

# Analysing the Impact of Minimum Wage Laws on Low Income Workers in Selected Government Ministries, Agencies, Departments and Parastatals in Benue State.

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**Abstract:** *This study analyzed the Impact of Minimum Wage Laws on Low Income Workers in Selected Government Ministries, Agencies, Departments and Parastatals in Benue State. It specifically examined the impact of National Minimum Wage Act on Minority Workers as well as the impact of Labour Act on Rural Workers in selected government MDAs in Benue State. The target population is 2,803 and sample size of 338 was derived from Krejcie and Morgan method. The hypotheses were tested with simple linear regression analysis on Statistical Packages for Social Science (SPSS) at 5 percentage significant level. Hypothesis one revealed a statistically significant negative impact of national minimum wage act on minority workers in selected government MDAs in Benue State. Hypothesis two showed that there is a strong negative impact of Labour Act on Rural Workers in selected government MDAs in Benue State. The study concluded that there is a statistically significant negative impact of impact of minimum wage laws on low-income workers in selected government ministries, agencies, departments and parastatals in Benue State. It was recommended that policymakers need to review and adjust the national minimum wage act to ensure fair compensation for minority workers in government MDAs by conducting wage audits and aligning wages with the local cost of living. Also, government need to revise the labour to address the unique challenges of rural workers in government MDAs by implementing region-specific policies and stronger enforcement mechanisms.*

**Keywords:** Minimum Wage Laws, National Minimum Wage Act, Labour Act, Minority Workers, and Rural Workers.

## Introduction

Laws stipulating the minimum wage have always been crucial in ensuring economic fairness and protecting the welfare of vulnerable workers. The idea of a minimum wage can be traced back to the early 1900s, with nations such as New Zealand and Australia leading the way in passing laws to shield workers from exploitation. Since then, various regions around the world have implemented minimum wage laws with the aim of establishing a minimum level for wages. These laws serve multiple objectives: alleviating poverty and income disparity, advocating for equitable payment for work, and fostering economic development (Akintayo, Oyaromade, Ayantunji & Ajibola, 2020). In Nigeria, the National Minimum Wage Act (2019) marks a significant achievement in the country's labor market, setting the standard for minimum compensation and underscoring the federal government dedication to safeguarding workers' rights (Mustapha, 2021). As stated in Chinelo, Ndidiamaka and Ejike (2023) In recent time Nigeria tertiary institutions have experiences continuous closures due to industrial actions by the Academic Staff Union of Universities (ASUU) and its non-academic staff. Industrial action or strike is workers' refusal to work as protest for insufficient service or terrible work condition. This involves a continuous refusal to work by a group of workers, repeatedly in an effort to negotiate better working environments, higher wages, or other labour-related demand as stated in (Nwagbala, Okafor & Ani).

Workers with low incomes, especially those working in government ministries, agencies, departments, and parastatals, make up a significant and vulnerable part of the labor force. These individuals often have difficulty meeting their basic needs, such as providing for their families and accessing essential services like healthcare, education, and housing (Obayelu & Osho, 2020). Low-income workers are at a higher risk of poverty, exploitation, and social exclusion, leading to ongoing cycles of hardship that can affect multiple generations (Jaiyeola & Bayat, 2020). The International Labor Organization (ILO) has estimated that around 40% of the global workforce lives in poverty, underscoring the pressing need for effective policies to address wage disparities and promote fair employment (Alege, Oye, Ogundipe & Adu, 2021). In Nigeria, low-income workers encounter specific challenges, including inadequate infrastructure, limited access to social services, and a fragile economy. The plight of these workers underscores the necessity for evidence-based policy solutions that address the intricacies of wage inequality and promote economic justice (Ikeije & Islam, 2020).

In Nigeria's North-Central region, Benue State is home to a wide range of government entities, including ministries, agencies, departments, and parastatals, all of which play a crucial role in delivering important public services and advancing the state's economic and social progress (Emmanuel & Ekoja, 2020). The workforce of the Benue State Government is sizable, with employees working across various fields such as education, healthcare, infrastructure development, and agriculture. Despite their valuable

contributions, employees in these organizations often face significant obstacles that hinder their well-being and effectiveness (Ogwuche, 2020).

The low-income workers in government establishments in Benue State face a range of significant and urgent challenges. Problems such as late salary payments, insufficient perks, and limited job stability worsen poverty and income disparity. Additionally, the current minimum wage laws are inadequate in addressing the specific needs of these workers, resulting in a crucial policy gap. This research aims to examine the influence of minimum wage laws on low-income workers in chosen government ministries, agencies, departments, and parastatals in Benue State. By delving into the complexities of wage policy and its impact on workers' lives, this study intends to contribute to policymaking based on evidence and advocate for more effective measures to reduce poverty and promote economic fairness.

### **Statement of the Problem**

Employees with low incomes working in government ministries, agencies, departments, and parastatals in Benue State are facing a range of interconnected challenges that are making them even more vulnerable. As a result, there is a need for this study. These challenges include receiving their salaries late, not getting enough benefits, and having little job security, all of which contribute to the ongoing poverty and income inequality. Additionally, they have to deal with poor working conditions, a lack of opportunities for training and development, and limited prospects for advancing their careers. On top of that, these workers are finding it difficult to access basic social services like healthcare, education, and housing due to their low earnings. Despite the existence of the National Minimum Wage Act (2019), it is uncertain how effective this policy has been in improving the lives of low-income workers, leading to a significant gap in policy and social outcomes.

There is a lack of actual proof regarding the effects of minimum wage regulations on low-income workers in government institutions in Benue State, particularly in terms of their financial well-being, job contentment, and social outcomes. This research aims to bridge this knowledge gap by examining how minimum wage laws impact poverty, income inequality, and social marginalization among these workers, offering valuable insights to guide policy-making and interventions designed for the specific needs of low-income workers in the government sector of Benue State.

### **Objectives of the Study**

The broad objective of this study is to analyze the Impact of Minimum Wage Laws on Low Income Workers in Selected Government Ministries, Agencies, Departments and Parastatals in Benue State. Specifically, the study seeks to:

1. Examine the impact of National Minimum Wage Act on Minority Workers in selected government MDAs in Benue State.
2. Ascertain the impact of Labour Act on Rural Workers in selected government MDAs in Benue State.

### **Research Questions**

1. What is the impact of National Minimum Wage Act on Minority Workers in selected government MDAs in Benue State?
2. What is the impact of Labour Act on Rural Workers in selected government MDAs in Benue State?

### **Research Hypotheses**

H<sub>01</sub>: There is no significant impact of National Minimum Wage Act on Minority Workers in selected government MDAs in Benue State.

H<sub>02</sub>: There is no significant impact of Labour Act on Rural Workers in selected government MDAs in Benue State.

### **Significance of the Study**

#### **Government Low Income Workers**

This research assists low-income government workers by drawing attention to problems and advocating for improved working conditions, job security, and benefits. Raising the minimum wage could come from educating employees about their rights and benefits.

#### **Government**

Policy decisions regarding minimum wage adjustments are informed by the study, which also assesses current legislation and pinpoints areas where public sector wage management should be strengthened. This leads to decreased poverty and income disparity, improved economic planning, and data-driven decision-making.

### **Academics**

The study contributes to labor economics literature, providing insights into Nigeria's context. It fosters research collaborations, informs teaching, and advances theoretical understanding of minimum wage laws.

### **Conceptual Review**

#### **Minimum Wage Laws**

Minimum wage laws are legal regulations set by governments that establish the lowest hourly, daily, or monthly wage that employers are required to pay their employees. These laws aim to protect workers from exploitation and ensure a basic standard of living. It refers to statutory requirements mandating that employers pay their employees a wage not lower than a prescribed minimum level, intended to reduce poverty and inequality within the workforce (Bamidele, 2023). These are policies enacted by authorities to set a baseline wage that employers must pay their workers, providing a safeguard against unfairly low pay and promoting fair labour standards. It involves the legal minimum remuneration established by legislation that employers must provide to their workers, designed to support economic stability and protect the purchasing power of low-income earners (Umeifekwem, 2022). Minimum wage laws are rules enforced by the government that dictate the minimum compensation employers are legally obligated to offer employees, aiming to improve working conditions and reduce the risk of income disparity (Okey, Adjor & Ketor, 2020).

The legislation establishes a legally mandated minimum level of compensation for workers to ensure a basic standard of living and protect against exploitation, making it an economic floor. It governs the lowest permissible wage rate for employed individuals, shaping labour market dynamics and employer-employee relationships as part of labour market regulation (Hamid, 2022). Minimum wage laws function as social protection policy, safeguarding the well-being of vulnerable workers, reducing poverty and income inequality, and promoting social justice and economic fairness. They correct market failures, address wage inequality, and promote economic growth by setting a minimum wage standard that balances employer interests with worker needs, fostering a more equitable and sustainable economy as a public policy intervention (Ametu, 2021).

#### **National Minimum Wage Act**

The National Minimum Wage Act is a set of laws that establishes the lowest wage that employers must legally pay their workers, ensuring that employees are fairly compensated and protected from exploitation. It sets the minimum pay rate required by law, promoting economic fairness and reducing income inequalities by mandating that employers adhere to these basic standards (Bailey, Di-Nardo & Stuart, 2021). The Act acts as a legal protection, with the goal of raising living standards, supporting the well-being of the workforce, and upholding fair labour practices. Its purpose is to oversee wages and ensure that employers adhere to a minimum wage in line with the law's objective of preventing unreasonably low pay and addressing poverty. It contributes to economic stability by providing workers with a guaranteed minimum income, increasing their purchasing power, and fostering overall economic welfare (Aidonojie, Nwazi & Eruteya, 2022).

#### **Labour Act**

The Labour Act serves as a comprehensive legal framework aimed at governing employment relationships, ensuring equitable treatment and defining rights and responsibilities for both employers and employees. It establishes minimum standards for working conditions, covering aspects such as wages, working hours, rest periods, and health and safety requirements, with the goal of safeguarding workers from exploitation and promoting equitable labour practices (Umenweke, 2024). The Act delineates the entitlements of employees, including safeguards against unjust dismissal, provisions for leave, and the freedom to join trade unions, while also outlining the responsibilities of employers in upholding workplace standards and adhering to labor laws. The Labour Act plays a role in resolving disputes between employers and employees by providing a legal foundation for mediation, arbitration, and legal recourse when necessary (Maduka, 2024).

#### **Low Income Workers**

Low-income workers are individuals who earn wages that fall below a certain threshold, often struggling to meet basic living expenses such as housing, food, and healthcare. These workers typically occupy jobs in industries like retail, hospitality, and manual labour, where wages are generally lower, and opportunities for advancement may be limited (Odoyi & Riekkinen, 2022). Low-income workers often face economic challenges, including income insecurity and limited access to benefits such as health insurance, retirement plans, and paid leave, which can impact their overall quality of life. They may also encounter barriers to education and skill development, restricting their ability to pursue higher-paying job opportunities (Lubeck, 2023). Low-income workers play a crucial role in the economy, providing essential services; however, they are frequently vulnerable to economic downturns, job instability, and workplace exploitation. As such, many policies and initiatives aim to support low-income workers by improving wages, ensuring fair labour practices, and providing social safety nets that enhance their economic stability and well-being (Odozi & Adeyonu, 2021).

### **Minority Workers**

Minority workers are individuals who belong to racial, ethnic, or other underrepresented groups within the workforce. They often face disparities in employment opportunities, wages, and working conditions compared to their counterparts from majority groups (Umeh, Cornelius & Wallace, 2024). Minority workers may encounter barriers such as discrimination, limited access to education or training, and biases that impact hiring, promotions, and salary increases, making it difficult for them to achieve equal representation and advancement in various industries. These workers are sometimes concentrated in lower-paying or less secure jobs, leading to economic challenges and reduced access to benefits like healthcare, retirement plans, and paid leave (Opone & Kelikwuma, 2021). Minority workers are crucial contributors to the economy, bringing diverse skills and perspectives; however, they often experience economic vulnerability and inequality. To address these issues, policies and initiatives focus on improving opportunities, promoting diversity and inclusion, and ensuring fair labour practices to support minority workers in achieving economic stability and career growth (Mustapha, 2021).

### **Rural Workers**

Rural workers are individuals employed in agricultural, manufacturing, and other sectors in rural or remote areas. They often face distinct challenges compared to their urban counterparts, such as limited access to job opportunities, education, and training, which can hinder their career advancement and earning potential (Ekoh, George & Ezulike, 2023). Many rural workers are employed in industries like farming, forestry, and small-scale manufacturing, where wages are typically lower, and working conditions may be more physically demanding. They may also have limited access to benefits such as healthcare, retirement plans, and social services due to the geographical and economic constraints of rural areas (Olateju, Olufunlayo, MacArthur, Leung & Taylor, 2022). Rural workers often experience seasonal or informal employment, making them more vulnerable to income instability and economic hardship. Despite these challenges, they play a critical role in sustaining agricultural production, food supply chains, and other essential sectors that support both local and national economies. Efforts to improve the livelihoods of rural workers include policies and initiatives aimed at enhancing job opportunities, providing education and skills development, and improving access to social and economic resources that promote stability and growth (Emmanuel & Ekoja, 2020).

### **Theoretical Framework**

This study is anchored on Organisational Justice Theory proposed by Jerald Greenberg in 1987 and updated in 2015 by Russell Cropanzano, along with Deborah Rupp and other colleagues. This theory explores how employees perceive fairness within their workplace. The theory is divided into three key dimensions: distributive justice, which focuses on the fairness of outcome distributions (example, pay, rewards); procedural justice, which examines the fairness of processes used to determine outcomes; and interactional justice, which involves the quality of interpersonal treatment and communication during decision-making. Over the years, scholars like Russell Cropanzano have expanded the theory to include moral, emotional, and social aspects, highlighting that justice is not only a cognitive assessment but also an emotional experience that influences employee attitudes, well-being, and performance. The theory is widely used to understand employee behaviour and develop fair management practices (Khaola & Rambe, 2021). The relevance of this theory to the study lies in its ability to explain how low-income workers perceive fairness in wage distribution, wage-setting procedures, and the treatment they receive, which influences their attitudes, motivation, and overall job satisfaction in government ministries, agencies, departments, and parastatals.

### **Empirical Studies**

Bamidele (2023) explored minimum wage implementation and industrial harmony in Nigeria's fourth republic: comparative analysis of Kwara and Osun States Civil Service. To realize the central objectives, the research uses mixed methods (quantitative and

qualitative) and data were collected through primary and secondary sources while the total population of the Ministries, Departments, and Agencies (MDAs) in Kwara and Osun states was 90,601 and the sample size for the study was 400 by Taro Yamane formulae. The research work adopts Industrial Relations System Theory which provided a framework for understanding industrial labour relations. The findings of the study revealed that Nigerian workers have never in history gotten any increase in wage on a platter of gold. Rather, it has all been gotten through confrontations with the powers that be and the government of the day.

Umeifekwem (2022) investigated the implementation of the 2011 minimum wage act: a study of the strategies adopted by the Anambra and Imo State Civil Service. The survey research design was adopted for the study and data were obtained through primary and secondary sources. The population of the study consists of the civil servants of the two states. Generated data were collated and analyzed using descriptive statistical tools. Findings showed that there is a commonality of opinion of the respondents of the respective states that the strategy adopted by the state governments-the redesigned minimum wage package affected negatively the implementation of the 2011 minimum wage Act. Respondents from Anambra State Civil Service were of the view that inadequate financial resources were the major challenge of implementing the 2011 Minimum Wage Act, while respondents from Imo State Civil Service affirmed that the absence of compelling clauses that will create an obligation for the implementation of the minimum wage Act is the most crucial challenge.

Kabir, Maple, Islam and Usher (2022) explored the paradoxical impacts of the minimum wage implementation on ready-made garment (RMG) workers in Bangladesh. Qualitative in-depth interviews were conducted with fifteen currently employed RMG workers (female: 13, male: 2), which led to data saturation. The participants were purposively recruited from both export processing zone (EPZ) and non-EPZ factories located in Dhaka and Chattogram, the two largest cities of Bangladesh where the majority of RMG factories are situated. Transcribed interviews were analyzed thematically. The findings revealed that working hours, production targets, work pressure, and workplace abuse have an impact on workers' health and well-being.

Opone and Kelikwuma (2021) analyzed the politics of Nigeria's 2019 national minimum wage: towards a public policy. The study argued that the absence of functional standing machinery with a focus on labour economics, deciding the condition and time for a minimum wage review is seen as the main bane in government-labour frequent face-off in Nigeria, which has negatively impacted on harmonious industrial relations. Writing from the analytical point of view, the study found that industrial actions have become one action too many because of government's political approach to labour demands. Deciphered in the foregoing is that the current system of government-labour negotiation for new national minimum wage cannot guarantee workers' welfare in Nigeria.

Alege, Oye, Ogundipe and Adu (2021) examined macroeconomic effect of minimum wage increase in Nigeria: A DSGE Approach. This study examined the macroeconomic effects of the four episodes of the minimum wage increase in Nigeria by calibrating and log-linearising a New Keynesian Dynamic Stochastic General Equilibrium (DSGE) model that is extended to include labour heterogeneity. The study found that minimum wage increase does not improve household welfare and living standard neither does it have any positive growth effect. Furthermore, it strains government finances.

Okey, Adjor and Ketor (2020) assessed how does minimum wage affect employment? Evidence from selected African countries. The aim of this study is to examine the relationship between minimum wage and employment in selected African countries over the period 1990–2015 using fixed effects estimation and dynamic panel data for selected African countries. Beside the analysis of the effect of minimum wage, the paper also evaluated the determinants of employment in Africa. The results showed a negative relationship between minimum wage and employment confirming the neoclassic view that as the price of labour increases, employers will demand less labour. In addition, the previous employment rate has a positive effect on the current employment. Estimates also showed that the level of income and education positively affect employment rates. Furthermore, the results showed that low level of democracy negatively impacts the employment rates.

Ikeije and Islam (2020) assessed low wage job in the Nigerian labour market: Implications for policy formulation and implementation. The study adopted desk review method in examining the incidence of low-wage jobs in the Nigerian labour market. It relied on secondary data from relevant agencies and institutions that provide information on the state of jobs in labour market such as National Bureau of Statistics (NBS), African Development Bank (AfDB), International Labour Organization (ILO) and World Bank. The secondary data formed the basis for interpretation and analyses. The result from the empirical evidence showed that majority (80%) of jobs in the Nigerian labour market are low wage jobs. It also found that in terms of distribution by gender, there is higher percentage (not less than 48%) of women in vulnerable jobs whose wages are quite low in Nigeria.

### **Gap in Literature**

A substantial research gap is evident within the existing body of literature, characterised by significant disparities in methodology, variables, geographical scope, and temporal frameworks. Previous studies have shown considerable variation in the approaches used,



the specific variables analysed, the locations investigated, and the time periods considered. These inconsistencies have contributed to a fragmented understanding, leaving a critical knowledge deficit directly relevant to the focus of this investigation. Such gaps hinder the development of a cohesive understanding, as the findings from previous research may not be fully generalisable or comparable across different contexts. This study aims to address these deficiencies by employing a comprehensive and consistent approach, integrating a well-defined methodology that accounts for diverse variables, a broader geographical perspective, and a relevant temporal scope. By doing so, the research provides new insights and bridges the existing gaps, offering a more cohesive and comprehensive understanding of the issue. The study's unique approach not only fills the current knowledge void but also enhances the applicability and relevance of the findings within the broader academic and practical contexts.

## METHODOLOGY

This study employed descriptive survey research design to collect firsthand data from respondents through a structured questionnaire. The design enabled the collection of primary data, providing insights into the research variables. The study utilized simple random sampling technique to select participants, ensuring a representative sample from the population. The target population are 2,803 junior staff of 11 selected government establishments in Benue State and Krejcie and Morgan table was used to get a sample size of 338. The hypotheses were tested with simple linear regression analysis on Statistical Packages for Social Science (SPSS) at 5% ( $\alpha = 0.05$ ) significant level.

## RESULTS AND DISCUSSION

### Research Questions Analysis

#### Decision Rule:

Strongly Agreed (5 points), Agreed (4 points), Disagreed (3 points), Strongly Disagreed (2 points) and Undecided (1 point). The average of the responses:

$$\frac{5 + 4 + 3 + 2 + 1}{5} = 3.0$$

Scores that fall below 3.0 will be deemed as rejected, while scores of 3.0 and higher will be regarded as accepted.

Table 1: Research Question 1: What is the impact of National Minimum Wage Act on Minority Workers in selected government MDAs in Benue State?

S/N	Items	N	Mean	Remark
1	I receive equal pay as my colleagues in similar positions in other government establishments	338	2.43	Rejected
2	My position is not evaluated fairly, leading to discrepancies in my compensation.	338	1.57	Rejected
3	My compensation package includes all benefits stipulated for government staff in Nigeria.	338	1.44	Rejected
4	I am unaware of my rights regarding fair wages as a Nigerian government worker.	338	3.64	Accepted

5	My work hours and compensation do not align with the official guidelines for public workers in Nigeria.	338	2.06	Rejected
6	I am informed of updates affecting my wage entitlements	338	3.28	Accepted
7	I do not have protection against pay discrimination as a government worker.	338	3.11	Accepted

Source: Field Survey, 2024

Table 1 presents the findings related to the first research question, which is "What is the impact of National Minimum Wage Act on Minority Workers in selected government MDAs in Benue State?" From the analysis, items 4, 6 and 7 obtained a mean ratio above the 3.0 which is accepted and items 1, 2, 3 and 5 obtained a mean ratio below 3.0 which indicate rejected. A significant majority of respondents affirmed that there is no impact of National Minimum Wage Act on Minority Workers in selected government MDAs in Benue State.

Table 2: Research Question 2: What is the impact of Labour Act on Rural Workers in selected government MDAs in Benue State?

S/N	Items	N	Mean	Remark
1	I often struggle to meet my basic needs due to low income	338	4.01	Accepted
2	The wage structure positively impacts my ability to support my family.	338	1.86	Rejected
3	I often have to take on additional jobs to supplement my earnings.	338	3.42	Accepted
4	The implementation of minimum wage laws has improved my standard of living.	338	1.70	Rejected
5	The wage structure ensures that my salary is paid on time and in full.	338	2.22	Rejected
6	I do not find it challenging to cover transportation costs with my current wage.	338	2.12	Rejected
7	My salary has changed after the recent updates to wage policies.	338	1.29	Rejected

Source: Field Survey, 2024

Table 2 presents the findings related to the first research question, which is "What is the impact of Labour Act on Rural Workers in selected government MDAs in Benue State? From the analysis, items 1 and 3 obtained a mean ratio above the 3.0 which is accepted and items 2, 4, 5, 6 and 7 obtained a mean ratio below 3.0 which indicate rejected. Majority of the respondents consented that there is no impact of Labour Act on Rural Workers in selected government MDAs in Benue State.

### Hypotheses Testing

**Decision Rule:** Reject the null hypothesis and accept the alternate if  $P\text{-value} < 0.05$ ; if otherwise, accept the null Hypothesis.

### Hypothesis One

$H_a$ : There is a significant impact of National Minimum Wage Act on Minority Workers in selected government MDAs in Benue State.

$H_o$ : There is no significant impact of National Minimum Wage Act on Minority Workers in selected government MDAs in Benue State.

**Table 3: Model Summary**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	-.811 <sup>a</sup>	.658	.648	1.087

a. Predictors: (Constant), National Minimum Wage Act

**Table 4: Coefficients<sup>a</sup>**

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	14.591	1.821		8.011	.000
	National Minimum Wage Act	-.389	.043	-.811	-9.044	.000

a. Dependent Variable: Minority Workers

**Table 5: ANOVA**

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	11181.521	1	10781.511	4734.571	.000
	Residual	689.179	336	2.382		
	Total	11870.7	337			



a. Dependent Variable: Minority Workers

b. Predictors: (Constant), National Minimum Wage Act

#### Interpretation:

The negative Beta value (-.811) indicates a strong negative linear relationship between the National Minimum Wage Act and Minority Workers. The well-being of minority workers decreases by approximately 0.389 units because of increase in unimplemented national minimum wage act. The R Square value (.658) indicates that about 65.8% of the variance in minority workers' well-being is explained by the National Minimum Wage Act. The Sig. value (.000) indicates that the relationship is statistically significant at the 0.05 level. This implies that the National Minimum Wage Act has a significant negative impact on minority workers in selected government MDAs in Benue State. Policy interventions should consider the potential adverse effects of minimum wage on vulnerable groups.

#### Hypothesis Two

H<sub>a</sub>: There is a significant impact of Labour Act on Rural Workers in selected government MDAs in Benue State.

H<sub>0</sub>: There is no significant impact of Labour Act on Rural Workers in selected government MDAs in Benue State.

**Table 6: Model Summary**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	-.581 <sup>a</sup>	.337	.332	2.435

a. Predictors: (Constant), Labour Act

**Table 7: Coefficients<sup>a</sup>**

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1 (Constant)	18.953	1.541		12.301	.000
Labour Act	-0.387	0.049	-.581	-7.899	.000

a. Dependent Variable: Rural Workers

**Table 8: ANOVA**

Model		Sum of Squares	df	Mean Square	F	Sig.
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1	Regression	365.119	1	365.119	61.191	.000
	Residual	813.891	336	2.422		
	Total	1179.01	337			

a. Dependent Variable: Rural Workers

b. Predictors: (Constant), Labour Act

### Interpretation:

Negative Beta value (-.581) indicates a strong negative linear relationship. Rural workers well-being decreases by approximately 0.387 units because of increase in unimplemented labour act. R Square value (.337) indicates 33.7% variance explanation. Sig. value (.000) indicates statistical significance. This implies that labour act has significant negative impact on rural workers. Therefore, policy reforms should address act's limitations.

### Discussion of Findings

Hypothesis one revealed a statistically significant negative impact of national minimum wage act on minority workers in selected government MDAs in Benue State. This is in tandem with the result of Opone and Kelikwuma (2021) in their study on the politics of Nigeria's 2019 national minimum wage: Towards a public policy. This implies that the National Minimum Wage Act has a significant negative impact on minority workers in selected government MDAs in Benue State.

Hypothesis two showed that there is a strong negative impact of Labour Act on Rural Workers in selected government MDAs in Benue State. This collaborates with the findings of Ikeije and Islam (2020) in their study on low wage job in the Nigerian labour market: Implications for policy formulation and implementation.

## SUMMARY, CONCLUSION AND RECOMMENDATIONS

### Summary of Findings

1. There is a statistically significant negative impact of national minimum wage act on minority workers in selected government MDAs in Benue state.
2. There is a strong significant negative impact of Labour Act on Rural Workers in selected government MDAs in Benue State.

### Conclusion

The study concludes that there is a statistically significant negative impact of impact of minimum wage laws on low-income workers in selected government ministries, agencies, departments and parastatals in Benue State. This implies that the current implementation of minimum wage policies negatively affects low-income workers in government ministries, agencies, departments, and parastatals in Benue State. This suggest that the wage structure, despite being regulated, is inadequate for meeting the needs of these workers and, it is not properly enforced, leading to dissatisfaction, reduced motivation, and potential hardship. The findings highlight the need for policymakers and relevant authorities to review and adjust wage policies, ensuring that they are both fair and effective in improving the well-being and economic stability of low-income workers.

### Recommendations

The study recommends that:

1. Policymakers need to review and adjust the national minimum wage act to ensure fair compensation for minority workers in government MDAs by conducting wage audits and aligning wages with the local cost of living.
2. Government need to revise the labour to address the unique challenges of rural workers in government MDAs by implementing region-specific policies and stronger enforcement mechanisms.

### Contribution to knowledge

This study advances knowledge by offering empirical data on the detrimental effects of the Labour Act and minimum wage legislation on low-income and rural workers employed by Benue State government ministries, agencies, departments, and parastatals. It draws attention to the discrepancies between policy goals and actual results, exposing the shortcomings in worker protection and pay enforcement. Through filling in these gaps, the results provide insightful information to practitioners, researchers, and politicians who want to improve the socioeconomic status of vulnerable worker groups and increase the efficacy of labour laws.

### **Suggestions for Further Study**

Further studies can be done on:

1. Impact of Technology on Organizational Justice in Anambra State, Nigeria.
2. Cultural Influences on Organizational Justice in Sokoto State, Nigeria.

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