



PETROLEUM SUBSIDY REMOVAL AS CORRELATE OF ADMINISTRATION OF PUBLIC SECONDARY SCHOOLS IN BENUE STATE, NIGERIA

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Abstract

This study investigated petroleum subsidy removal as a correlate of administration of public secondary schools in Benue State, Nigeria. The study was guided by two specific objectives which were to determine the correlation of petroleum subsidy removal with payment of staff salaries and provision of school health care facilities. Two null hypotheses were tested for the study at 0.05 level of significance. Correlational research design was adopted for the study. The population of the study comprised 2,472 teachers in 319 public secondary schools in Benue State, Nigeria. The sample size comprised 247 teachers which were selected using multi-stage sampling procedure. Questionnaires were used for data collection. Cronbach Alpha statistic was used to determine internal consistency of the instrument using 40 teachers. The result yielded co-efficient values of 0.86 for PSRQ and 0.81 for APSSQ. Pearson's Product Moment Coefficient was used for test of hypotheses. Findings showed that petroleum subsidy removal has a strong significant positive correlation with administration public secondary schools in terms of payment of staff salaries and provision of health care facilities. The study concluded that petroleum subsidy removal has enhanced administration of public secondary schools. Therefore, it was recommended that there should be strengthening of provision of funds by government to cater for payment of staff salaries and educational planners should ensure proper planning for the provision of health care facilities in public secondary schools in the face of petroleum subsidy removal.

Keywords: Petroleum subsidy removal, payment of staff salaries, provision of health care facilities, administration

Introduction

Across the world, education is essential for sustainable national development probably because it serves a link between primary and tertiary education. Moreover, the demand for high-quality secondary education seems to prompt key stakeholders like government, educational administrators, parents and donor organizations to place greater emphasis on

administration of public secondary schools in recent years. Globally, those involved in public secondary education continue to express concerns over the challenges faced in school administration, which hinder the achievement of educational objectives. For example, Ike (2014) notes that school administrators, parents, and union leaders across various countries including China, Germany, the United States, Angola, South

Africa, Burkina Faso, and particularly Nigeria have voiced concerns about issues such as inadequate funding, deteriorating school infrastructure, and irregular teacher salaries.

Effective administration ensures teachers' productivity, a conducive learning environment, adequate payment of teachers' salaries, maintenance of school facilities, training of teachers, provision of library and facilities, adequate supervision of instruction, adequate provision of health resources and school sustainability to enhance teaching and learning achieve the objective of education (Okoye, 2014). However, in certain situations this objective could be affected by governmental or economic policies. In Nigeria, the Federal Government's Petroleum subsidy removal is one of the policies that seem to affect effective administration of public secondary schools. Subsidy is an official payment of goods for an individual or a firm, usually in the form of cash payment to reduce the prices of goods. In economic theory, subsidies can be used to offset market failures and externalities to achieve greater economic efficiency (Ogunode & Aregbesola, 2023). Subsidy removal on the other hand, is an official elimination of subsidies on products formerly subsidized.

The removal of petroleum subsidy in Nigeria seems to lead to an increment in the prices of goods and services, which in turn has profound impact on the education sector, particularly public secondary schools in Benue State, Nigeria. This sudden inflation in the prices of goods and services forced school managers to reassess their budgets, leading to increased financial burdens (Ogunode & Ojochenemi, 2023). Managers of public secondary schools in Benue State are faced with the daunting decision of either absorbing the additional costs or passing them on to parents, who are already struggling to make ends meet. This could have led to a significant increase in school fees, which may further increase the challenges low-income families face in keeping their children in school. The removal of subsidies may also have other far-reaching consequences on various aspects of administration of public secondary school like affecting the timely payment of teachers' salaries and access to health facilities.

Payment of teacher's salaries is another aspect of school management that appears to be significantly affected by the federal government of Nigeria's decision to remove subsidy on essential products like petroleum. The removal of subsidized oil prices in Nigeria has drastically hiked the

prices of goods and services, making teachers' salaries almost worthless. This means that teachers' salaries could in some cases, not buy essential commodities like food and clothes (Darlington & Monday, 2023). As teachers seem to have lost purchasing power, their standard of living has decreased, making it harder for them to fulfill their financial responsibilities. This seems to have a lot of effect on teachers' morale and motivation, leading to job dissatisfaction and consequently, the loss of quality education for the students. The policy change also seems to create a challenge for school managers to address, particularly in light of the constant demand for provision of health facilities.

Health facilities include both physical and non-physical facilities that enhance teacher's motivation and job satisfaction as well as students' desire to learn (Ojo, 2019). As a result of the present economic challenge, facilities like school clinic, sanitary facilities, staff accommodation, good and comfortable furniture, meritorious awards, quality food and bed for boarders, transport services for day students amongst others seem to be inadequate. According to Guardian Nigeria (2023), the removal of petroleum subsidies has led to a significant increase in healthcare costs, making it challenging for

schools to maintain adequate health facilities and provide comprehensive health insurance coverage for their students and member of staff. Moreover, recent study by Ogunode and Ojochenemi (2023) has shown that the removal of petroleum subsidy has had a profound relationship with administration of public secondary schools, affecting key areas such as payment of teachers' salary and provision of health facilities. It is based on the above background that the study sought to investigate petroleum subsidy removal as a correlate of administration of public secondary schools in Benue State, Nigeria.

Statement of the Problem

In Nigeria particularly in Benue State, there is a growing concern by relevant stakeholders, such as the government, school administrators, teachers and parents that administration of public secondary schools in Benue State, Nigeria seems to be ineffective since the removal of subsidy on Petroleum products. It has been observed by the researchers that this problem hamper achievement of the goals of secondary education in Nigeria. Many people have speculated that ineffectiveness in the administration of public secondary schools, particularly in Benue State, Nigeria is

linked to the removal of subsidies on essential products like petroleum.

The petroleum subsidy removal has led to a rise in the prices of goods and services. As a result, administration of public secondary schools in areas such as payment of teacher's salary and provision of health care facilities seems to be challenging. While money is expected to be used for payment of staff salaries and provision of health care facilities, such fund is rather shared to take care of operational costs in administration of public secondary schools making it challenging for school administrators to address the issue of payment of staff salaries and provision of health care facilities. It is against this background that this study investigated Petroleum subsidy removal as a correlate of administration of public secondary schools in Benue State, Nigeria.

Objectives of the Study

The major objective of the study was to investigate petroleum subsidy removal as a correlate of administration of public secondary schools in Benue State, Nigeria. Specifically, the study sought to:

1. Determine the correlation of petroleum subsidy removal with payment of staff salaries in public

secondary schools in Benue State, Nigeria.

2. Determine the correlation of petroleum subsidy removal with provision of school health facilities in public secondary schools in Benue State, Nigeria.

Hypotheses of the Study

The following null hypotheses were tested at 0.05 level of significance:

- H₀₁: There is no significant correlation of petroleum subsidy removal with payment of staff salaries in public secondary schools in Benue State, Nigeria.
- H₀₂ There is no significant correlation of petroleum subsidy removal with provision of health care facilities in public secondary schools in Benue State, Nigeria.

Literature Review

Administration of Public Secondary Schools

Administration public secondary schools is a process of coordinating all resources through the processes of planning, organizing, leading and controlling in order

to attain stated objectives of public secondary schools (Adeyemi, 2019). This implies that administration of public is a purposive and coordinated process and is very crucial for the success or failure of a public secondary school. Crossfield and Bourne (2018) describe administration a social process which has goals and objectives to achieve; management involves planning, organizing, staffing, coordinating, leading, directing and controlling of all the resources towards the achievement of the goals or objectives of an organization.

Administration of public secondary schools is also the guidance of or directing of people towards the attainment of goals or objectives. All these events if structured will not only result in judicious use of the limited resources available, but also ensure that the right objectives or desire outcomes are accomplished. Amanchukwu and Ololube (2015) opine that administration of public secondary schools is the process of coordinating all the resources of an organization through planning, organization, directing and controlling in order to attain organizational objectives of public secondary schools. Amanchukwu and further opined that management is getting things done and getting the work

done in order to get the objectives accomplished in a pre-planned way.

Petroleum Subsidy Removal

Petroleum subsidy is a government discount on the market price of fossil petroleum to make consumers pay less than the prevailing market price of petroleum (Ovaga & Okechukwu, 2022). When subsidies are in place, consumers would pay below the market price per liter of the petroleum product. Globally, there are debates about petroleum subsidy because of its huge amount and its effect on citizens' welfare and the fiscal health of a nation. Subsidy removal is an official elimination of subsidies. It involves the decision of the government or institutions to stop the payment of subsidies on products or services previously subsidized (Ogunode, et al 2023).

Subsidy removal is the stoppage of the subsidy regime in institutions or countries. Subsidy removal is the policy of liberating the prices of goods and services to be regulated by forces of demand and supply. In Nigeria, the federal government led by President Bola Ahmed Tinubu announced the removal of subsidy on Premium Motor Spirit (PMS), popularly known as petrol on

May 29th 2023. In its reaction to the new development, the Nigerian National Petroleum Company Limited (NNPCL) approved an upward review in the pump price of petroleum nationwide. This resulted in increment in the price up to an average of N500 from an average of N189 (Guardian Nigeria, 2023).

Theoretical Framework

This study is anchored on Keynesian economic theory by John Maynard Keynes 1936. The theory postulates that once an economic downturn sets in, fear and pessimism among businesses and investors can lead to a sustained period of depressed economic activity and high unemployment. Keynes advocated for active government intervention in the economy through fiscal policy. Lowering interest rates is one way governments can intervene in economic systems, encouraging consumption and investment spending, which in turn stimulates the economy and leads to continued growth and employment. Keynesian economics also suggests that government spending on education can be an effective way to stimulate the economy and promote long-term growth.

This theory is relevant to the present study because the theory suggests that government spending on education can be an effective way to stimulate economy and promote long-term growth. Therefore, this theory serves as a framework for government to improve budgetary allocation to education in order to alleviate the economic hardships faced by many public secondary schools due to increase in the cost of goods and services as a result of subsidy removal. By increasing funding for education, administration of public secondary schools may be more effective particularly in the area of payment of teachers' salaries and provision of health care facilities. This could enhance effective actualization of the goals and objectives of public secondary schools in Nigeria.

Empirical Studies

Mekuri-Ndimele and Ukata (2024) carried out a study on the effect of Petroleum subsidy removal on the job satisfaction of lecturers in tertiary institutions in Rivers state. The study adopted descriptive survey research design. The population of the study includes 78 lecturers from six public tertiary institutions in Rivers state. Questionnaire was the instrument for data collection. Means and Standard Deviation was used to answer research questions

while ANOVA and t-test were used to test hypothesis. The findings of the study revealed that Petroleum subsidy removal has significant negative effect of Petroleum subsidy removal on payment of lecturer's salaries and training of lecturers was at a high level.

Ogunode and Ojochenemi (2023) assess the impact of subsidy removal on educational institutions in Kogi State Nigeria. The design of the study was quantitative cross-sectional survey design. The population of the study was 1, 400 teachers. A sample of 400 teachers was selected through purposive sampling technique. Questionnaire was the instrument for data collection. Pearson Product Moment Correlation was used for data analysis in answering research questions. The findings of the study revealed that that subsidy removal has significant strong positive correlation with provision of health facilities in Kogi State, Nigeria.

Omar, et al. (2015) carried out a study on health care facilities at school: Perception of students in Kenya. The design of the study was cross sectional research design. The population of the study was 348 students with a sample of 50 students from ten identified public and private schools of Lahore. Questionnaire was the instrument

for data collection. Pearson Product Moment Correlation was used for data analysis. Finding of the study showed that there was a significant strong positive correlation of subsidy removal and provision of healthcare facilities at schools in Kenya.

Askyan, et al. (2015) investigated the impact of subsidy removal on payment of staff salaries in Jahra, Kuwait. Experimental research design was adopted. The population was 476 public workers in Al Jahra Governorate, Kuwait. Simple random sampling technique was used to select 92 public workers. Questionnaire was used for data collection. Mean and regression analysis were used to answer research questions and test hypotheses. The findings of the study revealed that subsidy removal has significant negative relationship with payment of staff salaries in Jahra, Kuwait.

Methodology

Correlational research design was adopted for this study. The population of the study comprised 2,472 teachers in the 319 public secondary schools in Benue State, Nigeria (Benue State Teaching Service Board, Makurdi, 2024). The sample size for this study comprised 247 teachers which were

selected using Taro Yamene (1970). The study adopted multistage sampling procedure to select the sample. It involves the use of purposive, stratified and simple random sampling techniques. Two sets of instruments titled Petroleum Subsidy Removal Questionnaire (FSRQ) and Administration of Public Secondary Schools Questionnaire (APSSQ) were used for data collection. FSRQ contains 10 items with five items each on the two variables of the study, while APSSQ contained 10 items. The items of the questionnaires were structured on a 4-point response mode of Strongly Agree (SA)=4, Agree (A)=3, Disagree (D)=2 and Strongly Disagree (SD)=1. Cronbach Alpha statistic was used to determine internal consistency of the instrument on 40 teachers. The result yielded co-efficient values of 0.86 for FSRQ and 0.81 for APSSQ with the overall reliability index of 0.84. Pearson's Product Moment Coefficient was used for data

analysis. The coefficient r and the strength of the relationship were interpreted using the correlation coefficient by Creswell (2014) as follows: Coefficient relationship 0.00 - 0.19 Weak correlation, 0.20 - 0.39 Fair correlation, 0.40 - 0.69 Moderate correlation, 0.70 - 0.89 Strong correlation, 0.90 - 1.00 Very strong correlation. In taking decisions on the null hypotheses, if p -value is equal to or less than significant value of 0.05 ($p\text{-value} \leq 0.05$), the null hypothesis was retained, but if p -value is greater than, the significant value of 0.05 ($p\text{-value} > 0.05$) the null hypotheses was accepted.

Variables Identification: The dependent variable for the study is Administration of Public Secondary Schools (denoted as APSS) proxied by Payment of staff salaries and provision of health facilities. The independent variable is subsidy removal.

Results and Discussion

Test of Hypotheses

Hypothesis 1: There is no significant correlation of petroleum subsidy removal with payment of staff salaries in public secondary schools in Benue State, Nigeria

Table 1:

Test of Significant Correlation of Petroleum Subsidy Removal with Payment of Staff Salaries Public Secondary Schools in Benue State, Nigeria

Variables	N	\bar{X}	SD	r	P	Decision
Petroleum Subsidy Removal	247	3.18	0.31	0.73	0.000	Strong Significant Positive Correlation
Payment of Staff Salaries	247	3.02	0.25			

* Correlation coefficient is significant at $p < 0.05$

The result in Table 1 shows that $r = 0.73$; $p < 0.05$. Since $p\text{-value} = 0.000$ was less than 0.05, the hypothesis was not rejected. This implies that there is a strong significant

positive correlation of petroleum subsidy removal with payment of staff salaries public secondary schools in Benue State, Nigeria.

Hypothesis 2: There is no significant correlation of petroleum subsidy removal with provision of health care facilities in public secondary schools in Benue State, Nigeria.

Table 2:

Test of Significant Correlation of Petroleum Subsidy Removal with Provision of Health Care Facilities in Public Secondary Schools in Benue State, Nigeria

Variables	N	\bar{X}	SD	R	P	Decision
Equitable Reward System	395	2.98	0.31	0.89	0.000	Strong Significant Positive Correlation
Teachers' Job Performance	395	3.02	0.415			

* Correlation coefficient is significant at $p < 0.05$

The result in Table 4 shows that $r = 0.89$; $p < 0.05$. Since $p\text{-value} = 0.000$ was less than 0.05, the hypothesis was not rejected. This implies that there is a strong significant positive correlation of petroleum subsidy removal with provision of health care facilities in public secondary schools in Benue State, Nigeria.

Discussion of Findings

The first finding shows that there is a strong significant positive correlation of petroleum subsidy removal with payment of staff salaries in public secondary schools in Benue State, Nigeria ($r = 0.73$; $p < 0.05$). This implies that increase in r value would lead to increase in payment of staff salaries in public secondary schools. This finding agrees with that of Mekuri-Ndimele and Ukata (2024) which revealed that Petroleum subsidy removal has significant positive effect on payment of lecturer's salaries and training of lecturers was at a high level. This finding is however, contrary to that of Askyan, Busha and Tarh (2015) which revealed that subsidy removal has significant negative relationship with payment of staff salaries in Jahra, Kuwait.

The second finding also shows that there is a strong significant positive correlation of petroleum subsidy removal with provision

of health care facilities in public secondary schools in Benue State, Nigeria ($r = 0.89$; $p < 0.05$). This implies that increase in r value would lead to increase in provision of health care facilities in public secondary schools. This finding is in line with that of Omar, Khan, Farooq, Karim, Ayoub and Habib (2015) which showed that there was a significant strong positive correlation of subsidy removal and provision of healthcare facilities at schools in Kenya. The finding also aligns with that of Ogunode and Ojochenemi (2023) which indicated that that subsidy removal has strong significant positive correlation with provision of health facilities in Kogi State, Nigeria. 9u0

CONCLUSION

Based on the findings of the study, it was concluded that there is a strong significant positive correlation of petroleum subsidy removal with administration of public secondary schools in Benue State, Nigeria. This implies that petroleum subsidy removal strongly and positively affects administration of public secondary schools in Benue State, Nigeria in terms of payment of staff salaries and provision of health care facilities.

Recommendations

Based on the conclusion, the study recommended that:

1. Government should strengthen provision of adequate funds through improved budgetary allocation to education so that there would be improved payment of staff salaries in public secondary schools.
2. Educational planners should prioritize the need for provision of health services in schools. This may help in planning education budget to include provisions for school health facilities.

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