Industrialisation and Employment Dynamics in Nigeria: A Sociological Analysis of Job Creation and Labour Market Trends

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DOI: https://doi.org/10.67487/ijprss.v2i4.302

Citation: Essien, J. M., Udoh, U. S. & Atairet, A. C. (2026). Industrialisation and Employment Dynamics in Nigeria: A Sociological Analysis of Job Creation and Labour Market Trends. *International Journal of Public Relations and Social Sciences, 2(4). https://doi.org/10.67487/ijprss.v2i4.302*

Abstract

Industrialisation has long been positioned as a vehicle for poverty reduction, job creation, and enhanced global competitiveness through trade. This study assessed how industrialisation such as disaggregated into manufacturing, quarrying and mining, and construction, has shaped job creation in Nigeria, with attention to the sociological dimensions of labour-market change. A cross-sectional survey design was adopted, with data collected online, via a researcher-designed questionnaire, from respondents across the country. Descriptive statistics (mean and standard deviation) were used to answer the research questions on 200 valid responses, while regression analysis tested the three study hypotheses at a 95% confidence interval. Results show that manufacturing and quarrying/mining exert a significant positive effect on employment generation, while construction exerts a significant negative effect. Overall, industrialisation is confirmed to significantly influence job creation in Nigeria. The study recommends fostering a macroeconomic environment such as adequate infrastructure, security, and education, that supports manufacturing; encouraging public-private partnerships to draw foreign direct investment into mining and quarrying; and integrating international construction players with domestic firms to expand absorptive capacity in that subsector.

Keywords: industrialisation, employment dynamics, job creation, sociological analysis, regression analysis

1. Introduction

Industrialisation denotes the transformation of an economy's base from agricultural to machine production. It drives economic growth, job creation, and import substitution (Morawetz, 2021; Ogbomhe & Abdul, 2025). Nigeria's pre-colonial economy was agriculture-based, and demand for imported goods grew markedly under colonial rule. After independence, successive governments pursued import substitution, export promotion, and structural reforms to transform the economy, foster growth, curb imports, and strengthen local industry. Progress has been uneven, yet industrialisation remains central to Nigeria's approach to long-term development. Public investment in research and training institutions has strengthened the industrial base and enabled local production of materials and machinery, with the broader aim of boosting self-sufficiency and job creation, since industrial expansion raises labour demand and drives productivity, profitability, and growth (Korgbeelo & Odoyi, 2024; Adeniyi, 2021).

Despite these policy efforts, sectoral performance remains weak, hampered by low capacity, heavy import dependence, and poor infrastructure, producing growth without commensurate employment. Rising unemployment, swelled by growing numbers of graduates and job losses, underscores the need to assess industrialisation's real effects on employment. Nigeria has pursued a succession of strategies such as import substitution, indigenisation, export promotion, SME support, and private-sector-led growth, intended to raise local production, attract foreign capital, and empower entrepreneurs, but poor infrastructure and low industrial capacity have continued to limit progress. Federal schemes such as SURE-P and YouWiN were introduced to boost employment, yet job creation still lags behind population growth. Unlike Malaysia and Indonesia, whose industrial policies have driven both industrialisation and job creation, Nigeria's structural shift bypassed manufacturing in favour of services, weakening the potential for labour-intensive growth (Ekpo & Udoh, 2025).

This study examines why Nigeria's industrial sector has underperformed on employment creation and proposes policy responses. Unless manufacturing and industrial capacity improve, the country risks entrenching jobless growth; industry must instead become a genuine engine of employment through strategic investment, coherent policy, and targeted sectoral interventions.

2. Literature Review

2.1 Conceptual Framework

2.1.1 Industrialisation

Okafor and Olujimi (2021) define industrialisation as the economic, social, and technological transformation of societies from agrarian to industrial forms of organisation. It spurs innovation, modernises production, and energises service industries. The historical experience of industrialised nations led Rostow and others to place industrialisation at the centre of economic development; yet while Asian and South American economies have advanced along this path, African countries such as Nigeria continue to lag, constrained by limited technology adoption, underutilised manufacturing capacity, modest investment, and a large but under-skilled labour force. Nigeria needs sustained investment in infrastructure, human capital, and technology transfer to close this gap; without near-term reform, the deficit in industrial capacity and job creation will persist and continue to limit long-term economic transformation (Krokeyi & Akekere, 2020; Okezie et al., 2017).

2.1.2 Employment Generation

Job creation refers to the generation of new jobs to reduce the number of unemployed persons (Effiong & Udonwa, 2024). National Bureau of Statistics figures illustrate how volatile this process has been: formal-sector jobs created stood at 152,018 in Q4 2012, informal-sector jobs at 208,920, and public-sector jobs at 24,975; by Q4 2013 total jobs had risen to 265,702, though the formal sector's contribution fell to 101,597, alongside 143,278 informal and 20,827 public-sector jobs. In 2014, total jobs added rose to 369,485, with the formal sector contributing 37.4% (138,026), the informal sector 61.5% (227,072), and the public sector 1.2% (4,387). By 2015 total employment had grown to 499,521, but the formal sector's share had fallen to 5.5% (27,246) against an informal-sector share of 95.4% (476,563), alongside a sharp decline in public-sector jobs. In Q4 2016, the informal sector generated 77.2% (144,651) of new jobs, the formal sector 26.5% (49,587), while the public sector contracted by 3.8% (7,012), partly reflecting the recession. The informal sector, buoyed by seasonal farming and rising labour-force participation amid a scarcity of formal jobs, remained the dominant source of new employment between 2017 and 2022; by the end of 2022, total jobs created had fallen below 400,000, underscoring the continued instability of formal and public employment. The scale of the informal sector reflects deeper structural weaknesses in the Nigerian economy (NBS, 2022; Ekpo et al., 2025), and sustainable job creation is unlikely without deliberate industrial and employment policies.

2.1.3 Labour Market Trends and the Employment Nexus in Nigeria

Industrial relations describe the relationships among employers, employees, and the state that shape the workplace. Over the past two decades, reforms in banking, growth in telecommunications, and privatisation have reshaped employment away from a purely service orientation toward greater absorption in agriculture and manufacturing, consistent with evidence that financial sector development supports broader economic growth (Ekpo et al., 2024). Employment elasticity is highest in services (0.5), followed by manufacturing (0.3) and agriculture (−0.1), reflecting ongoing urbanisation and technological change (Ikeije, 2020).

2.1.4 The Economics of Job Creation

Employment generation has been described as the greatest social programme any society can undertake, and many economic thinkers have focused on an economy's capacity to generate productive employment. Among the most influential is John Maynard Keynes, whose General Theory of Employment, Interest and Money (1936) argues that output and employment are functions of investors' short- and long-term expectations, expectations that translate into productive investment and employment only within a supportive policy and institutional framework. In the modern economic system, job creation is primarily a private-sector responsibility, but the private sector's willingness to invest depends heavily on the environment government policy creates (Ekpo et al., 2023a); as Keynes observed, today's employment is governed jointly by today's expectations and today's capital equipment.

Because the economy is a socially constructed institution built to meet human needs, government action must create viable means for citizens to secure the purchasing power essential to participate in society (ILO, 2015); the availability and quality of jobs therefore reveal how well a political-economic system harnesses its resources to meet human needs. Employment generation and macroeconomic stability are, at root, functions of political leadership: the level of employment a society generates is not fixed by any universal economic law but depends on the values and policies underlying its economic system. Unemployment carries enormous costs for the individual and the economy, and public policy can help create jobs through market competition, innovation, and creative destruction. Okun's Law captures part of this cost: for every 1 percentage point the actual unemployment rate exceeds the natural rate, the gap between actual and potential GDP widens by roughly 2 percentage points (McConnell & Brue, 2008). At the individual level, prolonged unemployment is linked to economic, social, and psychological strain and to elevated incidents of family conflict, crime, and civil unrest, whereas employment opportunities enable individuals to make fuller use of their capabilities, provided macroeconomic policy

supports investment, productive capacity, and aggregate demand alongside political stability (ILO, 2015).

Chronic unemployment has increasingly been recognised as a threat to social stability in its own right: modern economies must generate sufficient employment for their able-bodied citizens to sustain peace and development. Employment creation is widely regarded as central to inclusive growth and is often framed as a constitutional right, though this does not obligate government to employ every job seeker directly; rather, it obliges government to create, through appropriate policy, an environment in which job creation can occur (Ekpo & Onyemailu, 2025).

2.1.5 Industrial Sector Performance and Employment Generation in Nigeria

Nigeria's modern industrial sector was established in 1955 in preparation for independence, its early activities dominated by multinational wholesale operations. As Korgbeelo and Odoyi (2024) report, the sector's post-independence trajectory has been a mixture of initial mild growth and subsequent retrogression, following relatively satisfactory growth from the colonial era through the first post-independence decade.

From the early 1960s to the mid-1970s, government policy measures spurred rapid growth in industrial capacity and output, and the relative importance of manufacturing rose accordingly: for 1960–1975, the industrial sector averaged 22.3% of total GDP, with manufacturing contributing an average of 30.4% of total industrial output and 6.8% of total GDP (CBN, 2019).

For 1976–1985, the industrial sector's average GDP share rose to 30.6%, and manufacturing's contribution to GDP improved to 9.0%, though its share of total industrial output eased slightly to 29.5%, reflecting the collapse of international oil prices and the import restrictions the government introduced in response, which constrained manufacturers' access to raw materials and spare parts and reduced capacity utilisation (CBN, 2022).

The 1986 Structural Adjustment Programme (SAP) revived industrial performance: from 1986 to 1999 the sector's average GDP share rose to 40.6%, even as manufacturing's own contribution to total industrial output and GDP eased to averages of 13.0% and 5.3%, respectively. Between 2000 and 2009, the industrial sector's GDP share averaged 38.4%, a modest decline from the SAP era, while manufacturing's GDP contribution fell further to 2.8%. For 2010–2019, the industrial sector's GDP share averaged 23.67%, with manufacturing's share of industrial output and GDP averaging 33.77% and 8.0%, respectively (CBN, 2019). Between 2020 and 2023, the industrial sector's GDP contribution averaged 20.11% lower than the preceding period, yet manufacturing's share of total industrial output rose to 44.18% and its GDP share edged up to 8.9% (CBN, 2023; Ekpo & Udobia, 2025a).

On employment, the industrial sector's share of total employment averaged 8.9% between 1991 and 2017, falling to an all-time low of 8.01% in 2002 before rising to 14.16% in 2010, dipping to 10.15% in 2011, recovering to 12.45% in 2015, and climbing further to 14.56% by 2022 (World Bank, 2024).

The imperatives of industrialisation for a recessed economy like Nigeria's are difficult to overstate: the absence of a robust industrial sector is widely regarded as a major constraint on national development, prompting most governments to actively encourage industrialisation (Krokeyi & Akekere, 2020). If Nigeria is to achieve rapid, sustained growth of around 10% or more and meaningfully address food security, employment, poverty, trade, and living standards, it must urgently diversify and transform its productive base beyond the traditional primary sector which, in standard growth theory, requires placing manufacturing-led industrial policy at the centre of the growth strategy.

2.2 Theoretical Framework

This study is grounded in two theories: the search and matching theory of Mortensen and Pissarides (1994) and the structural transformation theory of Arthur Lewis (1954).

2.2.1 The Search and Matching Theory

Mortensen and Pissarides's (1994) search and matching theory assumes that workers differ in skills and jobs differ in requirements, so workers must search for well-paying, suitable jobs while firms search for the most productive workers. Because neither side has complete information, search is costly and time-consuming, and workers are assumed to search only while unemployed. Faced with a wage offer, a worker must decide whether to accept it or continue searching; the reservation wage is the threshold at which a worker is indifferent between the two, accepting offers above it and rejecting offers below it. A successful match ends a worker's unemployment spell, but existing matches can also dissolve, returning workers to unemployment; at equilibrium, the rate of workers leaving unemployment equals the rate of workers becoming unemployed.

Koursaros (2011) provides empirical support for a key implication of the model: increased production of already-existing goods does not raise employment, whereas new products are associated with employment growth, because firms that innovate contribute disproportionately to employment volatility. Since ideas become cheaper to implement after a technological expansion, the cost of posting vacancies becomes countercyclical, which boosts job creation and vacancy rates; the model can amplify volatility in vacancies, unemployment, and market tightness by as much as 300%.

2.2.2 The Structural Transformation Theory

Lewis's (1954) structural transformation (or structural change) theory describes the process by which underdeveloped economies shift from traditional subsistence agriculture toward a more urbanised, industrially diverse manufacturing and service economy (Abenyo, 2020), explaining this shift as a transfer of labour from the traditional agricultural sector to the modern industrial sector. The traditional sector is characterised by an unlimited supply of labour with low or zero marginal productivity, limited land, and subsistence-level wages (Kindleberger, 1988; Gabardo et al., 2017), while the modern industrial or capitalist sector is expansionary, driven by the pursuit of profit through prices set above prevailing wages. Because the industrial wage exceeds the agricultural wage, it draws labour out of agriculture and into industry (Jhingan, 2016; Chiswick, 2018); as long as surplus agricultural labour persists, industry can draw on it at a roughly constant wage. Lewis assumes wages are fully consumed while profits are saved and reinvested so that as capitalists expand or establish new enterprises, the industrial capital stock, and with it the marginal productivity, and hence demand, for labour rises (Kindleberger, 1988).

As the modern sector expands, employment and output rise and profits' share of national income grows until surplus labour is exhausted and wages begin to rise; the economy then crosses from a dual to a single integrated labour market, with real wages rising alongside productivity, consistent with conventional growth theory (Chiswick, 2018). Critics regard the assumption of a constant industrial wage as unrealistic, since wages tend to rise continuously in the capitalist sector, and fault Lewis for neglecting agriculture's own potential for progress; nonetheless, the theory remains a foundational, perceptive analysis of the structural problems facing underdeveloped economies.

2.3 Empirical Review

Ojima (2019) examined the relationship between unemployment and economic development in Nigeria using ordinary least squares and time-series data spanning 1980–2017, finding that government expenditure and tax revenue are both significant long-run determinants and that unemployment has an inverse, harmful relationship with economic development. The study recommended fiscal and monetary measures to induce job creation alongside expanded skill acquisition and on-the-job training.

Ukeje (2020) examined emerging structural changes in Nigeria's labour market and their implications for employment relations, drawing on secondary data from research institutions, government agencies, and corporate organisations. The evidence pointed to rising youth unemployment and underemployment, a decline in full-time permanent jobs, growth in casual/contract and part-time work, rising female labour-force participation, increased outsourcing, and greater labour shedding over the preceding two decades

developments associated with declining union density and bargaining power, growing non-union representation, shifting skill requirements, and greater emphasis on employee loyalty, commitment, and work–life balance. The study concluded that flexible, individualised employment relations are gradually displacing Nigeria's traditional, institutionalised model.

Okunola (2021) investigated the relationship between employment dynamics and fiscal policy across the fifteen ECOWAS member states from 1990 to 2019, building a Keynesian model with employment, government expenditure, and tax revenue as variables and estimating it via the Autoregressive Distributed Lag (ARDL) approach. Results showed that both government expenditure and tax revenue significantly affect long-run employment, with government expenditure exerting a negative effect and tax revenue a positive one. The study recommended that ECOWAS governments rely more on tax revenue than on expenditure, which it found relatively unproductive, to boost employment.

Aransiola et al. (2022) examined the contributions of market size, agricultural output, GDP growth, exchange rate, FDI inflows, and trade openness to industrial development in Nigeria using annual data from 1990 to 2019, applying Fully Modified Ordinary Least Squares alongside a Granger causality test. Market size, agricultural output, trade openness, GDP growth, and exchange rate were found not to be strong drivers of industrial development, while FDI inflows emerged as only a weak driver; the Granger causality results identified market size alone as a vital condition for industrial development. The study recommended expanding market size, adding value to agricultural output, raising GDP, stabilising exchange rates, and attracting more FDI, a recommendation that echoes evidence that exchange rate volatility itself constrains economic growth (Ekpo et al., 2023b).

Nneji and Onyebuchi (2023) similarly examined unfolding structural changes in Nigeria's labour market and their implications for employment relations, corroborating the pattern of rising youth unemployment and underemployment, declining full-time permanent jobs, growth in casual and part-time work, rising female participation, greater outsourcing, and increased labour shedding changes that are progressively displacing institutionalized employment relations with more flexible, individualized arrangements.

Habanabakize and Dickason-Koekemoer (2023) examined how industrialisation affects employment and economic growth in South Africa using 1998–2019 time-series data within ARDL and error-correction frameworks. Industrialisation emerged as a significant driver of both economic growth and employment: high output in food and beverage, chemical, automotive, and metal industries boosted employment, while automotive, food and beverage, chemical, and metal production also supported growth, even as clothing and chemical production weighed on growth and employment, respectively. In the short run, employment tracked metal, food, and beverage production, while growth tracked automotive

and metal output; the study recommended pro-industrialisation strategies targeted at these high-demand industries.

Effiong and Udonwa (2024) studied the effect of industrialisation on employment creation in Nigeria using annual data from 1990 to 2022 and ARDL/ECM alongside Granger causality tests. Both long-run and short-run relationships were found between industrial-sector output and employment creation, a finding corroborated by Ekpo and Udobia (2025a), whose work similarly points to a significant, negative relationship between industrial-sector performance and unemployment in Nigeria.

Korgbeelo and Odoyi (2024) investigated industrialisation's effect on employment creation in Nigeria using annual time-series data for 1981–2023, drawn from CBN and World Bank sources, and estimated via Johansen cointegration, an error-correction mechanism, and Granger causality tests. Manufacturing and construction output were found to reduce unemployment, but not significantly, while mining/quarrying output, utility output, and the labour force insignificantly aggravated it; Granger causality ran unidirectionally from the unemployment rate to utility output and to the labour force. The study concluded that industrialisation makes no significant contribution to job creation in Nigeria and recommended a general improvement in the macroeconomic environment and infrastructure to strengthen the industrial sector's employment contribution.

Olaniyan (2024) examined the contribution of agriculture, industry, and services to total employment over 1981–2021 using the ARDL technique, measuring sectoral output via agricultural, industrial, and services GDP against total sectoral employment. The bounds test confirmed cointegration at both aggregate and disaggregated levels. Agriculture proved the most labour-intensive sector and the strongest support for growth-led employment, while industrial growth reflected jobless growth and service-sector growth reflected job-loss growth, the latter driven by its technology intensity and the former by its capital intensity, both limiting labour absorption.

Yunusa et al. (2024) examined the relationship between unemployment and unemployability in Nigeria's labour market through a review of secondary sources framed by anomie/strain theory, noting an unemployment rate that climbed from 27.1% in Q2 2021 to 33.3% by Q4 2021 and 37.4% by late 2022 equivalent to roughly 23.3 million unemployed Nigerians. The study attributed graduate unemployment chiefly to weak employability skills, insufficient entrepreneurship content in school curricula, training misaligned with labour-market needs, outdated lecturer knowledge, corruption, student apathy, and the lack of viable post-NYSC pathways, concluding that graduate unemployment reflects a skills mismatch as much as a shortage of jobs. It recommended nationwide curriculum reform aligned with industrial needs and the integration of practical, digital, and soft-skills training across the education system.

Olayiwola (2024), using the 2013 and 2018 Nigeria Demographic and Health Surveys and logistic regression, identified age, employment rate, education, marital status, residence, religion, culture, income, and partner's education level as the main determinants of female labour-force participation, with the influence and orientation of these factors shifting between 2013 and 2018 notably, a weakening effect of age on women's labour-market participation. The study recommended that policy give greater weight to these shifting dynamics to improve the effectiveness of welfare-orientated interventions for women.

Adewale et al. (2025) analysed the effects of population dynamics and unemployment on economic growth in Nigeria, modelling GDP against population, birth rate, unemployment, labour force, and gross fixed capital formation (GFCF) via the ARDL bounds approach, after confirming mixed order of integration with the Augmented Dickey-Fuller test. Labour force and GFCF had a positive but insignificant short-run effect on GDP, while population, birth rate, and unemployment had a negative, insignificant short-run effect; in the long run, population, birth rate, and GFCF were positive and significant, and unemployment was negative and significant, while the labour force remained insignificant. Causality ran one way, from the independent variables to growth. The study recommended skills-acquisition and entrepreneurship programmes to convert population growth into productivity, jobs, and sustainable growth.

Anowor and Ukpere (2025) used the ARDL approach with 1990–2023 annual data to examine how improvements in education quality, healthcare access, and industrial development affect labour productivity and employment outcomes, alongside population dynamics, in Nigeria. Human-capital investment was found to have stronger labour-market effects where the industrial sector is diversified and labour-absorbing, with curriculum relevance, teacher capacity, primary healthcare expansion, and targeted industrial policy identified as key levers though persistent skills deficits, uneven access to healthcare, and weak manufacturing growth remain major constraints.

Gado (2025) examined the relationship between unemployment and income inequality in Nigeria through a systematic literature review, identifying the need for reform in education, vocational training, economic diversification, and social protection, and highlighting how unemployment deepens poverty, particularly among women and rural populations. The study called for a multipronged response which include educational reform, economic diversification, gender-sensitive policy, and comprehensive social protection, as essential to sustainable job creation and more equitable socio-economic development, a conclusion consistent with the distributional concerns raised by Ekpo et al. (2025) in their analysis of Nigeria's oil sector and inequality.

Ogbomhe and Abdul (2025) analysed the effects of industrialisation and unemployment in Nigeria using CBN statistical bulletin data spanning 2005–2024 and regression analysis in

EViews 9, finding significant relationships between the import-export market and unemployment and between the availability of goods and unemployment. The study recommended industry-friendly policies to attract industrial investment nationwide as a means of tackling unemployment.

Ogunjobi et al. (2025) examined the impact of the labour market and the manufacturing sector on Nigeria's economic growth from 1993 to 2023 using the Solow-Swan growth model and dynamic ordinary least squares (DOLS), modelling growth against labour-market participation, manufacturing output, gross fixed capital formation, inflation, and interest rates. Labour-market participation, manufacturing output, and GFCF each had a positive, significant effect on real GDP, while inflation and interest rates had a significant negative effect, a finding consistent with Ekpo and Onyemailu's (2025) analysis of the inflation–growth relationship in Nigeria. The study called for workforce upskilling, expanded SME credit access, and public-private partnerships to stimulate manufacturing and growth.

2.4 Summary of the Literature Reviewed

The reviewed literature is predominantly economic in orientation and relies mainly on time-series data; none of it approaches the industrialisation–employment nexus sociologically, and most studies treat manufacturing as the sole proxy for industrialisation, with only limited attention to quarrying, mining, and construction. This study departs methodologically by adopting a sociological perspective on the nexus between industrialisation and employment generation and by incorporating these additional components of industrialisation alongside manufacturing.

3. Methodology

This study adopted a cross-sectional survey research design, drawing on data obtained from participants with a shared interest in the subject matter across different locations at a single point in time. This design was appropriate given that responses were collected anonymously from participants already familiar with the topic. The study's dependent variable, employment dynamics, is proxied by the employment rate over the study period. The independent variable, industrialisation, is represented by three categories which include manufacturing, quarrying and mining, and construction, each proxied by its output or share of contribution to GDP.

Based on the study's objectives, the model is specified as:

$$EMG = f(IND) \quad \ldots\ldots\ldots\ldots\ldots\ldots (1)$$

where EMG = employment generation and IND = industrialisation. Disaggregating industrialisation by category, equation (1) becomes:

$EMG = f(MANO, QMO, CNO) \ldots\ldots\ldots(2)$

Equation (2) states that employment generation is a function of manufacturing, quarrying and mining, and construction sub-sector activities. Expressed implicitly for econometric estimation:

$EMG = \alpha_0 + \beta_1 MANO + \beta_2 QMO + \beta_3 CNO + \mu t \ldots(3)$

where variables are as earlier defined, α_0 is the intercept, β_1–$\beta_3 \geq 0$ are the parameters, and μt is the error term.

Primary data were used to estimate the model, obtained through a questionnaire administered online via Google Forms to participants across various regions of the country. Data were extracted and analysed using SPSS. Descriptive statistics addressed the research questions, while regression analysis tested the hypotheses at the 0.05 level of significance.

4. Presentation of Data, Data Analysis and Discussion of Findings

4.1 Data Presentation

Table 1: Demographic Characteristics of Respondents

Characteristics	Frequency (n=200)	Percentage (%)
Sex		
Male	138	69.0
Female	62	31.0
Age (Years)		
18–23	36	18.0
24–29	37	18.5
30–35	52	26.0
36 and above	75	37.5
Educational Qualification		
SSCE	14	7.0
OND/NCE	65	32.5
HND/B.Sc.	78	39.0
M.Sc. and above	43	21.5
Occupation		
Formal sector	90	45.0

Informal sector	95	47.5
Students	15	7.5
Total	200	100.0

Source: *Field Survey (2025)*

Table 1 summarises the demographic profile of respondents. Out of 250 questionnaires distributed via Google Forms, 200 valid responses were retrieved (an 80% response rate) and used in the analysis. Men accounted for 138 (69%) of respondents and women 62 (31%). By age, 36 (18%) were 18–23 years, 37 (18.5%) were 24–29 years, 52 (26%) were 30–35 years, and 75 (37.5%) were 36 years and above. By qualification, 14 (7%) had basic (SSCE) education, 65 (32.5%) held OND/NCE, 78 (39%) held HND/B.Sc, and 43 (21.5%) held M.Sc. or higher. By occupation, 90 (45%) were formal-sector workers, 95 (47.5%) were informal-sector workers, and 15 (7.5%) were students.

Research Question One: What is the social impact of the manufacturing sub-sector on employment generation in Nigeria?

Table 2: Mean Response of Social Impact of the Manufacturing Sub-sector on Employment Generation

Item	Mean	Std. Dev.	Rmk
The shift from agricultural to industrial production has increased employment in the economy	3.58	0.52	SA
Manufacturing activities create a multiplier effect through which other sub-activities generate employment	3.40	0.69	A
Poor policy framework is the main constraint on manufacturing's capacity to generate employment	3.28	0.87	A
Employment generated by the industrial sector remains low relative to the informal sector	3.38	0.58	A
The manufacturing sector's capacity to generate formal employment remains doubtful	3.34	0.71	A
Cumulative mean	3.396		A

Responses indicate agreement that manufacturing activities have social implications for employment generation, as reflected in the cumulative mean of 3.396.

Research Question Two: What is the social impact of the quarrying and mining sub-sector on job creation in Nigeria?

Table 3: Mean Response of Social Impact of the Quarrying and Mining Sub-sector on Employment Generation

Item	Mean	Std. Dev.	Rmk
Quarrying and mining have contributed significantly to employment generation relative to other industrial sectors	3.51	0.57	SA
The sector generates fewer jobs than the informal sector, despite its contribution	3.50	0.60	A
Poor development of the sector continues to constrain its employment-generation potential	3.35	0.66	A
The sector's share of employment generation remains low relative to other countries	3.72	0.46	SA
Policies on the sector's development favour expatriate firms over indigenous participation	3.61	0.61	SA
Cumulative mean	3.538		SA

A cumulative mean of 3.538 indicates strong agreement that the quarrying and mining sub-sector has significant social implications for employment generation.

Research Question Three: To what extent has the construction sub-sector contributed to employment generation in Nigeria?

Table 4: Mean Response of Social Impact of the Construction Sub-sector on Employment Generation

Item	Mean	Std. Dev.	Rmk
The use of industrial machinery in construction has reduced labour-intensive modes of construction	3.53	0.77	SA
Construction has yet to grow into a full-scale industry capable of large-scale employment generation	3.51	0.57	SA
The sector's share of employment generation remains low relative to the informal sector	3.53	0.65	SA
The seasonal nature of construction work creates an employment-generation trap	3.68	0.50	SA
The industry remains controlled by expatriates, constraining indigenous employment	3.61	0.55	SA
Cumulative mean	3.572		SA

A cumulative mean of 3.572 indicates very strong agreement that construction activities carry significant social implications for employment generation.

4.3 Test of Hypotheses

The study's hypotheses were tested at the 0.05 level of significance using multiple regression analysis.

Table 5: Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of Estimate
1	.753[a]	.568	.561	3.59080

a. Predictors: (Constant), Construction activities, Manufacturing activities, Quarrying and mining activities

The model summary shows a strong positive correlation between employment generation and the combined predictors such as construction, manufacturing, and quarrying/mining activities, indicating that as industrial-sector activity rises, employment generation rises with it. An R^2 of 0.568 indicates that industrial-sector activity accounts for 56.8% of the variation in employment generation.

Table 6: ANOVA[a]

Model	Sum of Squares	df	Mean Square	F	Sig.
Regression	3319.003	3	1106.334	85.803	.000[b]
Residual	2527.192	196	12.894		
Total	5846.195	199			

a. Dependent Variable: Employment generation. b. Predictors: (Constant), Construction activities, Manufacturing activities, Quarrying and mining activities

The ANOVA result confirms the overall significance of the model which is not mis-specified, and that the correlation coefficient of 0.753 did not arise by chance.

Table 4.7: Regression Coefficients[a]

Model	B	Std. Error	Beta	t	Sig.
(Constant)	20.947	2.869		7.300	.000
Manufacturing activities	1.589	.121	.762	13.123	.000
Quarrying and mining activities	.644	.208	.193	3.089	.002

Construction activities	-.603	.180	-.220	-3.352	.001

a. Dependent Variable: Employment generation

Test of Hypothesis One: The manufacturing sub-sector does not significantly impact employment generation in Nigeria.

The regression results show a positive and significant effect of manufacturing on employment generation: a one-percent increase in manufacturing activity is associated with roughly a 158% rise in employment generation. The null hypothesis is therefore rejected which signifies that manufacturing has a significant impact on employment generation.

Test of Hypothesis Two: There is no significant impact of the quarrying and mining sub-sector on employment generation in Nigeria.

The results show a positive and significant effect of quarrying and mining activity on employment generation, with a one-percent change in the sector associated with roughly a 64% increase in employment generation. The null hypothesis of no significant impact is rejected.

Test of Hypothesis Three: The construction sub-sector does not significantly impact job creation in Nigeria.

The results show a negative and significant effect of construction activity on employment generation. The null hypothesis of no significant impact is rejected.

4.4 Discussion of Findings

The study set out to investigate industrialisation and employment dynamics in Nigeria from a sociological perspective on job creation and labour-market trends. It found that a succession of industrial policy measures such as spanning manufacturing, quarrying and mining, energy production and distribution, water supply and environmental protection, and construction-led infrastructure, has been pursued both before and after independence, yet employment outcomes have not improved commensurately, as reflected in persistent youth restiveness linked to unemployment across the country. Distinct from the largely economic framing found in the existing literature, this study examines the industrialisation–employment nexus sociologically, against the backdrop of labour-market trends shaped by global market fluctuations.

Research Question One asked what social impact the manufacturing sub-sector has had on employment generation in Nigeria. Findings confirm a positive, significant impact, reflected in respondents' agreement that the shift from agricultural to industrial production

has raised employment; that manufacturing generates a multiplier effect across other sub-activities; that poor policy framework constrains the sector's employment potential; that industrial employment remains low relative to the informal sector; and that the sector's capacity to generate formal employment remains doubtful. This significant contribution calls for a strong, accountability-based policy framework linking manufacturing with allied sectors such as energy, agriculture, and security that provide the inputs it needs to thrive, supporting the position of Habanabakize and Dickason-Koekemoer (2023) that policymakers should pursue pro-industrialisation strategies in allied industries to boost trade, growth, and employment.

Research Question Two asked what social impact the quarrying and mining sub-sector has had on job creation in Nigeria. Findings again point to a positive, significant impact, manifested in respondents' view that the sector contributes significantly to employment relative to other industrial sectors, even as it generates fewer jobs than the informal sector and continues to be held back by poor development and policy frameworks skewed toward expatriate firms. This positive finding contrasts with Korgbeelo and Odoyi (2024), who reported an insignificant sectoral impact on job creation; given this divergence, investor-friendly policies are needed to attract both indigenous and foreign capital and expand the sector's employment-generating activities.

Research Question Three asked to what extent the construction sub-sector has contributed to employment generation in Nigeria. Findings show a significant, though negative, impact: respondents pointed to the mechanisation of construction work, the sector's failure to grow into a full-scale, large-employment industry, its comparatively low share of employment relative to the informal sector, the employment-generation trap created by its seasonal nature, and continued expatriate control that constrains indigenous participation. This negative finding also contrasts with Korgbeelo and Odoyi (2024), who found industrialisation's effect on job creation to be statistically insignificant.

5.1 Conclusion

The study set out to (i) investigate the social implications of the manufacturing sub-sector for employment generation; (ii) ascertain the social implications of the quarrying and mining sub-sector for employment generation in Nigeria; and (iii) examine the social implications of the construction sub-sector for employment generation in Nigeria.

Manufacturing contributes positively and significantly to employment generation: a percentage change in manufacturing activity is associated with roughly a 158% change in employment generation, underscoring its importance to economic growth. Yet the sector continues to struggle against poor infrastructure and a difficult business environment and

unless this trend is reversed, Nigeria's competitiveness in the global industrial space will remain elusive.

Quarrying and mining also contribute positively and significantly to employment generation, with a percentage change in sectoral activity associated with roughly a 64% increase in employment generation. However, this component of the industrial sector still lacks a clear policy framework for its operation and expansion, its contribution to employment remains minimal relative to the combined formal and informal sectors, and its operations remain largely dominated by foreign firms, with limited transparency around its actual contribution to job creation.

Construction has a significant, but negative, impact on employment generation, meaning that a decline in construction activity is associated with rising unemployment, an effect likely connected to the seasonal nature of construction work, which displaces workers during the off-season, compounded by continued expatriate dominance of the industry. Concerted effort by government and other stakeholders is therefore needed to make the sector more effective, functional, and open to domestic participation.

5.2 Recommendations

i. An enabling macroeconomic environment should be established to support the manufacturing sub-sector, including stable electricity supply and stronger linkages between the primary and industrial sectors so that primary outputs feed directly into industrial activity, in line with evidence that sound fiscal management underpins inclusive economic growth (Ekpo et al., 2025). Technical and vocational content should be strengthened within the education curriculum to better align manpower training with industrialisation (Ekpo & Onyemailu, 2025).

ii. Government should establish an adequate policy framework for the quarrying and mining sub-sector, setting clear criteria for industry operators and employment quotas for indigenes, applying a public-private partnership model to attract foreign direct investment, and securing lives, property, and basic infrastructure such as roads and housing to draw investors into the sector.

iii. The construction industry should be expanded to include more indigenous players, supported by targeted technical training and exchange programmes linking the domestic industry with major global construction firms.

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