



HOUSING AFFORDABILITY AMONG CIVIL SERVANTS IN OGUN STATE, NIGERIA

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ABSTRACT

Housing has been acknowledged generally as a key human necessity. One of its problems may be claimed that it is not affordable for the ordinary Nigerian worker, whose earnings and wages are now strongly depressed and unable to fulfill their fundamental necessities. From the perspective of the above, this study studied the affordability of government workers in Ogun State, Nigeria. Purposive method of sampling was used to sample two government agencies and parastatals. A total of One Hundred and Ten (110) government officials were picked. 94 questionnaires were returned. The necessary data was gathered using the questionnaire, which was then, analyzed using descriptive and medium item score statistics. The results showed that, on average, government workers in Ogun State could afford to pay their rent because most of them, particularly those in the medium and high income brackets, spend less than 30% of their annual salary on housing. Public and private engagements were suggested in the study as a method of providing state housing that is both inexpensive and sustainable.

Keywords: Housing, Civil Servant, Affordable, Rent, Ogun State

INTRODUCTION

Housing is more than just a place to sleep, because it includes all social services and utilities that create a home situation for a society or community (National Housing Policy, 2006). The first and most basic service provided by housing is shelter, which is provided by the living space. The amount spend on housing directly relates to income level and vice versa (Sakariyau, Muhammad, Bello, Aliyu & AbdulRazak, 2023; Roseland, 2012). Housing was considered to be an important component of one's happiness and to improve one's health and standard of living (Kayode, Muhammad & Bello, 2021). One of the three fundamental needs of humanity is housing. Both the technical specifications and the overall user experience should be satisfied by its performance. Because the home has an impact on both people's lives and the nation as a whole, its role in enhancing human comfort through society and nature is crucial (Musa, Bello, & Kayode, 2021). Assuring that certain housing standards or other needs are met at a price or rent that does not place an extra hardship on household incomes is the main goal of affordability. Housing affordability is the willingness of a residence to pay for housing costs while also managing other essential living expenses (Mallach, 2020). Affordability is universally recognised as a crucial issue in creating a sustainable built environment, particularly in developing global cities, according to Aribigbola (2006). The result of these efforts was the inclusion of meeting human requirements for shelter as one of the Sustainable Development Goals and the Habitat Agenda, which were both adopted by the World Community in Istanbul Turkey in 1996. Housing affordability is the ability of households to pay for a home. Nigeria's successive governments have been deeply concerned about the housing situation in the nation from the colonial era. A man's need for shelter or housing is completely irreplaceable because its absence can reduce productivity and harm a country's economic growth. The quality of life, health, happiness, and productivity of residents are severely harmed by inadequate affordable housing (Angel, 2000). State governments have also started housing-provisioning initiatives in the fight to end this scourge, so it is not just the federal government that is engaged in this fight. The majority of Nigerians struggle to

find affordable housing for both themselves and their families due to the nation's low per capita income and the rising cost of construction materials; if this issue is not resolved, the housing crisis could get out of hand. It is against this background that this study tends to analyze the affordability of housing among the civil servants in Ogun State, Nigeria.

Concept of Housing

In its function of ensuring residents' safety and comfort, the term "housing" has been interpreted differently by many professions, but it is crucial to each definition (Dalil & Yamman, 2013). Housing is a term used to describe a building intended for human habitation. It is a structure created to house one or more individuals (Daramola, Alagbe, Aduwo & Ogbiye, 2005). The economy of the person, the local community, and the country all rely heavily on housing as an investment. In most cases, it represents a person's first significant financial investment and life goal (Migdal, 2018). Although housing costs a substantial portion of a family's or company's budget, the built environment is the most visible material asset of a person in terms of investments from the private and public sectors (Stone, 2010).

Housing is one of the three necessities for sustaining physical life, together with water and food (Jiboye, 2014). A residential environment includes any services, amenities, tools, and gadgets for the family's and individual's social, physical, and psychological health in as well as the actual housing structure (Omole, 2010). To put it another way, housing is seen as more than just a source of shelter (four walls and a roof), but also as an evolving and participatory approach, along with its supporting infrastructure. There are more than simply buildings with four walls and roofs in regards to structure. In order to maintain a healthy environment, infrastructure services like water, power, highways, shopping centers, and housing must also be developed. Housing is therefore seen as more than just a source of shelter (four walls and a roof), but also as an evolving and participatory approach, along with its infrastructure required (Nazire, 2017).

The Need for affordable housing

Nigeria's successive governments have been deeply

concerned about the housing situation in the nation ever since the colonial era. A man's need for shelter or housing is completely irreplaceable because its absence can reduce productivity and harm a country's economic growth. The quality of life, health, happiness, and productivity of residents are severely harmed by inadequate affordable homes (Angel, 2000). Housing is generally regarded as the second most essential basic human need, behind food. Housing, in its broadest terms, encompasses all of the social services and utilities that contribute to the viability of a community or neighborhood, so it is more than just a place to live (National Housing Policy, 2006).

The most important reason why people and families need decent, affordable housing is because it provides shelter, which is a necessity. Additionally, having decent, affordable housing reduces stress, pollution, and infectious diseases, which enhances both physical and mental health. Particularly affordable housing releases money from families' limited budgets to spend on food and healthcare (Housing Virginia, 2018). This is especially important for a nation such as Nigeria, which is categorized as a lower to middle country by the United Nations Industrial Development Organization. Additionally, it is a nation with horrifying poverty rates: It is estimated that between 45 and 62 percent of the population lives in poverty (Konadu-Agyemang, 2000). If housing costs no more than 30% of the household's income to cover expenses, it is deemed affordable in the literature (Aribigbola, 2008). There are now two different categories of low-income earners in Nigeria: those who are employed and those who are not. The majority of the literature defines low-income earners as including entry-level public employees, dealers, artisans, and other workers in the unorganized sector. The public

employees in the state of Ogun are the subject of this study.

Affordability in Housing

Although there are some minor differences of opinion, most authors agree on how affordable housing should be defined. Affordable housing and social housing have frequently been used synonymously in the past. According to Sections 68–71 of the Housing and Regeneration Act 2008 of England, social housing housing is defined legally as housing with rents set below market rates to enable people for whom the needs are not sufficiently met by the commercial property market. Celhay and Gil (2020) went further to define social housing in various contexts. It might be necessary to implement legislation that protects limited income people in the planning process. Within this context, affordable housing is defined as social rental housing provided to qualified households whose needs cannot be met by market. To determine eligibility, local income and home prices are considered.

MATERIALS AND METHODS

Ogun State's public employees make up the study's population. The Ogun State Civil Service Commission and the Ogun State Broadcasting Services were among the identified institutions whose employees received questionnaires. To guarantee that every public employee has an equal chance of selection, this is done. Using self-administered questionnaire survey, primary sources of data for the study were collected. Descriptive and inferential statistics were employed in the data analysis to achieve the goals of the study. The following methods were employed: frequency count, percentage table, correlation, cross tabulation, chi square and mean score.

Table1: Demographic Data of the Respondents

	Gender	
Male	75.3	80.2%
Female	18.7	19.8%
	Age	
Less than 30 years	50	53.19%
between 31-40 years	20	21.28%
between 41-50 years	18	19.15%
above 50 years	6	6.38%
	Marital status	
Single	31	32.98%
Married	63	67.02%
	Education	
Primary school	14	14.90%
O level	29	30.85%
OND/NCE	32	34.04%
HND	12	12.77%
BSC	5	5.32%
MSC	1	1.06%
PHD	1	1.06%
	Occupation	
Farming	17	18.09%
Civil Servant	29	30.85%
Business	9	9.57%
Retired	14	14.89%
Artisan	25	26.60%
	Religion	
Islam	82	87.23%
Christianity	12	12.77%
	Income	
Less than #30,000	27	28.72%

#31,000- #60,000	39	41.49
#61,000-#91,000	18	19.15
#91,000 and above	10	10.64
	Household Size	
6-10	51	54.26
11-15	23	24.47
16-20	14	14.89
21 persons and above	6	6.38
	Tribe	
Yoruba	78	82.98
Hausa	10	10.64
Igbo	6	6.38

Source: Field survey, 2021

The socio - economic status makeup of the respondents is shown in Table 1. In the study area, men made up the vast majority of respondents. In a similar vein, the survey discovered that people under 30 made up nearly half of the entire population. Additionally, the vast majority of respondents to the poll were married (63 percent). In line with the families' occupations, 30.85% of the respondents are public employees. The study's total respondents are made up of 69.15 percent retirees, students, artisans, and crafters. This

suggests that what a source of income is present for the vast majority of research participants. A average income analysis also reveals that the majority of participants make between N31,000 and N60,000 per year. In addition, the report states that 6–10 people made up the majority of respondents' households (51 percent). Lastly, the study by Oladiji, Kayode, and Parakoyi indicates that the Yoruba are the most numerous tribe (2013).

RESULTS AND DISCUSSION

Relationship between the annual emoluments of civil servants and rental values of houses

Table 2: Correlation matrix between public workers' yearly salaries and housing rental values

		Annual Emolument	Rental Values
Annual Emolument	Pearson Correlation	.863*	1
	Sig. (1-tailed)		.000
	N	94	94
Rental Values	Pearson Correlation	.863**	1
	Sig. (1-tailed)	.000	
	N	94	94

Source: Field Survey, 2021

The correlation coefficient (r) = 0.863** at a probability (p) of 0.05, as shown in the correlation matrix above. This demonstrates that in this study, there is a strong positive relationship between government employees' yearly salaries

and property rental rates. Because the alternative hypothesis is accepted and the null hypothesis is rejected, it can be said that there is a strong correlation between the annual salaries of public officials and the cost of renting a home.

**Table 3 Obtaining information on the degree of home affordability among federal workers
Distribution of Respondents by Percentage of Income Paid on Housing**

	Frequency	Percentage
Below 20%	30	31.9
Between 20-30%	5	5.31
31-40%	45	47.9
41-50%	8	8.51
Above 50%	6	6.38
Total	94	100.0

Source: Field Survey, 2021

Table 3 shows that, of those who responded, 31.9 percent spent less than 20% of their income on housing, 5.3 percent between 20 and 30%, 47.9 percent between 31 and 40%, 8.51 percent between 41 and 50%, and 6 percent more than 50%. It suggests that most respondents only spent a small portion of their income on housing and therefore have the cash available to spend on other necessities without worrying about housing.

Discussion

It was anticipated that there would be a strong correlation between civil servant annual emoluments and rental values of

homes among Ogun State civil officials when the study examined housing affordability among government employees in that state. The correlation value of 0.863, which is significant at the 0.05 level, supported this hypothesis. The results showed a strong positive correlation between yearly pay and the rental values of homes owned by Ogun State public employees. Due to their salary, public employees in Ogun State can afford to rent certain types of homes, regardless of the size of their families, the standard of those homes, or the distance from their place of employment. The desire and ability of a homeowner to support his other housing demand with the necessary financial resources determines

how affordable housing is (Jinadu, 2007). It has been recommended that a benchmark for determining housing affordability in Europe and around the world should be a limit of 30% of household income spent on housing (Heimberger, & Kapeller, 2017). Nevertheless, due to the dynamics of economic and social differences, what is considered an affordability concern in one place or country may not be applicable in another. Meanwhile, the fundamental issue of housing affordability is being made worse by rising import costs for conventional building supplies and a changing economy (Gbadeyan, 2011). Based on a review of earlier housing strategies, the Nigerian housing policy was primarily intended to provide affordable housing for Nigerians, but it was not implemented properly. Not every household that spends more than a certain percentage of their income on housing has a housing problem; for instance, one household may spend less than 30% on housing but reside in a subpar neighborhood and pay more for public transport to work, while another family may spend more than 30% on housing for nostalgic reasons (change in social class, taste, and status). Due to the fact that it is a matter of choice, this does not become an issue of affordability. Lennartz and Helbrecht (2019) state that a household can be said to have had a housing affordability issue if they are unable to maintain the same standard of living as people residing in social housing after paying cost of housing that conform to socially accepted norms of appropriate housing standards.

CONCLUSION

The study examined the issue of affordable housing and found that, considering the standard of the built environment, a sizable number of public employees in Ogun State City can afford to pay for leased housing. This is so because most workers, especially those from the upper and middle strata, spend less than 30% of their yearly income on rent. Contrarily, employees in the lower apparatchiks have more competing demands than those in the upper apparatchiks and would spend between 26 and 30 percent of their income on rent. Public officials made up a significant percentage of homeowners, but a sizable portion also made up a significant percentage of tenants. While rents in the state are relatively low, respondents indicated that the most significant barrier to affordable housing was the difficulty of obtaining affordable loans. This suggests that even though most respondents wanted to own their own homes but were prevented from doing so by financial limitations and high loan rates. The government must support the development of affordable housing projects and set up the necessary frameworks for financing the purchase of those homes. More government employees will gain from this. Synergistic public-private partnerships should be encouraged and developed in order to enhance housing options and costs for federal employees.

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