

Impact Of Subsidy Removal On School Administration, Teachers Job Performance And Students' Academic Performance In Secondary Schools In Nigeria

Niyi Jacob Ogunode

<u>Ogunodejacob@gmail.com</u> Department of Educational Management Faculty of Education University of Abuja.

Dr. Olofu, Paul Agbade paulagbade@gmail.com Department of Educational Management Faculty of Education University of Abuja.

Abstract

This paper assessed the impact of subsidy removal on school administration, teacher's job performance and students' academic performance in secondary schools in FCT, Abuja. Secondary data were used in the paper and the data were collected from both print and online publications. The paper concluded that subsidy removal in Nigeria have led to increment in operational cost of running schools, affected teachers job performance and students' academic performance. Based on these findings, the paper recommended the following. Government should increase budgetary allocation to all secondary schools in FCT and in Nigeria at large. This will help school administrators to meet up with the operational running cost of running the schools. Government should provide school buses to all secondary schools in FCT and in Nigeria at large to aid teachers and students movement to schools. Government should provide instructional materials like textbooks, calculators, exercise books, drawing aids to students.

Keywords: School administration, Teachers job performance and students' academic performance in secondary schools.

Introduction

In the 1970s, subsidy was introduced into the Nigerian economy. Fuel subsidy means that a fraction of the price that consumers are supposed to pay to enjoy the use of petroleum products is paid by government so as to ease the price burden (Onyeizugbe & Onwuka, 2012). A subsidy is defined by OCED (year) as a government action that decreases the consumption of what?. Subsidy by definition is any measure that keeps prices consumers pay for good or product below market levels for consumers or for producers above market. Subsidies take different forms. Some subsidies have direct impact on price. These include grants, tax reductions and exemptions or price controls. Others affect prices or costs indirectly such as regulations that skew the market in favor of a particular fuel, government sponsored technology or research and development(R and D) (Adebiyi, 2011).

The justifications for introduction or removal of subsidies vary markedly. In developed economies, environmental issues, international trade and maintaining competitiveness are the main drivers of policy. Whereas welfare, poverty alleviation and election cycle politics largely underpin the reasons for which subsidies are introduced in developing countries. A new factor in the current mix of policy drivers is the renewed emphasis on governance reform championed by the Breton Woods Institutions (Centre for Public Policy Alternatives, 2012; Ogunode, & Ukozor, 2023).

IJIE | Research Parks Publishing (IDEAS Lab)

Subsidy payment is consuming large sum of funds in the Nigerian economy. Subsidy payment has negatively affected the entire Nigerian economy. Research has it that the Federal Government of Nigeria has spent over N3.5tn on petrol subsidies in 2022. The former Finance Minister, Zainab Ahmed Akabueze noted that fuel subsidies often had a huge impact on the economy and the lives of the people (Punch, 2022b; Ogunode, &Ukozor, 2023)"

The implication of subsidy payment on the economy is that it is consuming large amount of funds that are supposed to be used for the development of other sectors like health, energy, social infrastructure, social programme and education. For instance, in 2021, Nigeria's petrol subsidy cost around \$4.5bn, or roughly two per cent of GDP, far exceeding Federal Government of Nigeria's spending on health, education, and social protection while in 2022 amended budget allocates N4tn (almost two per cent of Gross Domestic Product) for the petrol subsidy, higher than the combined budget allocated for education, health and social protection (Punch, 2022a). The World Bank as quoted by Punch (2022a) submitted that the cost of fuel subsidy in Nigeria has exceeded the government's spending on health, education and social protection for Nigerians (Ogunode, & Ukozor, 2023).

The sustained increment in the subsidy payment in the midst of poor revenue generation and neglect in\ the development of critical infrastructural facilities has made many Nigerian, international organizations and scholars to call on the federal government to stop the subsidy payment programme and redirect the funds into other critical sector like health, energy, social programme and education (Ogunode, & Ukozor, 2023). For instance, the Director General of the Budget Office of Nigeria, Ben Akabueze, submitted that the trillions of naira spent on fuel subsidy can be deployed to other creative sectors, particularly education (Punch, 2022b) and Punch, (2022c) quoted Gillis-Harry who suggested to the federal government that the subsidy that is being paid on petrol should be stopped.

Efforts by the Nigerian government to partially or fully remove the subsidies have been opposed by Nigerian labour congress. The newly elected president of Nigeria (President Tinubu) in his inaugural address, declared that there would no longer be a petroleum subsidies regime as it was not sustainable. Subsidy can no longer justify its ever-increasing costs in the wake of drying resources. Subsidy removal according to Ogunode & Aregbesola (2023) is an official elimination of subsidy on products formerly subsidized. Subsidy removal is the decision of government or institutions to stop payment of subsidy on products or services previously subsidized. Subsidy removal is the stoppage of subsidy regime in an institutions or country. Subsidy removal is the policy of liberating the prices of goods and service to be regulated by forces of demand and supply (Ogunode & Aregbesola, 2023).

The removal of subsidies on fuel in Nigeria has led to increment in prices of goods and services which had impacted negatively on every institution in the country (Darlington & Monday, 2023; Ogunode & Aregbesola, 2023). Administration and management in public secondary schools in Federal Capital Territory have not been the same since the removal of fuel subsidies. School administrators, teachers and students have been affected in one way or the others. It is on this premise that this paper examined the impact of subsidy removal on school administration, teacher's job performance and students' academic performance in FCT, Abuja, Nigeria.

Purpose of the study

The purpose of this paper was to assess the impact of subsidy removal on school administration, teacher's job performance and students' academic performance in secondary schools in FCT, Abuja. This study sought to:

1. assess impact of subsidy removal on school administration in secondary school in FCT;

2. find out impact of subsidy removal on teachers job performance in secondary schools in FCT;

IJIE | Research Parks Publishing (IDEAS Lab)

3. evaluate the impact of subsidy removal on students' academic performance in secondary schools in FCT.

Methodology

This paper assessed the impact of subsidy removal on school administration, teacher's job performance and students' academic performance in secondary schools in FCT, Abuja. Secondary data from different sources were employed for the paper. The paper employed content analysis to analyze all the literatures collected. Only those relevant to the topic were systematically selected. Exploratory method was adopted in the analysis. To ensure the reliability and validity of the study, multiple secondary sources were used to minimize the risk of error. The secondary data were collected directly from textbooks, journals, articles, newspapers and other local and international publications.

Discussion

Subsidy Removal and School Administration in Secondary School in Federal Capital Territory (FCT), Nigeria

Subsidy removal on petrol affected school administration in the area of running and operational costs. The removal of subsidy led to increase in all resources needed to operate the schools to function and realize its objectives in FCT. Tis submission is agreed upon by Ogunode & Ojochenemi (2023) asserted school administration of most educational institutions have been affected in Nigeria due to subsidy removal. The removal of subsidy has increased the cost of running the schools. School administration is the internal arrangement of school resources to the implementation of school programme. School administration look at education from the specific educational institutions. School administration is the internal activities that deal with coordinating of school programme for optimum performance. The current economic hardship has adversely affected most public and private schools as price of educational resources have gone high.

Subsidy Removal and Teachers job Performance in Secondary Schools in FCT

The teacher's job performance is affected by subsidy removal in the secondary schools in federal capital territory. Teacher's job performance is defined as the total outcome of tutor activities in the schools. Casting (2016) viewed job performance as execution, conduct, compliance or conformity with stated decisions or directives issued by a super-ordinate or demanded by a job. This shows that performance of any job must be according to the pattern set performing such tasks. Teachers' job performance is the degree or level by which a tutor executed his or her official teaching function at a particular time. Subsidy removal affected teacher's job performance teachers because many they cannot carry out their functions in their respective schools due to high cost of transportation fares. Ogunode. &Ukozor (2023) and Ogunode (2023) submitted that the increase in the price of fuel has worsened the state of teachers and students who have to depend daily on transportation to school. It makes life more difficult as most of them depend to effective carry out their educational programme. Increment in price of fuel have affected most academic staff (teachers). Most of the academic staff (teachers) cannot fuel their cars and public facilities are also expensive. The increment have forced many academic staff (teachers) to restructure their lectures to one day or two day per week. Also, Ogunode et al (2023) and Okonkwo (2023) concluded that lecturers who are implementer of teaching programme are also affected by the removal of the fuel subsidy, as they have to pay more for transportation to and from work. Many lectures rely on public transport, such as buses, taxis and motorcycles, which have also increased their fares due to the higher cost of fuel. Some lectures may have to spend more than half of their salaries on transportation alone, leaving little for other expenses such as food, rent and health care.

Subsidy Removal and Students' Academic Performance in Secondary Schools in FCT

Subsidy removal have affected students' academic performance in secondary schools in FCT. The increment in petrol price as a result of subsidy removal have affected many student academic work because majorities of students have miss their lessons due to inability to transport to schools

IJIE | Research Parks Publishing (IDEAS Lab)

due to high transportation fares. Musa (2023) and Bamidele (2023) noted that majorities of public secondary schools students in Nigeria including FCT depend on public and private facilities to move to schools daily and most of these students depend on their parents and guidance to provide this transportation fares. Ogunode et al (2023) asserted that the movement to school by students is done mostly by buses, motorcycles or cars that use fuel. The subsidy removal has led to an increase in the fuel price which have also led to increase in transportation fare. Subsidy removal in Nigeria have affected learning programme of students in Nigerian educational institutions. The removal of subsidies has led to a hike in the price of fuel, which automatically leads to inflation in the country, it is evident that this hike in the price of fuel making it difficult for student's movement to schools. Ogunode (2021) and Abdul (2019) concluded that missing of lessons and lectures is one of the reasons students perform poorly in the schools. Okonkwo (2023) noted that some students may have to drop out of school or defer their studies if they cannot afford the transportation costs and Omoniyi (2023) concluded that subsidy removal will have effects on the academic performance of the students as they now go hungry due to the prices of food that have gone beyond the reach of the common man.

Conclusion and Recommendations

The paper assess the impact of subsidy removal on school administration, teacher's job performance and students' academic performance in secondary schools in FCT. The paper concluded that subsidy removal in Nigeria have led to increment in operational cost of running schools, affected teachers job performance and students' academic performance. Based on these findings, the paper recommended the following:

1. Government should increase budgetary allocation to all secondary schools in FCT and in Nigeria at large. This will help school administrators to meet up with the operational running cost of

2. Government should provide school buses to all secondary schools in FCT and in Nigeria at large to aid teachers and students movement to schools;

3. Government should provide instructional materials like textbooks, calculators, exercise books, drawing aids to students.

REFERENCES

- 1. Adebiyi, O.(2011). Fuel Subsidy: The True Story : 23 Next. Available Online At :<u>Http://234</u> Next.Com/Csp/Cms/Sites/Next/Home/5764 67-1822/Fuel Subsidy the true Story. Csp.
- 2. Centre for Public Policy Alternatives (2012). Fuel Subsidy: A Lesson for Nigeria.
- 3. Bamidele, O, P (2023). Fuel subsidy removal is hampering educational sector

https://tribuneonlineng.com/fuel-subsidy-removal-is-hampering-educational-sector/

- 4. CCPA (2012) Nigeria: Fuel Subsidy. New York: Adam Smith International.
- 5. Ejiogu, E, Emeadi, A, Onyeka, S, John T, Onyejiuwa, G, Uzoaru, S. Dangwam, J Anyanwu, G, Abel Leonard, A.&Adeyemi E. (2023) Fuel subsidy removal: Parents in dilemma as primary, secondary schools close for long vacation. <u>https://sunnewsonline.com/fuel-subsidy-removal-parents-in-dilemma-as-primary-</u> secondary-schools-close-for-long-vacation/
- 6. Musa, T. (2023). Subsidy removal and educational institutions. Abuja.
- Ogunode, N,. J. & Aregbesola. B.G. (2023). Impact of Subsidy Removal on Nigerian Educational System. *Middle European Scientific Bulletin*, 39, 105-116. Retrieved from <u>https://cejsr.academicjournal.io/index.php/journal/article/view/1865</u>
- Ogunode, N., J. & Ojochenemi, U., B (2023). Impact of Subsidy Removal on Educational Institutions in Nigeria. <u>http://www.eresearchjournal.com/wp-content/uploads/2023/09/8.-</u> subsidy-institu.pdf

- Ogunode, N,.J. & Ukozor, C,. U. (2023). Fuel Subsidy Removal as an Imperative for Enhancing Sustainable Development in Education in Nigeria. *Modern Journal of Social Sciences and Humanities* (9), 221-230
- 10. Ogunode, N,. J. &Ukozor, C,. U (2023).Impact of Subsidy Removal on Tertiary Education in Nigeria.
- 11. Okonkwo, O. (2023) Explainer: How fuel subsidy removal affects you. <u>https://nairametrics.com/2023/06/01/how-fuel-subsidy-removal-affects-smes-employees-</u> and-students-in-nigeria/?amp=1
- 12. Omoniyi, A. (2023). "Impact of fuel subsidy removal on Nigerian students Tribune Online" <u>https://tribuneonlineng.com/impact-of-fuel-subsidy-removal-on-nigerian-students/</u>
- Onyeizugbe, C., U &Onwuka, E., M (2012) (2012) Fuel Subsidy Removal as an Imperative for Enhancing Business Development in Nigeria. VSRD International Journal of Business & Mngt. Research Vol. 2 (9), 454-461
- 14. Oyedele (2012). The Real Cost Of Fuel Subsidy And Tax Implications, Journal of Policy And Strategic Studies, 12 : 10-17.
- 15. Punch (2022a) Subsidy overtakes health, education, welfare budgets, World Bank warns Nigeria <u>https://punchng.com/subsidy-overtakes-health-education-welfare-budgets-world-bank-</u> warns-nigeria/
- 16. Punch (2022g) Nigeria sacrifices 431,557 apartments for N4tn petrol subsidy –Analysis <u>https://punchng.com/nigeria-sacrifices-431557-apartments-for-n4tn-petrol-subsidy-</u>analysis/
- 17. Punch (2022b) Why Nigeria should end fuel subsidy Akabueze.https://punchng.com/whynigeria- should-end-fuel-subsidy-akabueze/?utm_source=auto-readalso&utm_medium=we
- 18. UNEP (2003) "Energy Subsidies: Lessons Learned in assessing their impact and designing Policy Reforms". Retrieved July 12, 2014
- 19. fromwww.Unep.ch/eth/publications/energysubsidies/Energy subreport.pdf.