

## **LEGAL FRAMEWORK FOR THE DETERMINATION OF EMPLOYMENT CONTRACT UNDER THE NIGERIAN LABOUR LAW**

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### **ABSTRACT**

The employment contract between employers and employees must adhere to due process at all stages, starting with its creation, continuing through job performance, and concluding with termination or retirement. This paper provides an overview of the determination of statutory employment contracts under Nigerian law. It examines the processes and procedures involved in dismissing an employee, identifies, and appraises issues related to employee determinations. A qualitative research method, relying on both primary and secondary sources, was employed. The primary sources consulted include statutes (the 1999 Constitution of the Federal Republic of Nigeria, the Labour Act of 2004, the Industrial Disputes Act of 2004, and international treaties and declarations from the International Labour Organisation, among others), while secondary sources encompass textbooks, journal articles, conference proceedings, newspapers, and the internet. The findings of this paper reveal that the termination of employment may be lawful or unlawful. It also determined that while employers have the right to terminate an employee's appointment, they also have a duty not to infringe upon employees' rights. It is recommended that in an employment contract, both parties must be aware of their rights, duties, and obligations.

**Keywords:** Civil Liability, Fair Hearing, Rule of Law, Right to Work, Employment

### **INTRODUCTION**

The central theme of labour, employment and industrial law is the employment relationship expressed in the contract of employment. This contract exists between the employer or master and the employee, worker or servant essentially in the employment relationship. The employment relationship is "the main vehicle through which workers gain access to the rights and benefits associated with

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employment in the areas of labour law and social security. It is the key point of reference for determining the nature and extent of employers' rights and obligations towards their workers."<sup>2</sup> It is regulated by the general law of contract with all the features of a valid contract carefully observed and being recognised as a contract of service.<sup>3</sup>

Employment with statutory flavour is regulated by an extant statute. Civil servants fall under this category.<sup>4</sup> The law, therefore, is that where the employment of an employee with statutory flavour is determined without recourse to the procedure laid down in the relevant statute, the court may order damages or that the employee be reinstated.

The Labour Act stipulates conditions for the determination of appointments of the employee.<sup>5</sup> The Act specifies terms to be included in the employment contract, such as name and address of the employer and the employee including the date of his engagement, rates of wages and the method of its calculation, the nature of the employment and if it is for a fixed term when it would expire and the relevant period of notice to be given by the party who is wishing to terminate the contract as contained under section 11 of the Act. Other statutes may also govern conditions for the appointment and determination of employment of staff, particularly the employment with statutory flavour since each statutory agencies have enabling laws<sup>6</sup>.

In statutory employment governed by statute, the mode of employment, rights, privileges, duties and determination are regulated by a statute. Such employment contracts are said to enjoy the statutory flavour. In these contracts, the law must be strictly complied with since the position that where a statute prescribes a

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<sup>2</sup> Oladosu Ogunniyi, *Nigerian Labour and Employment Perspective* (Second Edition, Folio Publishers, 2003)

<sup>3</sup> *Nwanbani v Golden Guinea Breweries Plc* (1995) 6 NWLR 400, 184, 188

<sup>4</sup> E. Emmanuel. 'Nigeria; Damages for unlawful termination under the Nigerian Labour Law' (Modaq, 23 April 2023

< <https://www.mondaq.com/nigeria/contract-of-employment/691034/damages-for-unlawful-termination-of-employment-in-nigeria> > accessed 22 July 2024

<sup>5</sup> B.O, Aturu. *Nigerian Labour Laws Principles Cases and Materials* (Lagos: Frankard Publishers, 2005) 11.

<sup>6</sup> Federal Universities' Act 1992, Cap F22 Law of Federation of Nigeria 2004; Federal Polytechnics (Amendment) Act 2019, etc.

manner or way of doing a thing, it must be strictly followed flows from the general rule that where the statute states a procedure to be followed before a person is deprived of his right, it must be complied with.<sup>7</sup> Failure to do this may be held by the court to be unlawful and thus null and void.<sup>8</sup> The court may then order for the reinstatement of the terminated or dismissed employee.

Rules and regulations in the employment contract have impacts on globalisation and aid labour mobility. These have necessitated that a closer look should be had on the legal framework for the determination of employment in Nigeria. Although there have been many studies focusing on unfair dismissal, duties and obligations of the parties to the contract of employment, few have focused on the determination of statutory employment in Nigeria.

This study aimed at appraising the legal framework for the determination of statutory employment in Nigeria, while the objectives of the study were to:

- (i) undertake an overview of the contract of statutory employment in Nigeria
- (ii) examine the legal framework for the determination of employment regulated by statutes; and
- (iii) identify and appraise issues in the determination of employment regulated by statutes.

The paper adopted a qualitative research method, relying on primary and secondary sources. The primary source includes statutes and case laws, while the secondary source used included textbooks, journal articles, conference proceedings, newspapers and the internet.

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<sup>7</sup> *Federal Civil Service Commission (FCSC) v Laoye* (1989) 2 NWLR (Pt 6)262.

<sup>8</sup>Ibid.

## OVERVIEW OF THE CONTRACT OF STATUTORY EMPLOYMENT

### Nature of Contract of Service

Contract of employment is the same as used in the general law of contract<sup>9</sup> with a distinction based on its subject matter.<sup>10</sup> It is otherwise referred to as a contract of service. In *Orient v Bilante International Limited*,<sup>11</sup> the Court of Appeal identified the five ingredients of a valid contract at common law to include offer, acceptance, consideration, intention to create legal relationship and capacity to contract. Although the law gives freedom to an individual to embark on any contract provided the basic conditions are present, the contract of employment is subject to various statutory or legal provisions. For instance, an employer is legally inhibited from offering a contract of employment that requires the performance of an illegal duty, proposes to pay the worker or employee salary or wages less than approved minimum wage,<sup>12</sup> circumvents the social security and protection schemes, or permits arbitrary dismissal without compensation.<sup>13</sup>

The word 'employment', on the other hand could mean a number of varied relationships in law and arising from the status of a person as 'employed'. However, though the word 'employment' and 'employed' are frequently used, they appear not to have any precise legal meaning. The notion of employment spreads across many relationships often erroneously regarded as mutually exclusive.<sup>14</sup> This may entail varying and varied relations in works, trades or occupations so that terms like servants, employees, agents, apprentices, independent contractors, partners, bailees and other can be used to describe persons so employed even when the result of such employment may be different in each case.

At common law, it was possible to define employment in the strict legal sense of the relationship of master and servant. The word 'servant' it was stressed had no

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<sup>9</sup> Itse Sagay, *Nigerian Law of Contract* (Sweet & Maxwell, London, 1985) 1; Garner, *Black's Law Dictionary* (7<sup>th</sup> Ed. West Group 1999) 318.

<sup>10</sup> Emeka Chianu, *Employment Law* (Bemicov Publishers, Akure, 2004) 4

<sup>11</sup> (1997) 8 NWLR 515, 41.

<sup>12</sup> National Minimum Wage Act 2011.

<sup>13</sup> 1999 Constitution of Federal Republic of Nigeria, Cap C23, Law of Federation of Nigeria 2004 (as amended), S. 14(2)(b).

<sup>14</sup> Ibid.

meaning other than as a shorthand expression for someone working under a contract of service<sup>15</sup> and most of industrial law was concerned with such servants.

### **Employment with Statutory Flavour**

The idea of employment with statutory flavour under the Nigerian Labour Law appears to have gained popularity after the decision of Supreme Court in *Olaniyan v. University of Lagos*,<sup>16</sup> where it was decided that the appointment of the university professors could not be determined until the conditions of employment set out in the Act setting up were complied with *stricto sensu*. In addition to the full compliance with the terms and conditions of appointment, the establishing statute of the employer,<sup>17</sup> the rules of natural justice must be followed by a public body in the termination of an employee's appointment. For example, in South Africa which was a common law country, Labour Relations Act (LRA)<sup>18</sup> and Basic Conditions of Employment Act (BCEA),<sup>19</sup> constitutional courts and case law regulate mode and tenor of employment, employment rights and duties, including statutory employment. Hence, in both countries an employer is barred from removing an employee either by termination or summary dismissal without the due process as provides in the statutes.. An employee who is removed without regard to the rules of national justice and fair hearing as contained in constitution<sup>20</sup> is unlawfully removed can be reinstated without much ado.

The question that may be asked is when is an employment protected by statute? The nature and character of employment are determined by the contract of employment or service agreement.<sup>21</sup> In *Fakuade v OAUTH*<sup>22</sup> the Supreme Court stated:

The fact that an organisation or authority  
which is an employer is a statutory body

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<sup>15</sup> Cronin & Grime Labour Law, 6op. cit., 6

<sup>16</sup> [1985] 2 NWLR (Part 9) 599.

<sup>17</sup> Oladosu Ogunniyi, op. cit. 250.

<sup>18</sup> No 66 (1995) (as amended). employment rights

<sup>19</sup> No 75 of 1997(as amended).

<sup>20</sup> *Laoye v Federal Civil Service Commission i*(1989) 2 NWLR (Pt. 106) 652; *Shitta-Bay v Federal Public Service Commission* (1981) NSCC 19;

<sup>21</sup> *Fakuade v OAUTHC* (1993) 5 NWLR (Pt 291) 47.

<sup>22</sup> *Ibid*, per Karibi-Whyte JSC, 63.

does not mean that the conditions of service of its employees must be of a special character ruling out the incidence of a mere master and servant relationship. The court must confine itself to the terms and contract of service between the parties.<sup>23</sup>

Based on this position, the apex court further stated that “the special statutory flavour merely reinforces the security of tenure provided their servant.” Hence, the appointment of an employee upon conditions that the determination of the contract is regulated by the enabling statutes. Hence, the contract cannot be determined by the parties but strictly on the statutory pre-conditions that regulate its determinations.<sup>24</sup>

An appointment with statutory flavour is the one in which the appointment or its determination is controlled by the pre-conditions of an enabling statute and or the Staff Regulations and Conditions of Service.<sup>25</sup>

Another question is whether the fact that the Government owns controlling interest in a company makes civil service rules applicable or makes it an appointment with statutory flavour. In *Okomu v Iserhienrhien*,<sup>26</sup> the apex court did not hold that this was the case. It was held that the fact that an employee’s contract is with a Federal Government company does not imply that the appointment is automatically regulated by the Federal Public Service Rules, thereby making the appointment qualified to be protected by statute. The court declared that it is only when ‘a public officer has been employed by or with the authority of the Federal Civil Service Commission.’<sup>27</sup> An aggrieved public employee must furnish proof that the benefits of employment with statutory flavour is applicable to the instant case by stating that (a) the statute setting up the statutory body contains the conditions of his employment, or (b) the conditions are made by a body statutorily empowered to

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<sup>23</sup> Ibid.

<sup>24</sup> Ibid.

<sup>25</sup> Oladosu Ogunniyi, op. cit. 252

<sup>26</sup> (2001) 6 NWLR (Pt 710) 660.

<sup>27</sup> Ibid, 674-675

do so and it is set out by the way of subsidiary legislation which expressly states that the regulation is made in exercise of the powers conferred by the statute; (c) the conditions directly apply to him or persons in his cadre, (d) the conditions are intended for the protection of his employment, and (e) a condition has been breached in terminating the employment.<sup>28</sup>

Pronouncements of the highest authorities indicate that the employment under the Nigeria labour law and specifically the public service is with statutory flavour because it follows the enabling statutory provisions and relevant rules.<sup>29</sup> In essence, as against the common law master and servant relationship *stricto sensu*, where a willing servant cannot be imposed on an unwilling master, a civil servant wrongly terminated or dismissed may, by the order of the court be reinstated where relevant laws and or rules have been breached.<sup>30</sup> In *Idoniboye- Obu v. NNPC*,<sup>31</sup> the Supreme Court affirmed its earlier decision on the status of a statutory employee.

The pronouncements of the highest authorities indicate that the employment under the Nigeria labour law and specifically the public service is with statutory flavour which can only be determined following the enabling statutory provisions and relevant rules.<sup>32</sup> In essence, as against master and servant relationship *stricto sensu*, where a willing servant cannot be imposed on an unwilling master, a civil servant wrongly terminated or dismissed may, by the order of the court be reinstated where relevant laws and or rules have been breached.<sup>33</sup> In the case of *Idoniboye Obu v. NNPC*,<sup>34</sup> the Supreme Court affirmed its earlier decision on the status of a statutory employee. An employment with statutory flavour **is** distinguished from a mere master and servant relationship by stating that the essence of statutory flavour

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<sup>28</sup> 1999 CFRN, Section 36(1)

<sup>29</sup> *Idoniboye-Obu v Nigerian National Petroleum Corporation* [2003] 2 NWLR (Part 805) 589, 650 per Tobi JSC.

<sup>30</sup> *Laoye v FCSC* (Supra).

<sup>31</sup> Supra

<sup>32</sup> *Idoniboye-Obu v Nigerian National Petroleum Corporation* [2003] 2 NWLR (Part 805) 589, 650 per Tobi JSC.

<sup>33</sup> *Laoye v FCSC* (Supra).

<sup>34</sup> Supra

includes the following: the employer is a body created by statute and the statute makes provisions for the regulation for the discipline of the employee's cadre.

In view of the fact that all these ingredients are present in public service pensionable appointments, they are of statutory flavour. In *Oloruntoba Oju & Ors v. Abdul-raheem*,<sup>35</sup> the court held that:

Where terms and conditions of a contract of employment or service are specifically provided for by statute or regulations made thereunder, it is a contract protected by statute. That is to say, it is an employment with statutory flavour. Whether a contract of employment is governed by statute or not depends on the construction of the contract itself or the relevant statutes. The duty to construe the contract is exclusively that of the court.<sup>36</sup>

It needs to be stressed here as was rightly observed in *Chief Tamunoemi Idoniboye Obu's (supra)* that a person who claims to be a public servant and seeks the protection of those rules and regulations must show that he was employed subject to those rules and regulation otherwise he cannot rely on them as protecting his employment.

### **Formation of an Employment Contract**

A contract of employment is an example of contracts in general and as such its creation and formation is subject to the general rules of contract<sup>37</sup> in the first place. Such contract, however, may be subject to statute, common law or both (that is common law reinforced or supplemented by statute).<sup>38</sup> The precise law to which a contract of employment is subject may determine its formation. Thus, subject to

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<sup>35</sup> (2009) All FWLR (Pt. 497) SC.

<sup>36</sup> Per Adekeye JSC, (2009) All FWLR (Pt 497) 42-43, Paras G - B

<sup>37</sup> *Nwobosi v A.C.B* (1995) 6 NWLR (Part 404) 658; *Daudu v UBA Plc* (2003) LLJR (CA) 276.

<sup>38</sup> *PENGASSAN v. Mobil Producing Nigeria Unlimited* (2013) 32 NNLR (Pt 92) 326-327 para. F-B.



statutory prescription, the parties may now agree to any form of contract of employment containing any terms they desire so long as the agreement does not involve an illegal purpose and not contrary to public policy. For instance, a contract in which a servant becomes the slave of the master without any freedom in his private or public life or affairs, may be void and unenforceable.<sup>39</sup> Section 23 (1) of the Constitution of South Africa equally affirms this position when it states that “everyone has the right to fair labour practices”.

Thus, by statutes, the constitution and even public policy, the freedom as to formation could be circumscribed and affecting the nature of contract that the parties can negotiate and actually enter into. The negotiation, which must necessarily involve the twin concept of offer and acceptance, must relate to terms that conform to accepted norms and the law as well as fit to global best practices in labour management into recognised categories. Stated Uwaifo, JCA observed that:

... The nature of contract of employment as between employer and employee has been known to belong to different categories. There is the office held at pleasure. This has lost meaning in present day Nigeria, particularly since the 1963 Constitution re-enforced by the 1979 Constitution. Office at pleasure is now mainly a feature of servants of the crown in England... there is another category, which is subject to statutory regulations or conditions... there is a third category where the contract is for a definite period and backed by the constitution...finally there is the ordinary master and servant relationship...<sup>40</sup>

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<sup>39</sup> 1999 Constitution of the Federal Republic of Nigeria, Cap C23 Law of the Federal Republic of Nigeria, Section 34, (CFRN).

<sup>40</sup> *Board of Management, FMC Makurdi & Anor v Abakume* (2016) 10 NWLR (Part 1521) 563

The category to which a particular contract of employment intended to be formed falls may determine the nature of its formation. Basically, no particular form is required as a general rule. In the absence of any statutory prescription, formation of a contract of employment could be formal or informal depending on the choice of parties. In other words, a contract of employment is ordinarily created whenever an employee is taken into employment by agreement of the parties, no special formality is required. The contract could be in writing, or could be orally made, a combination of written and oral agreement, and may even be inferred or implied from conduct. To determine whether a contract of employment has been formed, that is, come into existence, it is necessary to establish that there has been a genuine agreement between the parties. This has to be agreement, which the law will appreciate and enforce. In essence, whatever form the contract takes since governed ostensibly by the same rules of contract, it must satisfy all the essential elements of a valid contract<sup>41</sup> regarding formation.

## **LEGAL FRAMEWORK FOR THE DETERMINATION OF STATUTORY EMPLOYMENT**

A contract of employment may be determined by termination or by dismissal on peculiar cases. Basically, in such contracts both termination and dismissal may be governed by common law rules, statutes, agreement of the parties or a combination between the parties.<sup>42</sup> As such, the terms could be defined for the purposes of the particular contract or regulated by operation of the law. In special cases, details of termination and dismissal are specifically stated. In some, the right not to be terminated but for the occurrence of some incidents are enshrined into an employee's contract by virtue of a special status.<sup>43</sup> In others, an employee cannot be dismissed or terminated unless rules of natural justice<sup>44</sup> or other procedures are observed<sup>45</sup> and some other fascinating peculiarities are discernible. The determination of a contract of employment is the ending of a contract of

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<sup>41</sup> Smith & Keenan, *English Law* (Pitman, 1982) 7<sup>th</sup> Ed. 171

<sup>42</sup> *UBN v. Ogbo* (1995)2 NWLR (Part 380) 647, SC

<sup>43</sup> Federal Universities of Technology Act 1986 (as amended), Cap F22, LFN 2004, Ss. 13, 14, 15 and 16 respectively.

<sup>44</sup> *Ridge v. Baldwin* (1964) AC 40., UKHL 2.

<sup>45</sup> *Olaniyan v. UNILAG* (1985)2 NWLR (Pt 9) 599.

employment between an employer and employee. It occurs principally by termination or dismissal based on the facts peculiar to each case.<sup>46</sup>

Principles of law guide the determination of contracts of employment with statutory or constitutional flavour. The court has to determine the nature of the employment. That an employer is a statutory body does not mean that the conditions of service of its employees must be of a special character, thereby ruling out the relationship of mere master and servant relationship.<sup>47</sup>

In statutory contract of employment, the enabling laws and rules stipulate the terms and conditions for employment, confirmation of appointment, promotion and discipline. These guidelines must be complied with. Hence, when a statute and regulations distilled from it states that a general rule should be followed, a deviation renders the action a nullity.<sup>48</sup> Compared to other situations at common law or agreement of parties, termination of appointment or dismissal should also be in the form agreed. But failure to abide by the agreement connotes only wrongful termination or dismissal and cannot result to the declaration of such termination or dismissal as null and void<sup>49</sup> and of no effect. Thus, a difference exists between wrongful termination or dismissal and unlawful termination or dismissal with its concomitant remedy of automatic reinstatement.

### ***Termination***

According to the *Illustrated Oxford Dictionary* to terminate is to end a relationship.<sup>50</sup> Termination, in this sense, means bringing or coming to an end of an event. This can pass for the meaning of termination in the general sense of the word. In the legal sense, termination is the ending of the employment relationship.<sup>51</sup> In this termination puts a stop to the contract of employment relationship between the contractual parties, the employer and the employees. An employment relationship is a contract; hence it may also be defined as a

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<sup>46</sup> Akintunde Emiola, *Nigerian Labour Law* (4<sup>th</sup> Edition, Emiola (Publishers) Limited, 2008) 127.

<sup>47</sup> *Fasasi Adebayo v. OAUTHCMB* (2000) 9NWLR (Part 673) 585.

<sup>48</sup> *Olaniyan v UNILAG* (Supra).

<sup>49</sup> *UBN Ltd. V Ogbo* (supra), at 664 see ante, Cap. 1, classes of employees.

<sup>50</sup> *Illustrated Oxford Dictionary*.

<sup>51</sup> Oladosu Ogunniyi, op. cit. 219.

dismissal from employment.<sup>52</sup> Termination is therefore an act or circumstances that bring to an end the contract of employment by extinguishing the rights and obligations created by the contract.<sup>53</sup> The usual circumstances of termination can be reduced into termination by notice, lapse of time, operation of law- by subsequent legal events or legal impossibility, by subsequent agreement, or by repudiation.

The mode of determination of an employment relationship depends on the terms and conditions as contained in the contract and the enabling statutes under which the employment is offered. Labour Act 2004<sup>54</sup> provides for methods of termination of employment contract.

- (7) a contract shall be terminated in
  - (a) by the expiry of the period for which it was made; or
  - (b) by the death of the worker before the expiry of that period; or
  - (c) by notice in accordance with section 11 of this Act or in any other way in which a contract is legally terminable or held to be terminated.

While the Act is specific in its subsection 9(7) (a) and (b), subsection (c) gives the option of notice by either of the parties and allows some other methods which do not infringe the rights of the parties to be explored for the termination. However, there are three discernible types of contracts of employment recognised by the statute, namely, a contract that could be determined by notice, a contract for a fixed term, and a contract which has an expiry period based on performance or the satiation of its object.<sup>55</sup>

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<sup>52</sup> Ibid.

<sup>53</sup> Akintunde Emiola, op. cit 129.

<sup>54</sup> Cap L1 LFN 2004, s. 9(7).

<sup>55</sup> Ibid

### ***Notice***

Termination of a contract of employment with statutory flavour is by notice. The contract provides a period of notice upon which either party contract can exercise the right or for the payment in lieu of the notice.<sup>56</sup> This general statement has assumed an ordinary contract allowing the freedom and liberty of a party to determine by notice. It is however possible for particular contracts of employment to be for a fixed period, in which case it is not open to a party to determine same lawfully by notice on an earlier date except by pay in lieu of such notice for the remainder of the period agreed.<sup>57</sup> Perhaps equally relevant and related here are those few contracts recognized recently as having statutory flavour which group are now held not to be terminable by notice given by the employer without more<sup>58</sup>

Flowing from these rules, it is almost settled, save for few exceptions that an employee cannot compel the employer to retain him no matter how desirable that may be on humanitarian or other grounds. In much the same way, an employer cannot compel an employee to remain in his service no matter how indispensable his services may be to the employer.<sup>59</sup> Thus, the court cannot force an unwilling employer to retain an employee regardless of his impeccable character nor force an unwilling employee to work. The right to determine by notice is available consequently and can be exercised by both parties and when they do so no reasons need to be given.<sup>60</sup> Section 11(1) of the Labour Act, 1974, provides; “Either Party to a contract of employment may terminate the contract on the expiration of notice given by him to the other party of his intention to do so.”<sup>61</sup>

However, in Nigeria, only workers within the meaning of the Labour Act are bound by the provision under statutory notice where the contract does not specify period of notice required for termination. For all categories of employees other than workers *stricto sensu*, they are bound by the terms of contract entered by

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<sup>56</sup> Labour Act, Section 11(1)

<sup>57</sup> *NPA v. Banjo* (1972)2 SC 175; *Adejumo v UCHMB* (1972) 2 UILR 145

<sup>58</sup> *Olatunbosun v. NISER* (1988) CLR 6 (a) SC.

<sup>59</sup> *Steyr (Nig.) Ltd. vGadzama* (supra); *Newu v CCMA* (2007) 18 (11) CCL,11 (South Africa).

<sup>60</sup> *Calabar Cement Co. Ltd. v. Daniel* (1991) 4 NWLR (Pt 188)750, 758.

<sup>61</sup> Op. cit., Section 11(1) of the Labour Act, 1974.

them. However, in all cases, no law prohibits either party to terminate a contract of employment.

Payment in lieu gives an opportunity to a party who could not fulfil the period which the notice is supposed to run and expire, by paying a monetary sum agreeably commensurate with that period. This is usually calculated using the salary and other entitlements for the stipulated period. This must be paid at the very time the notice of the termination is given otherwise it will be invalid. That is to say that where a contract of service gives a party a right of termination of the contract by either giving a particular length of notice or payment of salary in *lieu* of the length of notice, and the latter course is chosen, the party seeking to put an end to the contract must pay to the other party the salary in *lieu* of notice at the time of the termination of the contract.<sup>62</sup>

Section 11(6) and (9) of the Labour Act recognises payment in lieu of notice by providing that the section does not prevent either of the parties from waiving their rights to notice on any occasion or from accepting payment in lieu of notice. It also provides that in calculating payment in lieu, only the part of the wages which the worker receives in money will be considered.

It should be noted that if an employee accepts salary in lieu of notice of termination of his employment, he may not be heard to complain later that his contract was not validly and properly determined.<sup>63</sup> Generally, in the case of *Julius Berger (Nig.) Plc v. Nwagwu*<sup>64</sup> it was held that where an employee receives his terminal benefits after his employment is brought to an end, he cannot be heard to complain later that his contract of employment was not properly determined because the acceptance of payment by the employee renders the determination mutual.

### **Expiration of Time**

Following a lapse of time, a fixed term contract could be terminated. A fixed term contract has been defined as a contract, which must run for a fixed period and one,

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<sup>62</sup> *Chukwurah v Shell Petroleum Development Co. Nig. Ltd* (1993) 4 NWLR (Pt 89) 517-522

<sup>63</sup> *Iloabachie v Philips* (2002) 14 NWLR (Pt. 787) 264 CA; *Etim Okon Ante v. University of Calabar* (2001) 3 NWLR (Pt. 700) 231; *Umoh v ITGC* (2004) 4 NWLR (Pt. 703) 281 CA.

<sup>64</sup> (2006) 12 NWLR (Pt. 995) 518 CA.

which cannot thus be terminated earlier except for a gross breach by either party.<sup>65</sup> It may not be difficult to find apparently fixed term contracts, which still contain a clause that either party may terminate the contract by notice. Since such a contract is not bound to run for the whole period, it cannot be a fixed term contract.<sup>66</sup> However, in *Dixon v BBC*<sup>67</sup> the English Court of Appeal held that a fixed term contract existed if it was for a specific term, even though it was terminable by notice on either side during that term.

### **By Operation of Law**

Whatever is the intention of the parties, there are circumstances when an employment has to come to an end because the law regards the contract as determined.<sup>68</sup> In such a case the contract of employment is determined by operation of law. Termination by operation of law implies the occurrence of either a subsequent legal event or subsequent legal impossibility that the law will recognize. That means that by the occurrence the performance of the contract of employment is rendered, impossible by the intervening legal events. Common instances of such legal events include liquidation, bankruptcy, dissolution of partnership and assignment in personal contracts.<sup>69</sup> The other aspect regarding legal impossibility may as well be described as frustration of the contract of employment, cases of death of one of the parties or serious illness.<sup>70</sup>

Frustration implies that there is no fault by any party, and the contract becomes impossible to perform due to an extraneous event: some of such events that are recognized as possible of frustrating a contract of employment include, accident, illness, and imprisonment. To decide whether or not a contract will terminate by frustration, regards must be had to the length of time the employee is likely to be away from his work and thus be unable to perform his contract. It would thus appear that mere absence from work, even for a long time, would not automatically constitute frustration.

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<sup>65</sup> *Swiss Nigeria Wood Ind. Ltd. v Bogo* (1971) I.U.L.R. 337, cf. *BBC v. IOANNOU* (1975) QB 781.

<sup>66</sup> *Wood Preservation Ltd v Prior* (1969) 2 All ER 112.

<sup>67</sup> (1979) QB 546.

<sup>68</sup> *County Council v NATHFE* (1980) IRLR 198; Labour Act, Section 9 (7).

<sup>69</sup> *Brace v. Candler* (1895) 2 QB 253.

<sup>70</sup> *Ibid*

Likewise, where an employee has been absent due to sickness, the employer must in addition to the above stated factors consider the nature of the illness (or injury), how long it has continued and the prospects for recovery, as well as the terms of the contract including the provision of sick pay. In *Maxwell v. Walter Howard Designs Ltd.*, the court held *inter alia* that the illness must be such as to put an end in a business sense to the contractual engagement of the parties and thus frustrate same.

### **Death of an Employee**

A contract of employment is one personal service thus, the death of either party puts an end to the contract. Death terminates a personal contract that can only be performed during the lifetime of the party contracting it. And where the party dies, his executor does not have the right to sue for breach of the condition occasioned by his death.<sup>71</sup>

### **By Repudiation**

A contract of employment could be terminated by its repudiation by either of the parties to it. Either party may repudiate the contract before it is due to terminated ordinarily. Repudiation may be lawful and justified, or wrongful and unjustified.<sup>72</sup> Whether lawful or wrongful repudiation is deemed to determine the contract and will entitle the other party to treat the contract as at an end. And where repudiation is alleged to have determined the contract, the question is as to whether the acts, conduct, or words of the party alleged to have repudiated evinced any intention no longer to be bound by the contract. If no such intention can be imputed, then it is not repudiation. To amount to repudiation, there must be a deliberate breach of provision of the contract.<sup>73</sup>

A fundamental breach of duty to an employer committed by an employee may entitle the employer to treat the contract as at an end thus justifying dismissal of the employee. The conduct of the employee which is fundamental and goes to the root of the contract is calculated as repudiator misconduct which the employer may accept as annulling the employment relationship. Where an employee is

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<sup>71</sup> Erugo, op. cit 187; *Maxwell v. Walter Howard Designs Ltd* (1975) RLR 77.

<sup>72</sup> Fridman, G. op. cit., at 479.

<sup>73</sup> *Ibid.*, at 480



dismissed as a result of misconduct considered to be gross, he is said to be summarily dismissed. The dismissal is hence considered lawful and justified if it occurs following a fundamental breach by the employee. The law relating to repudiation and its condonation was stated in *London Transport Executive v. Clarke*.<sup>74</sup> Thus if a person breaks a contract, the other party has two options: either to accept the breach and treat the contract as being at an end or refuse to accept and treat the contract as subsisting. If he accepts the breach, he terminates the contract. Thus, a unilateral repudiation may equally determine the contract of service where the employee accepts it expressly or by implication.<sup>75</sup>

## **CHALLENGES TO THE DETERMINATION OF EMPLOYMENT CONTRACTS**

The most usual form of breach of contract of employment happens when the contract is determined by a party contrary to the terms of the contract and outside the provisos of the law.<sup>76</sup> A party that brings the contract to an end unjustifiably, without taking cognizance of the statutory provisions backing up such contract, or without giving notice or with a notice which is contrary to the terms of the contract and before the expiration of the agreed terms, is in breach of the contract. This is usually categorised as termination against statutory flavour.

### **Wrongful Termination of Appointment**

In the case of determination, there is a distinction between wrongful termination and unlawful termination which lies in the remedy that accrues to both. Any manner of termination inconsistent with the relevant statute is unlawful, null and void. However, in the common law agreement, parties could terminate the contract in accordance with the form agreed. Failure to comply with the form only connotes wrongful termination or dismissal and not a declaration of it being null and void. Hence, while the remedy of unlawful termination may include payment of damages, and or reinstatement, that of wrongful termination is limited to the award of damages.

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<sup>74</sup> (1981) ICR 355.

<sup>75</sup> *Guinness v Agoma* (1992) 7 NWLR (Part 256) 728.

<sup>76</sup> Erugu Rugo op.cit. Page 400

Courts in determining contracts of employment with statutory flavour have a duty of ascertaining the nature of the employment. Nonetheless, it has been held by the court that an establishment created by a statute does not automatically convert the employment contract of the workers in such establishment to one with statutory flavour. It must be shown that a statute directly regulates the employment, or such regulation was delegated to a body, like the Federal Civil Service Commission.<sup>77</sup>

### **Common Law Employee**

In employment law, a common law employee refers to an individual whose employment is governed primarily by terms and conditions of their employment contract, as well as common law principles. In common law jurisdictions such as India, South Africa and Nigeria, employment contracts typically establish the scope of the employment relationship, including job duties, compensation, and termination clauses. The employment relationship is sometimes referred to as a master-servant relationship.

Termination of the employment contract of common law employees is done by notice given by the terminating party to the other party or upon payment of salary in lieu of notice. The appropriate manner of terminating the contract including the period of notice is included in the employment contract. In circumstances where the parties do not stipulate a notice period, the law will infer a reasonable notice period, paying attention to the nature of the employment and the employee's status.<sup>78</sup>

### **Statutory Flavour Employee**

Though Labour Act prescribes how a contract can be terminated,<sup>79</sup> it gives room for the parties to also create their terms as to how the contract can be terminated. This is premised on the principle of freedom of contract which have been incorporated from the Bills of Right to constitutions of many nations, including Nigeria. Where parties contract and agree to their terms, it must be complied with. As regards the freedom of the contract of the parties, the present position in Nigeria is that the employees do not have the freedom to contract in employment

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<sup>77</sup> *FCSC v Laoye*.

<sup>78</sup> *ACB Ltd v Ufondu* (1997) 10 NWLR (Part 523) 169 at 177.

<sup>79</sup> (1985) 2 NWLR (Part 9) 599

as the employer has the higher bargaining power and in practically all cases he states the terms of the contract.<sup>80</sup> This position is canvassed in a South African case, *Newu v CCMA*<sup>81</sup> where both the Commission for Conciliation, Mediation and Arbitration (CCMA) had found that the CCMA does not have the jurisdiction to hear a case brought by an employer for unfair treatment by an employee. The Court said “it is not thought that employers need any protection against unfair resignations by employees. The majority of workers in this country are still un-unionised and remain vulnerable.”<sup>82</sup>

As observed by learned commentators,<sup>83</sup> not protecting the juristic right of the employers as against the employees derogate from the constitutional rights of juristic persons under the statutes such as Companies and Allied Matters Act<sup>84</sup> and United Nations Business and Human Rights.<sup>85</sup> This is contrary to the present day right of the parties in employment and the International Labour Law standards. There is a need for this position to be changed to reflect the parties having equal bargaining power and not one being subordinated or the other being in the advantageous position.

An employer can terminate the employment of a common-law employee for good, bad or no reason at all in so far as there is a compliance with the required notice period. Motive is irrelevant where the employer acts within the ambit of the contractual terms and the enabling statute.<sup>86</sup> The only remedy that has been held to be available to such an employee is damages calculated according to what he should have earned during the period of notice that was agreed upon to end the employment contract.<sup>87</sup> The rationale is that the court cannot force a willing employee on an unwilling employer hence, it will not order specific performance

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<sup>80</sup> Emmanuel O.C, Obidinimma, M.I. Anushem and U.J. Ekeneme, ‘Unfair Dismissal in Nigeria: Imperative for a departure from the common law’ (2016)7 *NAUJILJ*. 134-143

<sup>81</sup> (2007) Vol 16. No 11 CLL11.

<sup>82</sup> Ibid

<sup>83</sup> Obidinima, Anushen & Ekeneme, 134; Ivan Israelstam, ‘So What Protection is there for Employers’ (LabourGuide, nd) <<https://labourguide.co.za/general/so-what-protection-is-there-for-employers> accessed 23 January 2025.

<sup>84</sup> (2020) No 3, A1.

<sup>85</sup> UN Guiding Principles on Business and Human Rights, 2011.

<sup>86</sup> Labour Act, Section 11 (1).

<sup>87</sup> *Idoniboye-Obu v NNPC* (2003) 2 NWLR (Part 805) 589.

of an ordinary contract of service.<sup>88</sup> It has been argued that as the employee could also leave the employer upon reasonable notice, there is nothing unfair about this attitude of the courts to common law employment.<sup>89</sup>

Aturu<sup>90</sup> challenges the attitude of the courts to common law employees on the grounds that the practice is obsolete and has been jettisoned in most common law jurisdictions, including England, for its offensiveness to the principles of equity and abandonment of workers' rights.

The court's attitude towards common law employees appears obsolete in view of the present-day industrial economy and the International Labour Organisation Standards. This poses a challenge to Nigerian courts which have to contend with contradictions in common law and statutory employment rules.

## **REMEDIES FOR WRONGFUL DISMISSAL**

### **Specific Performance**

Under the law of contract, the general rule is that contracts of employment will not be specifically enforced. Special circumstances must be shown by the party before the court will exercise its equitable jurisdiction to specifically enforce the contract in favour of an employee whose employment contract has been wrongfully terminated. This exercise will be at the discretion of the court. The reason adduced for this rule was stated by Fry, L. J. in the case of *De Francesco v Barnum*<sup>91</sup> where he declared that:

...I should be very unwilling to extend decisions to the effect of which is to compel persons who are not desirous of maintaining continuous personal relations with one another to continue those personal relations. I have a strong impression that it is not in the interest of

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<sup>88</sup> *Isievwore v. NEPA* (2002) 13 NWLR (Part 784) 417.

<sup>89</sup> B.O. Aturu. 2005. *Nigerian Labour Laws: Principles Cases and Materials* (Frankad, 2005)

<sup>90</sup> *Ibid*, 18

<sup>91</sup> (1980)

mankind that the rule of specific performance should be extended to those cases. I think the courts are bound to be jealous lest they will turn contracts or services into contracts of slavery.....

The court is often hesitant to grant specific performance in favour of an employee because the court may not ordinarily compel an employer to retain in employment an employee in whom she has lost confidence. It is trite law that he who alleges must prove. Therefore, where the employee alleges that the termination of his employment has not been in accordance with the terms of the contract and the conditions of service, he must prove the terms and conditions regulating the employment. The terms of the contract and the condition of services are the bases for and foundation of an employee's case where wrongfulness of termination is in issue.<sup>92</sup>

The Supreme Court in *Modu Aji v Chad Basin Development Authority*<sup>93</sup> held that allegations of breach of the constitutional right to a fair hearing would not shield the claimant complaining of wrongful termination if the conditions of service are not pleaded before the court. Failure to plead and tender the letter of employment may be fatal to the plaintiff's case since the evidence of the contract is the letter. It is the foundation of pleading wrongfulness in the court.

In cases of contracts regulated by statute and not by the employment contract, the scenario may be different concerning the written terms and conditions of employment. Sections 7 and 9(1) of the Labour Act prevent an employer from relying on the failure of the employee to tender his employment letter or evidence of the terms and conditions of service where he (the employer) failed to give the employee a letter of employment. Where the employee successfully proves these facts, the onus shifts to the employer to justify the employee's termination or show why the breach should not be redressable.

By specific performance or reinstatement, an employee is restored to his former job where the court is persuaded that the employment has been terminated

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<sup>92</sup> *Texaco Nigeria Ltd. V. Kehinde* (2002) 6 NWLR (Part 708) 224

<sup>93</sup> (2015) LPELR-4562 (SC)

wrongfully as against the statutory flavour by his employer. Although reinstatement is rarely granted to an employee because he has no property interest in his job, recent decisions of the Supreme Court of Nigeria seem to support the view that in an appropriate case, the servant may be granted remedies in a declaratory action ordering reinstatement or an injunction restraining dismissal. This remedy has normally been granted to persons holding offices in the public service whose employments enjoy statutory backing under the Nigerian labour law.<sup>94</sup>

In *A.G. Vitowanu v. Administrative Staff College of Nigeria*,<sup>95</sup> the plaintiff, a principal accountant in the service of ASCON, was dismissed on the 26<sup>th</sup> of June 1989 on the charge of colluding with a food vendor with the intent to defraud the college to the tune of #5,000.00. When appeals against his dismissal were turned down, he approached the court for redress. The matter<sup>96</sup> was then subsequently settled out of court and the officer was reinstated. In *Samson Babatunde Olarewaju v Afribank*<sup>97</sup> (*Supra*), the Supreme Court, following its earlier direction in *Olaniyan v. University of Lagos*<sup>98</sup> and *Shitta-Bey v. FSC*<sup>99</sup> held that: “Where the employment of an employee is protected by statute, the employee who is unlawfully dismissed may be reinstated.”<sup>100</sup>

### Damages

Due to the peculiar nature of contracts of employment with statutory flavour alluded to, damages are the most common form of remedy available to a party injured by the act of the other party in such employment contract. Originally at common law this was the only remedy, so that once there was a breach of contract of employment, the other party was entitled to monetary compensation as damages for.<sup>101</sup> However, general damages are generally not awarded. In the

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<sup>94</sup> *Laoye v FCSC* (*supra*)

<sup>95</sup> ASCON Suit No. ID/220281 (Unreported) 48.

<sup>96</sup> *Op. cit.*

<sup>97</sup> (2001) SC (Pt 111) 1, 8.

<sup>98</sup> (1985)2 NWLR (Pt 9)599.

<sup>99</sup> (1981) NSCC 19.

<sup>100</sup> (1985) 2 NWLR, 589, 34 and (1981), 1 SC, 40.

<sup>101</sup> Per J.O, Ikpeazu in *Oki v. Taylor (Nig) Ltd.* (1965) 2 NLR 45.

case of *New Nigeria Newspapers Limited v. Mr. Felix Atoyebi*<sup>102</sup> the Court. The Court of Appeal held that “...the award of general damages for wrongful dismissal in a contract of employment, is strange. This is because what is computed for a successful party in such circumstance cannot be general damages but proven as special damages.”

The law likewise recognises the right of an employee to claim damages for termination of the employment contract as against the provision of the statutes. This is evident in the case of *Shitta Bay v FCSC*<sup>103</sup> and, *Olaniyan v University of Lagos*.<sup>104</sup> Though domestic laws still do not, in most instances, recognise the right of the employee to sue for unfair dismissal or receive compensation for it even where it is not legally wrong, it, however, recognises the fact that the employer must give valid reasons for termination.

Also, in *AfriBank Nigeria v Obi Nwaneze*<sup>105</sup> the court held that unless the contract of employment is one of statutory flavour, all that an aggrieved employee is entitled to damages. This is majorly because as stated the court would not force a willing employee on an unwilling employer, especially where the employer has lost confidence in the employee. Forcing an unwilling employer may lead to conditions of work that would most likely be unfavourable for the employee.

The courts may also award compensation asides common law damages. Section 19 of the National Industrial Court Act 2006 provides that it can make an order which may be necessary and appropriate including awarding compensation or damages in matters in which the court has jurisdiction to hear. The court may also declare the unlawfulness of the termination.<sup>106</sup>

### Rescission

This is defined as “the retrospective cancellation of a contract, *ab initio*...” by which the contract is destroyed as if its discharge is by breach never impinges

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<sup>102</sup> (2013) NGSC 2.

<sup>103</sup> Supra

<sup>104</sup> Supra

<sup>105</sup> *New Nigeria Newspaper Limited v. Mr. Felix Atoyebi* (unreported) suit no. CA/K/282/2006 Judgment delivered on the 19<sup>th</sup> of April 2013.

<sup>106</sup> Erugo, op. cit. 405

upon any rights and obligations that have already matured.”<sup>107</sup> The contract is deemed cancelled with effect from its time of formation.<sup>108</sup>

Repudiation may arise in two instances, namely, after the agreement had been concluded but before the actual performance by either of the parties or may be constituted by the act or omission of one of the parties during the period of the contract and after a party or both have started performing the duties of the contract.<sup>109</sup>

At common law, a contract could also be repudiated on grounds of fraud. In *Awosile v Sotumbo*,<sup>110</sup> where fraud was pleaded and proven, the contract was held rightly avoided by the injured party. However, repudiation alone cannot end the contract, there must be an acceptance from the other party. Therefore, it is pertinent to distinguish repudiation from rescission as a form of remedy. A repudiation merely avoids the contract but does not put it to an end, while a rescission makes the contract void *ab initio*.<sup>111</sup> In the case of repudiation, a valid and subsisting contract exists, while in rescission, the contract is incurably bad and, therefore, void. Apart from this, a party could have a right of rescission on account of the breach under Section 82 (1)(d) of the Labour Act which gives courts the power to “rescind the contracts upon such terms as to apportionment of wages or other as it may consider...”<sup>112</sup>

### **Reinstatement**

By specific performance or reinstatement in this context, an employee is restored to his former job where the court is persuaded that the employment has been terminated wrongfully as against the statutory flavour by his employer. Although, reinstatement is rarely granted to an employee because he has no property interest in his job, recent decisions of the Supreme Court of Nigeria seem to support the view that in an appropriate case the servant may be granted remedies in declaratory action ordering reinstatement or an injunction restraining dismissal.

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<sup>107</sup> Cheshire, Fifoot and Furmiston, *Law of Contract* (8<sup>th</sup> Edition, Butterworths, 1972), 593.

<sup>108</sup> *Thorpe v Fairey* (1949) Ch.649.

<sup>109</sup> *Solicitor-General (WS) v Adediji Adedoyin* (1973) 3 UILR !43.

<sup>110</sup> (1986) 3 NWLR (Pt 29) 471 CA.

<sup>111</sup> *National Coal Board v Galley* (1958)1 All ER 91.

<sup>112</sup> Cap L1, LFN 2004.



This remedy has normally been granted to persons holding offices in the public service whose employments enjoy statutory backing under the Nigerian labour law.<sup>113</sup>

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## OBSTACLES ACHIEVING THE REMEDIES

### Changing Role of the National Industrial Court

The National Industrial Court’s adoption of a distinct approach compared to regular courts has helped enormously the course of justice. This may give the court the freedom to consider other remedies, apart from the rigid common law remedies which have proved unsatisfactory.<sup>120</sup> The introduction of severance pay exemplifies this departure from traditional practices.<sup>121</sup> This compensation, calculated based on the employee's years of service rather than contractual terms, reflects a more comprehensive approach to addressing the repercussions of termination. For instance, the court awarded one month's pay for each completed

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<sup>113</sup> Laoye v FCSC (*supra*)

<sup>114</sup> ASCON Suit No. ID/220281 (Unreported) 48.

<sup>115</sup> *Op. cit.*,

<sup>116</sup> (2001) SC (Pt 111) 1, 8.

<sup>117</sup> (1985)2 NWLR (Pt 9)599.

<sup>118</sup> (1981) NSCC 19.

<sup>119</sup> (1985) 2 NWLR, 589, P. 34, 50, 51 & 52 and (1981), ISC, 40, P.34

<sup>120</sup> *Supra*.

<sup>121</sup> M.A. Qudari, *Unfair Dismissals in the Workplace: An Appraisal of the Available Remedies: The Nigeria Example*. Unpublished Long Essay, Faculty of Law, University of Lagos, Lagos state, 2014.

year of service, illustrating a commitment to providing adequate redress for the terminated employee's circumstances.

Similarly, in *Industrial Cartons Ltd v National Union of Paper and Paper Converters Workers*,<sup>122</sup> the National Industrial Court considered various factors, including the contents of a compromising letter, in its compensation decision. Despite the contract stipulating only one month's salary in lieu of notice, the court granted six months' salary, diverging from established common law principles to ensure fair reparation.

Furthermore, in *Grizi Nigeria Ltd. v Grizi Nigeria Ltd Group of Companies Worker's Union*,<sup>123</sup> the Court's provision of severance pay exceeding initial amounts demonstrates its commitment to addressing termination injustices comprehensively. The awarded severance pays, increasing with the duration of service, showcases the innovations of the court. It also considers the impact of termination on employees' livelihoods.

From these cases, it is apparent that the National Industrial Court endeavours to provide adequate compensation to mitigate the hardships suffered by wrongfully terminated employees. But efforts of the NIC are constrained by the resistance of employers to the new realities that traditional approaches must give way to forward looking strategies of protecting employees' rights. The use of injunctions to stall trials by the defendants/employers and lack of diligent prosecution on the part of counsel, coupled with lack of adequate resources and personnel, prevented the court from achieving its mandate.

Moreover, the Court retains discretionary powers to grant additional remedies, including job security measures, surpassing contractual obligations. This approach ensures that employers are held accountable for unjust terminations, even if beyond contractual obligations, thereby promoting fairness and equity in employment practices.<sup>124</sup> Furthermore, in *Grizi Nigeria Ltd. v Grizi Nigeria*

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<sup>122</sup> (1981) NICLR 153.

<sup>123</sup> (1981) NICLR 54.

<sup>124</sup> A.S, Ishola, A.O Adeleye and D.O, Momodu, 'Rethinking the Jurisdiction of the National Industrial Court in Human Right Enforcement in Nigeria: Lessons from South Africa' (2016)3 *The Transnational Human Right Review* <  
[https://www.researchgate.net/publication/378851041\\_Rethinking\\_the\\_Jurisdiction\\_of\\_the\\_Natio](https://www.researchgate.net/publication/378851041_Rethinking_the_Jurisdiction_of_the_Natio)

*Ltd Group of Companies Worker's Union*,<sup>125</sup> the Court's provision of severance pay exceeding initial amounts demonstrates its commitment to addressing termination injustices comprehensively. The awarded severance pay, escalating with the duration of service, showcases a nuanced understanding of the impact of termination on employees' livelihoods. From these cases, it is apparent that the National Industrial Court endeavours to provide adequate compensation to mitigate the hardships suffered by wrongfully terminated employees. Moreover, the Court retains discretionary powers to grant additional remedies, including job security measures, surpassing contractual obligations. This approach ensures that employers are held accountable for unjust terminations, even if beyond contractual obligations, thereby promoting fairness and equity in employment practices.

2009.<sup>126</sup>

Controversies have arisen regarding the finality of decisions rendered by the National Industrial Court and their appeal ability. While decisions on fundamental rights and criminal issues are directly appealable to the Court of Appeal, other matters may require leave from the same court.<sup>127</sup> Section 9 of the National Industrial Court Act stipulates that no appeal shall lie to the Court of Appeal or any other court except as prescribed by the Act itself or another National Assembly legislation. Notably, appeals on wrongful termination, not being classified as fundamental rights issues, necessitate leave from the Court of Appeal. These powers appear too wide and the jurisdiction as the sole court to handle labour and trade union matters appear daunting. It is capable of leading to injustice through undue delays.

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[nal Industrial Court in Human Rights Enforcement in Nigeria Lessons from South Africa](#)>  
accessed 24 April 2024

<sup>125</sup> (1981) NICLR. 54

<sup>126</sup> A.S, Ishola, A.O Adeleye and D.O, Momodu, Rethinking the Jurisdiction of the National Industrial Court in Human Right Enforcement in Nigeria: Lessons from South Africa.

<sup>127</sup> Ibid.

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### **1999 CFRN Position on Labour Matters**

The 1999 Constitution permits victims of rights violations to seek redress from any high court. However, recent efforts aim to streamline this jurisdiction by vesting exclusive authority in the NIC for labour-related human rights disputes.<sup>129</sup> However, concerns have been raised about overburdening the NIC with additional responsibilities, considering the inherent complexity and frequency of employment and labour disputes. Notably, the recent ruling in *Mr. Godson Ikechukwu v First Bank of Nigeria Ltd.*,<sup>130</sup> where the NICN declared statutes limiting actions inapplicable to contracts of service, underscores the need for timely access to justice, albeit without delaying action.

### **The International Labour Organization**

The International Labour Organization (ILO) stands as a cornerstone in the establishment of international labour standards. It holds a unique position within the United Nations system as the only tripartite organization, uniting governments, employers, and workers from its 187 member states to establish labour standards and formulate policies and initiatives aimed at fostering decent work for all individuals. The ILO's overarching mission is encapsulated in its commitment to "promote rights at work, encourage decent employment opportunities, enhance social protection, and facilitate dialogue on work-related matters." At the core of its mandate lies the aspiration to collaborate with member states in achieving full and productive employment and ensuring decent work for all, with a particular focus on women and young people. This objective is firmly

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<sup>128</sup>Ibid.

<sup>129</sup> A.S Ishola *et al*, op cit

<sup>130</sup> NICN/LA/402/2018; Fundamental Right Enforcement Procedure Rules, 2009 at Preamble (3) (a)-(b)

enshrined in the ILO's 2008 Declaration on Social Justice for a Fair Globalization,<sup>131</sup> emphasizing the pursuit of social justice within the framework of a globalized world.

The International Labour Organization (ILO) plays a pivotal role in shaping international labour standards, which govern the treatment of individuals within employment settings. Compliance with these standards does not necessitate complex legal manoeuvres; rather, it entails adhering to fundamental principles of common sense and good governance within the workplace.<sup>132</sup> These international labour standards serve as essential tools primarily for governments, guiding the drafting and implementation of labour laws and social policies in consultation with employers and workers.<sup>133</sup> While ratification of ILO Conventions often serves as the starting point for this process in many countries, others align their legislation with ILO standards even without formal ratification, using them as models for crafting laws and policies.<sup>134</sup>

## CONCLUSION

The paper analysed the legal regimes for the determination of contract of appointment of employee with statutory flavour in Nigeria. It was noted that Nigerian courts are migrating from the common law remedies for wrongful determination of employee's appointment in favour of the maintenance of the global best practices which favoured additional remedies, including the award of general damages and specific performance. The legal reforms of the National Industrial Court in Nigeria also gave it the freedom to determine employment issues with despatch, taking into consideration the weak position of the employee to that of the employer. Furthermore, the Nigerian labour law stands to gain a lot from the experiences of common law countries on the transition from retrogressive common law posture and attitudes to the rights of workers.

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<sup>131</sup> Ibid.

<sup>132</sup> O.P. Obi, 'The Concepts and Purpose of International Labour Standard' (2008(2)(5) *NJLIR*, 66.

<sup>133</sup> International Labour Organization <mailto:<https://www.ilo.org/global/standards/introduction-to-international-labour-standards/international-labour-standards-use/lang-en/index.htm>> accessed 17 April 2024.

<sup>134</sup> Ibid.

Based on the analyses of the paper, it was recommended that the era of common law employment contract is gone as it has been jettisoned in other common law countries. Also, workers' rights to human dignity as affirmed by 1999 CFRN,<sup>135</sup> United Nations Business and Human Rights,<sup>136</sup> International Labour Standards<sup>137</sup> should be strictly implemented. The standards of the ILO on social justice and fair globalisation, freedom of association and workers' rights to work should be considered in extending the jurisdiction of NIC. Furthermore, periodic on the job workers' education should be instituted in Nigeria's workplace to apprise workers of their rights.

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<sup>135</sup> Section 34.

<sup>136</sup> 2011

<sup>137</sup> C158- Termination of Employment Convention 1982.

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