

HOUSING AFFORDABILITY AMONGST GOVERNMENT EMPLOYEES IN OYO STATE, NIGERIA

Adeleke, Moses Adegbile

Department of Estate Management and Valuation, Oke Ogun Polytechnic, Saki, Oyo State, Nigeria.

Abstract: Housing is well-known basic human need. Among the challenges of housing, is its unaffordable to Nigerian employees. The reason being that their take home does not accommodate meeting their most significant basic needs. This study looked in to the financial capacity of government employees in Oyo State, Nigeria. Two government Ministries and parastatals were chosen employing the purposive sampling. One hundred and ten (120) government employees were selected. Questionnaires that were returned were 98. The most significant information was retrieved through the administered questionnaires, the data was then analysed through description and median score statistics. The findings revealed that on a emblematic basis, Oyo State Government workers could hardly manage to offset rent because most of them particularly the medium and substantial income groups spent less than 30 percent of their yearly income on housing. This study therefore suggested that there should be public-private partnerships that will enhance sustainable housing for the populace.

Keywords: Accommodation, Government Workers, Rent, Affordable, Oyo State.

Introduction

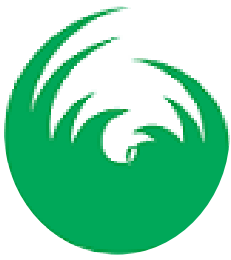
Housing comprises of every social service including utilities that provide a home setting for people (Sakariyau, Muhammad, Bello, Aliyu & AbdulRazak, 2023). The sum spent on housing should directly correlate with the income receive and vice versa (Sakariyau & Mendie, 2023). Housing was acknowledged as an important and major part of happiness and an enhancement in wellness and standard of living (Sakariyau & Mendie, 2023). Housing happens to be among the humanity three fundamental necessities. Its recital should meet both user expectations and technical requirement. Home has an impact on individuals and country, its purpose in enhancing human well-being cannot be over emphasised (Sakariyau, Muhammad, Bello, Aliyu & AbdulRazak, 2023). The sole aim of affordability is to guarantee that particular housing necessities or other demands are met at

a price that rent does not constitute household income burdens. Housing affordability simply means resident's willingness to pay for accomodation and also met other important expenses (Kayode, Muhammad and Bello, 2021; Mallach, 2020). Affordability is recognized as an important factor in erecting buildings that are environmentally affable, particularly in developing global cities and this what bring the concept of sustainability in housing. According to Aribigbola (2006). Meeting human shelter needs was part of the goals for sustainable development and the Habitat Goal, which were acknowledged by the International Community in Istanbul, Turkey, in 1996. Housing affordability simply refers to households' ability to pay for an accommodation. Previous governments in Nigeria have serious concerns on the country's housing challenges since the British era. Human's demand for shelter is completely irreplaceable,

Journal of Environment, Earth Sciences and Ecology

An official Publication of Center for International Research Development

Double Blind Peer and Editorial Review International Referred Journal; Globally index
Available www.cirdjournal.com/index.php/jeese/index; E-mail: journals@cirdjournal.com



its absence can damage human existence and growth of an economy. Unaffordable housing negatively impacted residents' standard of living in all ramifications (Jamiu & Mendie, 2023). Authorities have begun housing-provision programs in the struggle to stop housing epidemic, suffice to state that the federal government is not alone in this struggle. Large number of Nigerians battle to get affordable houses to live in couple with the inadequate income levels and rising cost of building material; If this housing problem is not adequately addressed, the shortage of housing becomes worsen. From this overview, this study tends to examine the reasonable price of housing in Oyo State, Nigeria.

2.0 Literature review.

2.1 Conception of Housing

Many practitioners have interpreted the term "housing" variably to ensure residents' wellbeing and satisfaction, it is essential to each definition (Dalil & Yamman, 2013). Housing is coined to mean a structure designed for human habitation. Such structure is designed to shelter one person or more (Daramola, Alagbe, Aduwo and Ogbiye, 2005). It is an important asset for individuals, local communities and nationals. It is a person's substantial asset life ambition (Migdal 2018). Although housing A person's main material asset in terms of both public and private investments is their created environment, which accounts for a sizable portion of their family's or business's budget (Stone, 2010).

Housing with water and food appears to be among the three basic needs for physical survival. In addition to the physical structure of the home, a residential environment includes all innovations, services, As well as supports for the family's and individual's physical, emotional, and mental health (Omole, 2010). Put another way, housing is no longer only seen as a place to sleep with four walls and a roof; rather, it is seen as a dynamic, participatory approach with supporting infrastructure. There are more

components to a structure than just a few walls and a roof. Infrastructure services, including water and energy supplies, roads, shopping malls, and housing, must be built in order to preserve the perfect environment. So, housing is regarded as more than a place to live (four walls and a roof); it's also seen as an evolving, collaborative strategy that comes with all the amenities needed (Nazire, 2017).

2.2 Demands for Housing

Since the colonial era, Nigerian governments have expressed serious worries about the condition of the country's housing. Humanity cannot exist without a place to dwell, since the absence of one might impede economic development and have a detrimental effect on output. Inadequate affordable housing has a significant negative influence on people' overall health, happiness and productivity. After food, housing is considered by many to be the most essential basic human need. A place to live is much more than a place because it consists of all the services necessary for a neighborhood or community to survive (National Housing Policy, 2006).

Families and individuals need excellent and affordable housing primarily because it gives them a place to live that is essential. Furthermore, appropriate and reasonably priced housing improves mental and physical health by lowering stress, contamination, and infectious illness rates. In instance, housing that is affordable releases funds from households' tight budget to pay for medical costs and food (Housing Virginia, 2018). This is especially important for Nigeria, a country that the UN Industrial Development Organization has categorized as having a lower to middle income. To make matters worse, the country has shockingly high rates of poverty: between 45 and 62 percent of the population is estimated to be impoverished (Konadu-Agyemang, 2000). According to Aribigbola (2008), a home is considered affordable if the total cost per month is less than thirty percent of the income of the family. Most of the research works



classifies low-income earners as ingress-level workers in the informal economy, including public employees, shopkeepers, craftsmen, and other workers. This study focuses on government employees in Oyo State.

2.3 Accessible Housing

Despite a few small differences, most authors agree on the notion of inexpensive housing. In the past, the term affordable and subsidized housing have been used interchangeably. Sections 68–71 of the Housing for Regeneration Act 2008 of England asserted that social housing is defined as real estate with rentals set below market rates to accommodate individuals whose requirements are not fully satisfied by the commercial real estate sector. Celhay and Gil (2020) continued by describing various contexts for social housing. Adopting laws that protect low-income individuals throughout the planning process can be crucial. According to this definition, decent housing is affordable housing that is rented to eligible households whose needs cannot be satisfied. In assessing eligibility, local income and property values must be taken into account.

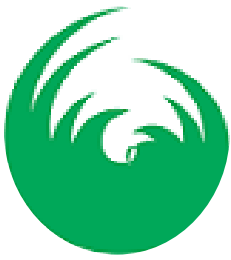
3.0 Methodology.

Oyo State employees make up the population of the study. Among the organizations whose employees received surveys were the Oyo State Broadcasting Services and the Oyo State Civil Service Commission. This is done to ensure that each applicant for a public job has an equal opportunity of being selected. The study's primary data came from a questionnaire survey that participants self-administered. Both descriptive and inferential statistics were employed in the data analysis to meet the study's objectives. Among the methods used were the frequency count, percent table, cross tabulation, chi square and mean score.

Table1: Data of the Respondents

Gender		
Male	80	81.6%

Female	18	18.74
Age		
Less than 30 years	49	50.00%
31-40 years	24	24.50%
41-50 years	18	18.37%
above 50 years	7	7.13%
Marital status		
Single	45	45.91%
Married	53	54.09%
Education		
Primary school	16	16.33%
O level	29	29.59%
OND/NCE	32	32.65%
HND	12	12.24%
BSC	5	5.11%
MSC	2	2.04%
PHD	2	2.04%
Occupation		
Farming	18	18.37%
Civil Servant	27	27.55%
Business	9	9.18%
Retired	18	18.4%
Artisan	26	26.5%
Religion		
Islam	70	71.43%
Christianity	28	28.57%
Income		
Less than #30,000	27	27.55
#31,000- #60,000	39	39.80
#61,000-#91,000	18	18.37
#91,000 and above	14	14.28
Household Size		
6-10	27	27.55
11-15	39	39.80
16-20	18	18.37



21 persons and above	14	14.28
	Tribe	
Yoruba	78	79.59
Hausa	12	12.24
Igbo	8	8.16

Source: Field survey, 2023

Table 1 revealed the socioeconomic standing of the research area's respondents, the great majority of whom were male. In the same way, the study found that nearly half of the population was under 30. Moreover, the

overwhelming majority of respondents to the survey were married. According to the families' vocations, 27.5% of the responders work for the government. Most participants make between N31,000 and N60,000 annually, and 39% of households have 11–15 members.

Result and Discussion of Findings

4.2 Relationship between civil officers' yearly salaries and home rental rates yearly income of governmental employees and the value of their homes as rentals in a correlation matrix.

4.2 Connection between the annual salary of civil officers and rental prices of houses Correlation matrix between public workers' yearly salary and home rental values.

		Yearly Emolument	Rental Values
Yearly Emolument	Pearson Correlation	.964*	1
	Sig. (1-tailed)		.000
	N	078	98
Rental Values	Pearson Correlation	.864**	1
	Sig. (1-tailed)	.000	
	N	98	98

Source: Field Survey, 2022

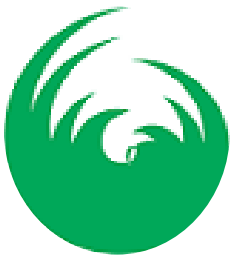
According to the correlation matrix above, the correlation coefficient ($r = 0.964^{**}$) at a probability (p) of 0.05. This explains why the annual salaries of government employees and the rental of real estate have a strong positive correlation. It can be concluded that there is a significant link between the annual salary of government employees and the cost of renting an apartment because the alternate theory is accepted and the null assumption is rejected.

4.3 Details regarding Oyo State workers' affordability of homes

Respondents' Distribution by Percentage of Income Given for Housing

	Frequency	Percentage
Below 20%	30	30.6
Between 20-30%	5	5.10
31-40%	45	45.9
41-50%	10	10.20
Above 50%	8	8.20
Total	98	100.0

Source: Field Survey,



2022

Table 4.3 demonstrates that, when it came to housing, 30.6 percent of participants spent less than 20% of their annual income, 5.10 percent between 20% and 30%, 45 people who participated between 40% and 40%, 10.20 percent between 40% and 50%, and 8% more than 50%. According to this, most respondents only set aside a small percentage of their salary for housing, giving them plenty of cash to spend on other needs without having to worry about it.

Discussion, Conclusion and Recommendations

5.1 Discussion.

This study evaluated affordability in housing among Oyo State employees, it was expected there exist a high correlation between yearly emoluments of civil servant and property rental values. correlation coefficient of 0.864 is significant at the 0.05 level, validated this hypothesis. The findings revealed a considerable positive relationship between annual take home of the workers and the rental worth of residences held by Oyo State government employees. Because of their salaries, Governmental employees in Oyo State can have the funds for to rent specific types of residences, irrespective of the range of their families, the standard of those homes, or the proximity to their work place. Oyo State government employees are paid enough to be able to rent particular kinds of accommodation, regardless of how many families they have, how good the house is, or how far away their place is from their place of employment. How inexpensive housing is depends on the homeowner's desire and capacity to meet the other housing requests with the required financial possessions (Jinadu, 2007). Heimberger and Kapeller (2017) suggest that 30% of a family's income should be the starting point for estimating housing costs in Europe and globally. The affordability of housing is determined by homeowner's desire and capacity to meet his other accommodation needs with the necessary financial resources (Jinadu,

2007). In the meantime, rising costs for traditional building materials and shifting economy make the fundamental problem of affordable housing worse. Reviewing housing strategies revealed that The main goal of Nigeria's housing strategy was to provide Nigerians access to affordable dwellings, but it was not carried out to a high enough standard. Not all homes with housing costs over a certain percentage of income have housing issue. For example, A household may have lower housing expenses—less than thirty percent—live in an impoverished area, yet pay more for public transportation commuting. A different family could spend more than thirty percent of their earnings on housing out of sentimental reasons (changes in socioeconomic status, taste, and status). Since it is a matter of preference, it does not become a financial concern. According to Lennartz and Helbrecht (2019), a household has a housing cost-efficiency issue if they are unwilling to sustain the same standard of living as those who live in social housing even after settling housing costs that are in line with socially acceptable norms and appropriate housing standards.

5.2 Conclusion

The study examined affordable housing and found that many government workers in Oyo State City can afford to rent an apartment due to the high caliber of the built environment. This is due to the fact that less than 30% of the income of the majority of workers, especially those in the upper and middle classes, goes toward rent. In contrast, workers in lower apparatchiks have more conflicting demands and pay between 26 and 30 percent of their income for rent. Both owners and tenants were disproportionately represented by government members. Despite the comparatively cheap rents in the state, the biggest obstacle to affordable housing, according to the respondents, is finding reasonable financing. This indicates that even though the preponderance of respondents are home owners, high loan rates and



budgetary limitations prevented them from achieving their goal. In a similar vein, it was found that the home investment alternatives provided by the government to public employees were inadequate.

5.3. Suggestion.

The establishment of affordable housing complexes and the establishment of the necessary institutions to enable the acquisition of such residences must be promoted by the government. A sizeable proportion also comprised a significant number of tenants. This will result in more government employees supporting. Expanding and fostering synergistic public-private collaborations can help government employees' choices for housing and prices. Lastly, mortgage insurance with infrastructure assets should be a desirable investment available to all three branches of government.

References

- Angel, S. (2000). *Housing policy matters: A global analysis*. Oxford University Press.
- Aribigbola, A. (2006). Housing affordability as a factor in the creation of sustainable environment in developing world: The example of Akure, Nigeria.
- Aribigbola, A. (2008). Housing policy formulation in developing countries: Evidence of programme implementation from Akure, Ondo State, Nigeria. *Journal of Human Ecology*, 23(2), 125-138.
- Aribigbola, A. (2013). Causes and consequences of housing policy failure in Nigeria. *British Journal of Social Sciences*, 1(6).
- Celhay, P. A., & Gil, D. (2020). The function and credibility of urban slums: Evidence on informal settlements and affordable housing in Chile. *Cities*, 99, 102605.
- Dalil, M., & Yamman, U. (2013). Private sector participation in the provision of urban services: An overview of housing supply in Minna, Niger State, Nigeria. *International Journal of Humanities and Social Science Invention*, 2(4), 51-58.
- Daramola, S. A., Alagbe, O. A., Aduwo, B., & Ogbiye, S. A. (2005). Public-private partnership and housing delivery in Nigeria. In *Proceedings of African Union of Architects Congress* (pp. 23-28).
- Gbadeyan, R. A. (2011). Private sector's contributions to the development of the Nigerian housing market. *Current Research Journal of Social Sciences*, 3(2), 104-113.
- Heimberger, P., & Kapeller, J. (2017). The performativity of potential output: Pro-cyclicality and path dependency in coordinating European fiscal policies. *Review of International Political Economy*, 24(5), 904-928.
- Housing Virginia. (2018, August 24). Why is affordable housing important? Is rental or homeownership more important? *Housing Virginia Website*.
<http://www.housingvirginia.org/housing-virginia-toolkit/why-is-affordable-housing-important-is-rental-or-homeownership-more-important/>
- Jamiu, K. S., & Mendie, E. A. (2023). Risk adjusted analysis of residential properties in South-



- South Nigeria: A downside risk perspective. *Fuoye Planning Journal*, 1(2), 51-64.
- Jiboye, A. (2014). Socioeconomic characteristics and satisfaction of tenants in public housing in Lagos, Nigeria. *Africa Development*, 39(3).
- Jinadu, A. M. (2007). *Understanding the basis of housing*. University Press.
- Kenyan Wall Street. (2016, September 8). UN ranks Kenya and Nigeria under the lower middle income countries. *African Markets Website*. <https://www.african-markets.com/en/news/africa/un-ranks-kenya-and-nigeria-under-the-lower-middle-income-countries>
- Kayode, S. J., Muhammad, M. S., & Bello, M. U. (2021). Effect of socio-economic characteristics of households on housing condition in Bauchi Metropolis, Bauchi State, Nigeria. *Traektoriâ Nauki= Path of Science*, 7(7), 2001-2013.
- Konadu-Agyemang, K. (2000). The best of times and the worst of times: Structural adjustment programs and uneven development in Africa: The case of Ghana. *The Professional Geographer*, 52(3), 469-483.
- Lennartz, C., & Helbrecht, I. (2019). The housing careers of younger adults and intergenerational support in Germany's 'society of renters'. In *Housing careers, intergenerational support and family relations*. Taylor & Francis.
- Mallach, A. (2020). *A decent home: Planning, building, and preserving affordable housing*. Routledge.
- Midgal, J. S. (2018). The state in society: New directions in comparative politics. In *Comparative Politics* (pp. 63-79).
- Nazire, H. (2017). A study on characteristics of informal settlements and effects of upgrading from aspects of houses, land acquisition, and social factors in Kabul City, Afghanistan.
- Omole, K. (2010). An assessment of housing conditions and socio-economic lifestyles of slum dwellers in Akure, Nigeria. *Contemporary Management Research*, 6(4), 273-290.
- Sakariyau, J. K., & Mendie, E. A. (2023). Housing affordability among civil servants in Ogun State, Nigeria. *Fudma Journal Of Sciences*, 7(6), 333-337.
- Sakariyau, J. K., Muhammad, S. M., Bello, M. U., Aliyu, A. A., & AbdulRazak, R. (2023). Socio-economic characteristics of households determining housing satisfaction in Bauchi Metropolis, Bauchi State, Nigeria. *International Journal of Real Estate Studies*, 17(1), 59-69.
- Stone, M. (2010). *Shelter poverty: New ideas on housing affordability*. Temple University Press.
- Udoekanem, N. B. (2013). Human capacity training for security of life, property, and investment: A challenge for estate management education. *Journal of Science, Technology, Mathematics and Education*, 7(3).