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CRITICAL HOUSING CHALLENGES: THE PERSPECTIVE OF LOW-INCOME EARNERS IN SOUTH-SOUTH NIGERIA

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Abstract

Albeit the importance of housing to humanity, available studies still reports that 71.9% of the inhabitants of African are displaced with respect to decent housing. Of these displaced persons, studies have emerged, asserting that those in the lower income bracket, who constitute over 90% of the population of Nigeria are the worst hit. Despite the enormous works done by past researchers, opinion writers and scholars have continued to sue for more studies on low-income housing provision in Nigeria and other developing countries. In the light of the forgoing, this paper investigated the housing challenges of lower income citizens in south-south Nigeria. A total of 400 samples out of the 1,514,540 samples was surveyed through the instrumentation of the quantitative strategy, which involved the administration of questionnaires to low-income earners in the study area. The obtained data was then analysed using descriptive analysis to obtain the percentages, mean and standard deviation scores of the responses of the participants. Findings revealed that the critical housing challenges of low-income earners in south-south Nigeria are ineffective government policies of housing, lack of mortgage financing, high cost of building materials, and lack of equity in the allocation of housing resources. This paper notes that a working housing policy instrument will address other issues like mortgage financing, high cost of building materials as advanced from the findings of the study. This paper therefore concludes that government ineffective housing policy instruments are the reasons for the homelessness scenario witnessed within the low-income bracket in Nigeria.

Keywords: Critical Housing Challenges, Housing, Low-Income Earners, Low-Income Housing, South-South Nigeria

Introduction

Everyone needs a roof over her head either for the furtherance of daily activities or for the smooth operation of life endeavours. As a matter of fact, housing has now been considered as the third need of man after food and clothing. However, as important as hosing is to humanity, literatures have continued to emerged on its scarcity both quantitatively and qualitatively. According to Adabre and Chan (2019); Mukhtar and Amirudin (2016); Enoghase *et al.* (2015); Woetzel *et al.* (2014), the cumulative figure of persons that are displaced in relation to housing across the globe stands close to a billion. In like manner, the African Centre for Cities (2015) submitted that nearly half of the population of Africans resides in slums and shanty towns.

Of these figures of persons that are displaced in relation to housing both quantitatively and qualitatively, available literatures have affirmed that those in the lower income bracket across the globe are the worst hit and

chief sufferers for obvious reasons. According to the studies of Oni-Jimoh *et al.*; Bons *et al.* (cited by Dania *et al.*,2021), giving the financial capacity of lower income citizens across the globe, it is quite certain that they cannot afford decent housing units. In African and in Nigeria to be precise, a study conducted by FGN (2012), corroborated by Bons *et al.* (2019) submitted that close to 90% of its inhabitants unfortunately falls within the threshold of the no income/low-income categories, and they reside in deplorable housing settlements. According to Lal (cited by Aghimien *et al.*, 2018), people all over the world would seek for alternative means of shelter conditions when the desirable is not available. Consequently, deplorable housing states otherwise referred to as slums and squalors becomes the abode of lower income citizens both in Nigeria and other Africa countries. Of course, deplorable housing settlements cannot be considered a home. Therefore, the import of the foregoing is that lower income citizens in Nigeria and many other African nations are homeless. Is this the case in developed and other developing climes?

Findings from Abdullahi and Aziz (2018) study has it that Malaysia as a country was able to address the housing woes of its lower income citizens through the country's pragmatic housing policy which was centred on engaging private sector players in the form of Public Private Partnership (PPP). Similarly, Bajunid and Ghazali study (cited by Johnson *et al.*, 2018), also submitted that through the mosaic housing model, the lower income citizens housing woes in the Republic of Botswana, has been greatly reduced. Looking at the successes recorded in housing for lower income citizens in Malaysia and Botswana as seen from the foregoing, concerns are being raised as to why the same is not the case for lower income citizens in Nigeria and many other African countries. Most of these concerns have resulted and culminated into calls for further works and researches on housing provision for lower income citizens in Nigeria and African as seen from the works of Muhammad *et al.* (2015); Ugochukwu and Chioma (2015). The studies whilst acknowledging the research efforts of past researchers, have again called for more researchers and studies on housing and housing provision for lower income citizens in Nigeria and other developing countries.

In the light of the foregoing and in response to calls from researchers and research bodies, this paper is set to investigate the housing challenges of lower income citizens that are critical in south-south Nigeria, giving the fact that none of this study type is in existence. It is believed that upon completion, the findings shall be useful to housing developers, the government and all the stakeholders involved in the provision of housing to lower income citizens. This paper therefore is structured as follows: introduction, review of past works on low-income earners housing, the adopted methodology, findings, discussions, and conclusions.

Literature Review

According to the Nigerian's government definition, a low-income earner is someone who approximately earns between 0-$160 as average monthly income (FGN, 2012). They could be into government employment, private sector employees or even self-employed (Onu and Onu, 2010). The combined studies of Okafor (2016); Olotuah and Taiwo (2015); Ismail *et al.* (2015), in relation to no income and low-income earners population in Nigeria submitted that they constitute over 90% of the population of Nigeria. In Africa, according to the report of the African Centre for Cities (2015), over 71.9% of its inhabitants resides in slums. On a global scale, the studies of Oni-Jimoh *et al.*; Bons *et al.* (cited by Dania *et al.*, 2021), have reported low-income earners to be the worst hit with respect to housing challenges. This implies that the over 71.9% and 90% of the inhabitants of African and Nigeria respectively, are low-income earners, and they reside in slums and squalors.

Reporting on why squalors and slums have become the abode of low-income earners in Africa and Nigeria to be precise, Abimaje *et al*. (2014) submitted that building materials costs, cost of land and labour are to be checked otherwise, decent dwellings may remain a dream to the low-income earners. According to Ismail *et al.* (2015) corroborated by Okafor (2016), Nigerian low-income earners shall continue to live in deplorable housing states except something is done about their weak financial capacity. The studies of Kayode and Olusegun (2013); Jolaso et al. (2012); Onu and Onu (2012); Adedeji and Olotuah (2012), attributed the worsening state of housing in Nigeria especially as it concerns the low-income earners on the poor savings rate on the part of the low-income earners, high rates of interests and inflation in the country, low-income earners limited access to finance as well as the high cost associated with imported building materials.

Iheme *et al.* (2015), hinged low-income earners housing woes on the lack of political will by stakeholders and gladiators in the political space of Nigeria. The political space of Nigeria and most other African countries is characterised with the ‘’godfatherism syndrome’’. The associates of political office holders consider themselves as sacred cows, and as such, mismanage and most times, divert government interventions to allies and persons who in most cases do not need the intervention. As a result, the housing intervention strategy of the government targeted at the low-income earners ends up in the hands of the affluent and rich in the society. The study identified other issues to include finance inadequacy, unsuitable location, and defective housing policy as challenges that needs to be addressed if decent housing is envisaged for the low-income group.

Opoko and Oluwatayo (2014) corroborated by Akinyode (2016) attributed low-income earners housing challenges to urbanization and rural urban drifting. Rural urban migration carries with itself, the challenge of overcrowding as well as insufficient housing unit (Muchadenyika, 2015). This development leads to the exertion of pressure on the available facilities thereby causing sewer pipes to rupture as well as the collapse of national grids resulting in frequent power outages. The cumulative effect of the above is that the few housing units that are available have now become totally unliveable as a result of pressure exerted on the facilities due to increase in population occasioned by urbanization and rural urban drifting.

Ugochukwu and Chioma (2015) hinged the housing challenges of lower income citizens in Nigeria on organisational and unstable political situations as well as the exorbitant cost associated with imported building materials. In Nigeria, political office holders have often times abandon the projects and programs of their predecessors. They engage in this act not minding the relevance and importance of the projects and programs to the citizens. This development has led to several abandoned housing schemes and of course, uncertainty in the housing market of the country.

Ankeli *et al.* (2016) attributed lower income citizens housing woes to the excessive cost of rentals, inadequate quality and quantity of housing, limited access to land for housing development, and the excessive costs of building materials. Aduwo *et al.* (2016) study reported that the limited understanding of the strategies to checkmate the failing housing situation among the low-income and the top down approach to social housing provision are the reasons why the housing situation of the lower income citizens in Nigeria has not witnessed any significant boost.

In another separate study, Aduwo *et al.* (2017) attributed low-income earners housing woes in Nigeria to poor access to finance, unavailability of land for housing development, uncoordinated PPP policy on housing as well as over concentration of the existing PPPs programs on the provision of houses for the high-income earners. Makinde (2014), study however blamed the

government for failing to address affordability and broader housing issues through its housing policy as the reason for the declining state of housing for the low-income earners.

Gbadegesin (2017) corroborated by Adegun *et al.* (2019) attributed low-income earners housing challenges to issues to include uncertainties surrounding land for housing development, the increasing costs of transaction, high cost of housing components as well as the excessive profit mentality of developers, the low-income earners in Nigeria may never be able to access decent housing.

Research Methodology

The study was conducted in the south-south region of Nigeria with samples drawn from the six states (Edo, Delta, Rivers, Bayelsa, Cross-Rivers, Awka-Ibom) that make up the region. The survey strategy was adopted and data was gotten from the participants who in this case are low-income earners within the study area through the use of structured questionnaires. The make-up of the instrument was in two sections. Section one was targeted at harnessing the background information of the respondents while section two was targeted at harnessing the responses of the respondents with respect to some specific questions drawn from literature. The low-income earners were drawn from the list obtained from the National Directorate of Employments (NDE) of the various states that make up the study area. The list obtained from the NDE, presented low-income earners in the south-south region of Nigeria to be 1,514,540. However, following the Taro Yarman (1967) formula (see Equation 1) with respect to sample size determination that will be representative, a total of 400 samples was surveyed. Of the 400 surveyed samples, 366 questionnaires happened to be validly filled and thus used for the analysis.

$$\text{Min. sample size (Ss)} = N/\ 1 + N\ (e)^2 \qquad 1$$

Where S is the minimum sample size, N is the population size and e is the level of precision. Prior to the administration of the instruments, instrument reliability was confirmed using the Cronbach alpha test. Accordingly, and as recommended by Tavako and Dennick (2011) a value of 0.711 was obtained, thus signifying that the study's instrument is reliable. The questionnaires were conveniently distributed to the identified low-income earners. The low-income earners selected to partake in the survey were selected based on some certain criteria to include: willingness and readiness to participate in the survey, the participants been truly low-income earners, and the participants been based within the study area. The obtained data were then analysed using simple percentages, frequency, and mean item score (MIS).

Findings and Discussions

Background information

The analysis of the background information showed that 66.1% of the respondents are public sector employees, while 33.9% of the respondents are private sector employees. The analysis also showed that 17.9%, 68.5%, 6.5%, and 7.1% of the respondents earn around #30000, 31000-70000, 71000-100000, 101000-130000 as monthly income respectively. From the analyses of the background information of the respondents, it is indicative that over 70% of the respondents actually earn between #30000-70000. This finding conforms to the assertions from FGN (2012) corroborated by Iwela (2014) that any Nigerian worker that earns on the average, a salary in the neighbourhood of #70,000, is a low-income earner. These results shows that the study's target audience are reliable and as such can provide the needed answers that this study seeks to answer.

Critical low-income earners housing challenges

This study gleaned from literature, some challenges faced by low-income earners with respect to access to decent housing. The identified challenges from literature was

presented to the respondents who were asked to rate them based on how critical they feel the challenges are. A 5-point Likert scale (with -5- to be most critical and -1- to be not critical at all) was employed in measuring the responses of the respondents to the challenges. Table 1 above presents the mean, standard deviation and ranking of the challenges. From the table, it is indicative that all of the ten (10) identified challenges from literature had an average mean value of above 3.0. The import of this is that all of the identified ten (10) challenges are been faced by the low-income earners in the study area but at varying levels. However, the descriptive analyses further revealed that the challenges of ineffective government policies of housing, lack of mortgage financing, high cost of building materials, lack of equity in the allocation of housing resources, and high cost of land with mean values of 4.11, 4.10, 4.10, 4.09, 4.09 ranked 1st, 2nd, 3rd, 4th and 5th respectively.

The provision of decent housing to citizens all over the globe has been the responsibility of the government of that nation. Governments all over the globe have attempted to meet this responsibility through the formulation and evolution of different housing policies. The policy of housing of any nation no doubt has a direct influence on the quality of houses been built as well as how citizens (low-income earners inclusive) can access it. The import of the foregoing is that any nation that wishes to have its citizens adequately housed, must strive to have a clean, sound and a working housing policy. According to Bajunid and Ghazali; Abdullahi and Aziz (cited by Johnson *et al.*, 2018), the Republic of Botswana and Malaysia has recorded tremendous success with respect to housing provision for its low-income citizens because of the nature of the country's housing policy. However, in Zambia and many other African countries, Phiri (2016) reported that housing provision to low-income citizens has continued to worsen because of the defective make-up of the country's housing policy.

Overall, this study's findings are in harmony with the submissions from the findings of the studies of Aghimien *et al.* (2018); Taruvinga and Mooya (2016) who affirmed that decent housing provision to citizens in developing countries is trammelled as a result of several factors of which the most significant amongst them ranges from outdated and ineffective policies of housing to inadequate budgetary allocation to cover for mortgages amongst others.

Table 1: Descriptive analyses of low-income earners housing challenges

Housing Challenges	N	Mean	SD	Rank
Ineffective government policies of housing	366	4.11	.730	1st
Lack of mortgage financing	366	4.10	.787	2nd
High cost of building materials	366	4.10	.747	3rd
Lack of equity in the allocation of housing resources	366	4.09	.747	4th
High cost of land	366	4.09	.733	5th
Delays in the process of plans and design approvals	366	4.08	.790	6th
Inadequate supply of infrastructure by the government	366	4.08	.783	7th
Discrimination against the use of local building materials	366	4.05	.773	8th
Inadequate land supply by government	366	4.02	.800	9th
High rate of internal displacement/disaster	366	4.02	.789	10th

Conclusion

In response to calls for more research works on low-income housing provision in Nigeria,

this study examined the housing challenges of lower income citizens in south-south Nigeria that are critical. The study through the quantitative approach, surveyed the opinion of lower income earners in south-south Nigeria. Based on the findings from the survey, this study concludes that the housing challenges of the lower income earners that are critical in the study area are the challenges of: ineffective government policies of housing, lack of mortgage finance, high cost of building materials, lack of equity in the allocation of housing resources, and high cost of land. It is believed that stakeholders responsible for housing provision will find the findings of this study useful and beneficial. The same equally applies to all other actors in the housing industry.

This study therefore having achieved its aim wish to put on record that its geographical scope was and remains the south-south region of Nigeria. In view of this, the study advises that its findings, which may be useful to other parts of Nigeria as well as other developing nations, must not be generalised. Instead, the study encourages that further similar studies be carried out in other parts and regions of Nigeria. That way, a more robust opinion on the housing challenges of lower income earners that are critical in Nigeria can be achieved. Also, a comparative analyses of the critical housing challenges of low-income earners from the different regions of Nigeria can be achieved. All of these will go a long way to addressing the low-income housing problems and challenges in Nigeria.

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