Private Partnership (PPP) in optimum realization of its goals and corporate social responsibility. But in private business ownership concerns, there is the common knowledge of the businesses of sole proprietorship, partnership, joint ventures, the incorporated businesses like the Public Liability Companies (PLC's), the corporations, syndicates, mergers, cartels acquisitions and so on. The business of cooperatives is not left out among these forms of business enterprises. It is an age-long form of business emanating from communalism and the concept of togetherness. But as a formalized modern business form, it was the brainchild of industrial revolution in Britain in the 18th century.

As a call to economic salvation of the masses cooperatives sprang up in opposition to the evils of capitalism. Here, the idea of people working together is the basis of the cooperative model (Zeuli, 2004). This was intended to bring people together with the aim of addressing common issues for the betterment of the members. According to UN (2009) report, cooperatives are intended to be organizations or enterprises which are highly democratic and self governing and which rely on self-help and their own responsibility to meet goals that include not only economic but also social and environmental ones; in addition, they encourage social integration.

Labour Issues and Problems in Sub-Saharan Africa

Labour problems are only present with the presence of people. According to Geet& Mahajan (2008) they represent hurdles in the efficient utilization of manpower resources. When one person manages all the activities relating to production, labour problems would not arise. But when labour is supplied and utilized by another (be it man or organization) many problems arise and develop gradually in dimensions (Geet& Mahajan, 2008).

Labour problems stem from the separation of ownership and control of an organization. As such the emergence of labour problems is a post-industrial revolution phenomenon.

Historically, after the 1917 Bolshevic Revolution in Russia, it was thought that ownership of factories and farms vested with the workers would eliminate labour problems (Encyclopedia Britannica, 2014). However, later history proved that so long as labour is separated from other factors, and workers have personal control over their own labour, labour problems are bound to come up. It became clear that labour problems persist irrespective of the economic system.

The problems here can be on the basis of:

- Labour explosion (Unemployment) because of industrial revolution outcomes.
- Employer-employee relationships.
- Conditions of employment and handling mechanisms.
- Income or low wage payment.
- Job security.
- Industrial actions.
- Labour skills disparity.

Labour problems are however, time-specific and location-specific (Geet & Mahajan, 2008). They differ from country to country and keep changing according to changing times. For Africa, the major labour problems are as Okoro (2009) observed:

Unemployment

Just like the era of industrial revolution when workers were displaced from their work positions on the account of the factory system. Most labourers had no other place to be absorbed which led to increase in hunger, suffering, poor health conditions and even social vices. This is one of the problems bedevilling the world of work and affecting the labour situations of our economy. The developing nations have very high disparity between unemployed graduates and available jobs. Unemployment is one of the major social problems affecting the growth and development of Nigeria. According to the Central Bank of Nigeria report in 2003, the national unemployment rate, rose from 4.3 percent in 1970 to 6.4 percent in 1980. The high rate of unemployment observed in 1980 was attributed largely to depression in the Nigerian economy during the late 1970s. Specifically, the economic downturn led to the implementation of stabilization measures which included restriction on exports, which caused import dependency of most Nigerian manufacturing enterprises, which in turn, resulted in the operation of many companies below their installed capacity.

This development led to the shutdown of many industries, while, the survived few were forced to retrench a large proportion of their workforce. Furthermore, the Nigerian government also placed an embargo on employment. Specifically, total disengagement from the Federal Civil Service rose from 2,724 in 1980 to 6,294 in 1984. Owing to this, the national unemployment rate fluctuated around 6.0% until 1987, when it rose to 7.1%. it is important to state here that the Structural Adjustment Programme (SAP) adopted in 1986, had serious implications on unemployment in Nigeria as unemployment rate declined from 7.1% to as low as 1.8% in 1995, after which it rose to 3.4% in 1996, and hovered between 3.4 and 4.7% in 2000.

According to a 1974 survey report by Onajite (2013), graduate unemployment account for less than 1% of the unemployed, in 1974, by 1984, the proportion rose to 4% for urban areas and 2.2% in the rural areas. Graduate unemployment accounted about 32% of the unemployed labour force between 1992 and 1997. It is imperative to note here that in 2003, Nigeria's unemployment rate declined substantially to 2.3%

This decline was attributed to the various government effort aimed at addressing the problems through unemployment alleviation programmes. Recently, the Federal Government accepted the World Bank's figure of 40million, 28.57% unemployed people in Nigeria. Though, there were no details of how the bank arrived at the figure. The admission by the ex minister of labour, Prince Adetokunbo Kayode, gave credence to the report. It is indeed worrisome for a country with a population figure of 140 million (as indicated in the 2006 census report) to have 40 million unemployed.

Nigeria, since the attainment of political independence in 1960 has undergone various fundamental structural changes. These domestic structural shifts have however not resulted in any significant and sustainable economic growth and development. However, these economic and financial structural reforms put in place have not yielded significant results, rather, give rise to unemployment rate and increase in societal vices such as armed robbery, terrorism, prostitution, kidnapping, etc.

Industrial Actions

Following the above explained unemployment issues and their solutionary measures; it readily comes to mind that with an employer-employee relationship, industrial actions have

become inevitable. Most industrial actions like Strike, Picketing, and others arise because of disagreement between the employer and the employees. This has manhandled the Industrial Process with the resultant effect of employees' sack, lockout and no pay. Hence management is being pressed by union members to give in to their demands and management continues to turn down their demands. This unequivocally is a potential problem situation that arouses grievances on both parties, hence industrial actions.

Low Wage Payment

Because of the unemployment rate in developing nations and Nigeria in particular, the available employment opportunities are being pursued by non-near-commensurable applicants who are qualified, able-bodied, ready and willing to work. Employers of labour use this opportunity to maltreat the employable unemployed by offering a very low wage to job seekers. Job seekers are forced into acceptance since there is no assurance of an alternative job. Consequent upon the scarcity of job, zealous job seekers are left with no other option than to accept the available one in good fate. This is primarily caused by absence of job opportunities to absorb the teeming population. Since economic activities must continue, the available opportunities are over sought after to the extent that organizations began to use it as a tool for underemployment. Here, able bodied qualified persons are baited with low wage payment offer.

Avoidance of Unskilled Labour

Consequent upon technological progress, there is replacement of the human labour sector with that of machines. Progress is good, but if every year we produce the same amount of goods with fewer people, in a few years, less working hours is needed to do all the production with few employees. Many Nigerians are now encouraged to go for Certificate-Oriented education to obtain the skills and knowledge of working with such sophisticated machines and this consequently results into a collapse in the demand for unskilled labour. As a result, those who did not have the opportunity for Western education are not engaged in any of the modern day industries.

Cooperative Determinants of Unemployment and Work Conditions

However, it is a belief that when a problem is identified, solution is in view. “Cooperative,” having considered “unemployment,” a social menace, strategizes the ways of alleviating it, such as could be seen in creation of employment opportunities through entrepreneurship education and lots more listed below.

Cooperative Entrepreneurial Ventures

Here, Onajite (2013) observed that cooperatives are veritable instruments for addressing unemployment. The formation of cooperatives in the modern day society is now recognized by Law and the members of the group are empowered to form Unions that will help establish any Business venture that they can afford economically and elicit the gains for their well-being. It is estimated that 50 percent of global agricultural output is marketed through cooperatives. In Indonesia, there are approximately 192,443 cooperatives up to May, 2012 with total of 33.68 million members or 14.14 percent of the total population. Most of these cooperatives (around 70 percent) are located in rural areas. The cooperative movement in Indonesia is considered as one of the largest civil society organizations as well as so enterprising with great potential in rural development and employment creation. The potential of cooperatives in contributing to overall economic, social and societal development was well described in the report to the 49th session of the International Labour Conference (the role of cooperatives in the economic and social development of developing countries) where the process towards the adoption of recommendation no 127 of 1966 was set in motion. Since that time they have continued to fulfil an important role in creating (self) employment opportunities, improving working and living conditions for millions and making essential infrastructure and services available in areas in which neither state nor investor driven enterprises would venture. Another impressive macroeconomic fact lies in the contribution cooperatives make in the maintenance of self-employment as well as the direct employment they are able to create worldwide (Michael & Okoro, 2010; Onajite, 2013). In transition countries, productive and workers’ cooperatives have traditionally been the largest employers in the economy. In a number of African countries, cooperatives have become the second largest employer surpassed only by the government. In this region, the majority of salaried jobs have been created by activities in the agricultural sector – agricultural marketing, production, processing, etc. In South Africa alone agricultural cooperatives employed about 100,000 people in 1996; in Morocco the corresponding figure was 42,000. In India, cooperatives have created over 13.8million jobs.

The researcher is of the opinion that when a good percentage of the population is self-employed in Nigeria, it will go a long way in addressing these issues of industrial actions. This can be achieved through entrepreneurship development which readily brings cooperatives to mind. Cooperative societies need not strike against any management. The business of a cooperative society is owned by all the members and the highest decision-making power lies in the general meeting, fielding all the members with equal participation. It is an accepted strategy for people to come together and form cooperatives with their Bye-Law providing the operational guidelines of the organization.

Addressing Low Wage Payment

Cooperators have experimented methods of relating wage scales to the condition of the business thus giving the workers greater feeling of participation. One experiment, historically long drawn out has been that of the bonus on wages, corresponding to the cooperative patronage refund.

Cooperative leaders have a sense of responsibility for their part in increasing of stability in general employment, which in turn contributes to steadiness of purchasing power among their own members. One of the objects of a proposed national cooperative society in Scotland, uniting the many autonomous local Scottish societies, is to promote stability of employment, (Baker *etal*, 1937).

It appears that the relationship between cooperatives as employers and their workers is not automatically regulated by the fact that the members of the cooperatives are generally of the working class. Their differences of economic interest are for the most part adjusted by the ordinary methods of collective bargaining, conciliation, compromise and arbitration. Cooperatives are "good employers", and set standards of wages, hours and other conditions higher than those generally existing in private business of the same kind, without, however, being able to raise such standards in general to any determinable degree.

Cooperation is better than the wage system (Ken, 2000). In quoting Gladden Social Gospel Legacy Ken (2000) opined that transition from the wages system to a full cooperative system would have to go through an intermediate stage since as Gladden claimed: "you cannot have co-operation till you can find men who can co-operate." One way to achieve this goal was to introduce a system of "industrial partnerships" whereby workers would be given a share in

the business. In addition to wages, workers would get a percentage of the profits of the company at the close of every year. Manufacturers would find this arrangement advantageous because it would produce more reliable workers, improved work, and the end to workplace strife. Wages that fluctuate with profits will guarantee peace.

He argued that cooperation is better than the wage system. Unions could effect positive change by turning back the abuses that prevailed under the wage system. But true social reform and solidarity would forever remain unattainable without looking beyond them. A system of cooperation would guarantee basic respect and dignity for the workers. Cooperation meant moving beyond the "heartless and extortionate" employers and "greedy and headstrong" employees. Management and owners must not plunder the wealth of the workers. Workers must not presume that their labour is the sole cause of the wealth of the enterprise. Both are to work together as "brothers" and partners in business. To continue with strikes, lockouts, blacklisting, and boycotting is like fighting against "the stars in their courses, against the Ruler of the universe" (Ken, 2000) quoting Gladden Social Gospel Legacy.

Avoiding Capital Intensive System of Production

In the same vein Okoro (2009) opined that viable cooperative societies formed with government backing and recognition will avail the unskilled but willing labourers a place to fit in. One of such programmes that encourage this strategy of economic salvation is by upholding the policies of the defunct Farm Settlement Scheme, which will revamp our Agricultural Sector, which has been neglected upon the discovery of crude oil. The establishment of cooperatives here will also engender the establishment of Cottage industries to enable household workers uphold attractive domestic methods of production. Here we find an exploitation of such skills like: Weaving, Pottery, Crafting etcetera.

By this strategy a good number of the unskilled labour in our society will proudly be employed by this cooperative approach of economic activities.

Establishing Functional Primary Cooperatives

Any agency which diminishes conflict between capital and labour conduces to local peace, assuages discontent, removes an incentive to enlistment for war, and helps to stabilize the society. In Europe the primary cooperative movement is largely promoted by the industrial working class. Their sympathy for cooperation is expressed both theoretically and practically.

According to Onajite (2013) workers employed in cooperative primary societies are in a peculiar relationship with their employer. The society for which they work is a federation for individuals. Each employee is a member of the society for which he works. He himself is one of his own employers. As an employer he has one vote in the affairs of the society. No one has more. As a worker, he knows that he has much voice in determining his wages and conditions of service as anyone else. This is a relationship that is different from the profit oriented business where autocracy prevails and the worker has no voice except such as he secures through his trade-union organization or stock ownership. Mechanism for arbitrating differences between employer and employee in the cooperative movement is more effective than in profit oriented businesses.

Addressing Working Hours

A British Parliamentary Committee on Shop Assistants, in an extensive survey in 1931, found that actual hours worked by cooperative employees were appreciably lower than for other employees. The 48-hour work week, which the committee recommended in its reports, has been general in cooperative stores since about 1916 but has not yet been widely adopted in private trade. In Scotland, the cooperatives have a regular work week of 47 hours in the distributive trades, (Scottish Cooperative Wholesale Society). The cooperatives and one private chain of stores are the exceptions to longer hours, which in the distributive trades are generally 68 hours a week, with some competitors requiring 84 hours a week from their employees.

In Glasgow, no cooperative workers have a normal work week in excess of 49 hours, and 93 percent work for 48 hours or less. In the private grocery trade in Glasgow, the Parliamentary Committee reported 15 percent of the workers have a week of 48 hours or less, 36 percent a week of 43 to 53 hours, and 49 percent a week of 53 to 60 hours. Long hours are also characteristic of private butcher shops. In Newcastle, England, the hours of work in cooperative stores have been shortened to 44 a week by an agreement made between the unions and the cooperatives' Northern sectional Council of Wages and Hours Boards.

Distributive employment includes boys and girls as young as 14. For them shorter hours mean better health and education as well as recreation. Early in this century, British cooperative managers began to realize their responsibility for the long hours to which

cooperative employment, along with that of the whole retail trade, was subjecting shop assistants and clerks and delivery boys and girls; and the situation was gradually improved. In 1936 a representative of the Teachers' Union, speaking before the British Cooperative Congress, gave the cooperative movement credit for the reasonable hours which enabled its young employees to continue their education in evening classes.

Establishing Producer cooperatives

Since producer cooperatives are formed by farmers, craftspeople and other producers to purchase supplies or services and to market products; there will be no much need for skilled labour. On the job training can comfortably apply for personnel of unskilled category. Michael & Okoro (2012) observed that this will enable the cooperatives overcome the avoidance of unskilled labour and engage that portion of the society. Here the workload and specifications are more labour intensive. Those engaged under this condition can be remunerated to their full capacity guaranteeing means of livelihood, hence; employment of unskilled labour.

Research Methods

A descriptive survey design was adopted in this study. The Researchers chose to interview non-institution based cooperatives in Owerri West and Ohaji Egbema LGAs of Imo state. A simple random sample of 45 cooperative members were selected from each of the LGAs

Owerri west

1. Udoche Umuoma Nekede FMCS Ltd.
2. Integrated Farmers Cooperative Society Ltd.
3. Udokamma Umualum Nekede FMCS Ltd

Ohaji Egbema

1. Ugwumba FMCS Ltd
2. Oriona Umuobi Assa FMCS Ltd
3. Udoka Mgbishi FMCS Ltd

Method of Data Collection and Analytical Tool

A five point Likert scale questionnaire instrument was formulated to enable the researcher elicit undiluted information. A decision point of 3.00 was determined by the average of: Strongly Agree (SA), Agree (A), Undecided (U), Disagree (D), Strongly Disagree (SD) - $5+4+3+2+1 / 5 = 3.00$. Therefore, any item with mean score from 3.00 and above was considered positive while those with less than 3.00 were deemed negative. The various

responses collected from the respondents were scored and added; the mean; mean set; standard deviation and rank order were used to answer the research questions.

The hypothesis was tested with a multiple regression statistical tool, measuring the relationship existing between a dependent variable (Y) and a group of independent variables (X1, X2, X3,)

The Hypothesis (“Unemployment and its social outcomes cannot be determined by the activities institution based cooperatives”), the model is mathematically expressed as:

$$Y = b_0 + b_1X_1 + b_2X_2 + b_3X_3 + b_4X_4 + b_5X_5 + b_6X_6 + b_7X_7 + b_8X_8 + e$$

Where:

Y = Unemployment and its social outcomes for non-institution based cooperatives

X1 = Cooperative entrepreneurial pursuits

X2 = Creation of producer cooperatives

X3 = Functional primary cooperatives

X4 = Capital intensive system of production

X5 = Absence of industrial actions

X6 = Better remuneration than government

X7 = Job vacancies for the public

X8 = Reduces dependence on government jobs.

e = Random error term

Analysis of Research Question/Test of Hypothesis

Table 1: How can non-institution based cooperatives arrest unemployment and its social outcomes.

Questionnaire Statements	OWERRI	OHAJI	Mean Set	Rank	Remarks

	WEST		EGBEMA		k		
	X1	SD1	X2	SD2	X1X 2		
Producer Cooperatives have the capacity to absorb even unskilled labour.	3.06	1.46	3.12	1.75	3.09	5 th	Accept
Cooperative activities encourage entrepreneurial pursuits of self employment	3.45	1.37	3.70	1.36	3.58	2 nd	Accept
Cooperative businesses have no room for industrial actions since the workers are the owners	3.47	1.36	3.39	1.32	3.43	3 rd	Accept
Cooperative businesses propagate fair and considerable hours of work	3.36	1.46	3.37	1.33	3.37	4 th	Accept
Cooperative businesses pay their workers better than government	2.70	1.47	2.67	1.30	2.69	6 th	Reject
Cooperative businesses give bonuses and promote the welfare of the workers	3.64	1.57	3.67	1.26	3.66	1 st	Accept
Cooperative businesses create jobs that absorb the public	2.47	1.37	2.55	1.33	2.51	7 th	Reject

Source: Field Survey, August 2015.

Interpretation of Results

On table 1, the responses on research question of non-institution based cooperatives and how they can arrest labour problems were presented. The table reveals that five out of the seven questionnaire statements were positive and two negative. The values of 3.66, 3.58, 3.43, 3.37 and 3.09 were ranked 1st to 5th on a positive response, while; 2.69 and 2.51 were ranked 6th and 7th on a negative response. The implication is that non-institution based cooperatives give bonuses to their member-workers consolidating the cooperative practice of patronage refund. Here, workers do not have rifts with management. Secondly, cooperative societies encourage entrepreneurial activities that reflect self employment, reducing the high rate of unemployment in the economy. Thirdly, since the workers are also the owners of the business

there is no room for industrial actions in the society. Fourthly, cooperatives do not overload themselves with long hours of work. This makes their participation desirable. Fifthly, functional and viable producer cooperatives have the capacity to absorb unskilled labour. This is because of the principle of member economic participation engaging every member according to their skills. When all these are in place in the economy, the possibility of industrial actions and other labour problems is minimized if not completely removed. Conversely, items ranked 6th and 7th imply that cooperative jobs are not meant to absorb the public job seekers. They are meant for members. Also, cooperative businesses do not pay their workers better than the government. Onwuchekwa (2000) opined that while this may be true, the government jobs are encumbered with longer hours of work and lacks welfare promotion of the workers. Government use workers as machines to maximize their gains.

Table 2 (the Hypothesis): Unemployment and its social outcomes cannot be sufficiently determined by the activities of non- institution based cooperatives

Variables	coefficients	std. error	t. stat	Sig (Prob)
X1	.019	.008	2.429	.003
X2	.109	.028	3.854	.000
X3	.093	.030	3.120	.003
X4	.121	.037	3.286	.002
X5	.166	.045	3.703	.000
X6	.073	.039	1.864	.066
X7	-.036	.044	-.810	.420
X8	.056	.029	1.899	.061
R	.972			
R ²	.945			
Adj. R ²	.940			
F. ratio	174.744			Sig @ 0.000

Dependent: Y. Source: Computed from field survey, 2015.

Interpretation of Results

On table 2, the test reveals the correlation coefficient (R) of 0.972 signifying a strong positive relation between the dependent and the independent variables. This means that a 97.2% strength of relationship exists between them.

The overall regression fit for hypothesis 2 measured by the R² statistic of 0.945 is strong. This implies that 94.5% variations in the dependent variable is being taken care of by the variations in the independent variable and the remaining 5.5% is explained by extraneous predictors.

The overall significance as reflected by the F-statistic is 0.000. The implication is that the value is low enough to reject the null hypothesis. This is as shown by the p-value.

The variables X1, X2, X3, X4 and X5 are statistically significant as indicated by their low probability values of 0.003, 0.000, 0.003, 0.002 and 0.000 respectively. While the probability values of X6, X7 and X8 are statistically insignificant. Variable X7 though insignificant exhibited a negative coefficient of -0.036. This means that for every one unit increase in the value of X7, there will be a corresponding -0.036 decrease in the value of Y.

Also, for non-institution based cooperatives, the implication is that cooperatives have the capacity to: create self-employment for members, absorb unskilled labour, curtail social vices, reduce economic crises of the members and ultimately eliminate industrial actions; while increased pay to workers better than government, employment of a large portion of the public and reduction of dependence on government jobs cannot be guaranteed by cooperative businesses.

Conclusion and Recommendations

Largely found in most developing nations are many numerous labour problems. Such as unemployment, industrial actions, low wage payment, collapse in the demand of unskilled labour etcetera. Nigeria is found with the presence of these labour problems on an astronomic growth daily. This does not suggest that solutions cannot be reached. Amongst the numerous solutionary measures is the cooperative system of labour demand and supply. Here, cooperatives have little or no concentration on the government industrial procedure to seek for economic salvation of her member-patrons. Cooperatives are entrepreneurial organizations, and entrepreneurship emphasizes self-employment, creation and servicing of cottage and small-scale industries. High premium is placed on Cooperative Thrift and Loan Society (CTLS) in arresting industrial actions and labour problems. Industrial actions cannot just be arrested by welfare-oriented workers cooperatives. Union cooperatives that focus on conditions of service do not achieve much in arresting labour problems. The cooperative practice of patronage refund elicits commitment from cooperative member-workers. Non-institution based cooperative societies encourage entrepreneurial self employment and reduce the high rate of unemployment in the economy. Cooperatives do not overload themselves with long hours of work.

Cooperative activities could be summarized in entrepreneurship development. With the presence of cooperatives, unemployment is sufficiently abated, industrial actions disappear reasonably, unskilled labourers engaged and low wage payment for human resources resolved.

From the foregoing, we recommend:

- The encouragement of Entrepreneurial cooperatives by the government and private sectors which heavily removes the incidences of industrial disharmony.

- The encouragement of producer cooperatives by the cooperative sector to absorb unskilled labour of our populace. This has the capacity curtail high incidences of social vices and reduce overdependence on capital intensive system of production.

We recommend the encouragement of the cooperative system of economic activity and industrial relations in all sectors of a developing nation like Nigeria, as the saying goes; ‘there is strength in unity’.

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