# EFFECT OF UNRESTRICTED AND UNPROHIBITED IMPORTATION OF METAL FABRICATED PRODUCTS AND FURNITURES ON INDIGENOUS METAL FABRICATORS AND FURNITURE MAKERS IN NIGERIA

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#### **ABSTRACT**

This study was carried out to ascertain the effect of unrestricted and unprohibited importations of metal fabricated products and wooden furniture on indigenous metal fabricators and wood furniture makers in Nigeria. Two research questions were raised and one hypothesis formulated to guide the study. Survey research design, a population of 256 and a sample size 180 metal fabricators and wood furniture makers drawn from three Urban towns of Edo and Delta states of Nigeria was used for the study. A-24 item questionnaire was developed to elicit information from the respondents and percentage was used to analyze the data obtained while Chi-square was used to test the hypothesis at 0.05 level of significance. The study revealed that unrestricted and un-prohibited importation of metal fabricated products and wooden furniture causes low patronage of products to indigenous metal fabricators and wood furniture makers. Based on the findings of the study, a conclusion was drawn and some recommendations were made to address the issue of unrestricted and unprohibited importation of metal fabricated products and wood furniture in Nigeria. Among the recommendations made are: the Federal Government should enlighten the public through print and electronic media with appropriate jingles on the need to patronize locally made metal fabricated products and wood furnitures.

**Keywords**: Unrestricted, Un-prohibited, Importation, Metal-fabricated product and wooden furnitures.

#### INTRODUCTION

Import restriction is a method adopted by nations in controlling the volume of products or goods that come into a country and it does not mean outright ban of such product from import. If goods or product are restricted to import, the government of such importing nation has to fix some barriers such as import duties in the form of tax duties which importers has to overcome and this has to make the goods or products more expensive. While, import prohibition is when goods or products are generally not allowed to be brought into a country except when given the permission under high controlled condition as provided for in the law prohibiting the product. On the other hand, a metal fabricator is a skilled person that specializes in the building of metal structures through the process of cutting, bending, casting, assembling and joining of metals according to a given drawing or blueprint. He knows how to cut metals accurately to the required size and shape, know how to operate specialized metal working machines and have a good knowledge of the properties of metals. While, a wooden furniture maker according to Wise Geek (2003) is a skilled person that builds table, chairs, stools, sofas, beds, shelves, cupboards and other designs in the form of decorative art. A wooden furniture maker can create his own design or work from the sketch or drawings of others. However, all these skills can acquired through formal and informal trainings.

Nigeria as a nation is the most populous black nation in the world, it is known to be an oil rich nation, that has a middle income economy. (wikipedia, 2014) The nation is endowed with abundant natural and human resources, but despite these potentials for national development, the nation's development is stagnated due to poor vision and failure by every successful government to diversify the economy away from overdependence on the capital intensive oil sector, hence, the nation's development has been hindered by mismanagement that has resulted to corruption, unemployment, inadequate infrastructure and in-security. However, in 2003, according to Okonjo-Iweala and Osafo-Kwaako (2007), the government embarked on a comprehensive

economic reform programme which was known as National Economic Empowerment Development Strategy (NEEDS). The purpose of NEEDS was to raise the country standard of living through a variety of reforms such as macroeconomic stability, deregulation, liberalization, privatization etc all these reforms are in a bid to improve the living standard of Nigerians through wealth creation, poverty reduction and employment generation, as the National Bureau of statistics (2016) shown that unemployment rate in Nigeria has risen from 10.4 percent in the last quarter of 2015 to 12.1 percent in May 2016. Despite these reforms to bring the nation to realize its full economic potentials, the economy is still hemorrhaging without any sign of recovery from unrestricted and un-prohibited importation of metal fabricated products and wooden furnitures that can be produced by Nigerians locally. Time without numbers, Nigerians has been urged to patronize locally made products, but it is painful to mention that the average Nigerians preference for a foreign product has been on the increase, this Mohammed and Kayode (2015) asserted that Nigerians market has become a home for all manner of foreign product despite the mounting pressure by every successive government for the patronage of local product. In order to encourage the use of locally made products, perhaps that was what led to the theme of the 22nd edition of Nigeria Economic Summit in 2016 that was tagged "Made in Nigeria".

Regrettably, some of these imported goods can be conveniently produced in the country by indigenous metal fabricators and wooden furniture makers. No doubt Mohammed and Kayode further asserted that is trillions of Naira may have been expended by Nigerians on the importation of goods that can as well be produced locally. This development has a negative effect on the nation's wobbling economy considering the slump in the price of crude oil. However, it is painful to note that some of these imported products that range from metal fabricated products such as metal doors, door frames, iron gate, wheel barrows, wooden furniture such as home and office furnitures etc that are

imported from the Asian countries can be produced locally. This development Tunde (2016) asserted that with proper legislation, local metal fabricators and wooden furniture makers can provide huge revenue for Nigeria in this period of economic stress, because the decline in metal fabricated products and wooden furniture making was compounded by the gradual failure on the government from looking inwards, therefore, traders took advantage of this by importing metal fabricated products and wooden furnitures into Nigeria through metal containers. Nigeria as a nation should look inward and adopt a structural reform to check mate the inflow of these product into the country. This Akinseide (2011), asserted that the economic and technological success of nations like South Korea, Singapore, Hong Kong and Taiwan which are commonly referred to as the Asian tigers should be of interest to developing nations like Nigeria as they rejected import and relied on the export of product for national development.

Their capitals for investment come largely from indigenous sources and they put a high trade barriers that protect local producers from foreign competitors. Looking critically at the economic and technological progress of Nigeria, as a developing nation, there is need to look inward in order to restrict and prohibit the inflow of these products into the country in order to ensure national development through the enhancement of small and medium scale enterprises, reduction in unemployment, economic growth and technological development of this nation. To this end, this study is designed to investigate the effect of unrestricted and unprohibited importation of metal fabricated products and wooden furnitures makers on indigenous metal fabricators and wood furniture makers in Nigeria.

#### STATEMENT OF THE PROBLEM

Nigeria as a nation is blessed with abundant natural and human resources, hence there are enough materials and competent skilled technical practitioners that can produce metal fabricated products and wood furnitures that can stand the test of time and compete favorably in quality with imported products that Nigerians yearn for. However, there is a great worry that the government is yet to make a concrete law to restrict or prohibit these products that can be produced locally. This failure on the part of the government no doubt, will be a set back to the quest for wealth creation, poverty reduction and technological development the nation so much desire. Based upon this, what are the effects of unrestricted and unprohibited importation of metal fabricated products and wooden furniture on indigenous metal fabricators and wood furniture makers in Nigeria.

#### PURPOSE OF THE STUDY

The major purpose of this study is to find out the effect of unrestricted and unprohibited importation of metal fabricated products and wooden furnitures on indigenous metal fabricators and wood furniture makers in Nigeria. Therefore, the study seek to find out;

- 1. How imported metal doors, metal gates, metal door frames e.t.c affect the frequency of patronage of indigenous metal fabricators.
- 2. Ascertain how imported wooden furnitures affect the frequency of patronage of indigenous wood furniture makers.

# **RESEARCH QUESTIONS**

Two research questions were raised to guide the study.

- 1. How does imported metal doors, metal gates, metal door frames etc affect the frequency of patronage of indigenous metal fabricators.
- 2. What effect does unrestricted and unprohibited importation of wooden furnitures has on the frequency of patronage of indigenous wood furniture makers.

# Hypothesis

The following null hypothesis was formulated and tested at 0.05 level of significance.

Ho: There is no significance difference in the perception of indigenous metal fabricators and wooden furniture makers on the effect of patronage as a result of unrestricted and unprohibited importation of metal fabricated products and wooden furnitures.

#### SIGNIFICANCE OF THE STUDY

The finding of this study will be of immense benefit to the Federal Government in order to enact laws restricting and prohibiting products that can be produced locally, the study will also be of immense benefit to Nigerian custom service as an agency monitoring the importation of goods into the country and to ensure strict compliance of the laws prohibiting such products.

#### SCOPE OF THE STUDY

The study is restricted to the effect of unrestricted and unprohibited importation of metal fabricated products and wooden furnitures. Therefore, the study was designed to investigate metal fabricators and wooden furniture makers from three Urban areas of Warri, Asaba and Benin city all in Edo and Delta states of Nigeria.

## **METHODOLOGY**

The research design adopted for this study was a survey research design and the population consists of 256 furniture makers and metal fabricators that own workshops to render services to the populace. A stratified random sampling technique was used to select a sample size of 78 metal fabricators and 102 furniture makers that were used for the study.

Table 1. Distribution of Population and Sample for the Study.

Population					Sample			
		Wood						
		Metal	furniture		Metal	Furniture		
S/N	Towns	fabricators	makers	Total	Fabricators	makers	Total	
1.	Warri	51	67	118	37	44	81	
2.	Asaba	35	28	63	24	27	51	
3.	Benin	44	31	75	17	31	48	
	Total	130	126	256	78	102	180	

The instrument that was used for data collection was a questionnaire that was developed by the researcher and it contains a 24 item statements and the questionnaire was structured to have true/false in which the respondents has to respond to one of the option. The instrument for this study was subjected to face and content validity by two experts. The validate criticism, advice and suggestions form part that guided the restructuring of the instrument. However, to ascertain the internal consisting of the instruments, a split-halve reliability technique was used as pilot study involving 20 respondents outside the study sample. The instrument was administered once to the respondents and the data obtained was computed using spearman rank order correlation coefficient that yielded a coefficient (r) of 0.84.

In administering the instrument to the respondents, the researcher with the aid of an assistant personally visited the various metal fabricators and wooden furniture makers in their workshops. The respondents who are educated were given enough time to indicate their opinion and return the questionnaires, however, respondents who are not educated or do not possess sufficient literacy to be able to read, the item statements were read to them and their responses recorded on the questionnaire. A total of 180 questionnaires were distributed to the respondents in the three towns, and all the questionnaires were found useable and this represent a 100% return rate. The data obtained from the administered questionnaires were analyzed using frequency counts and percentage to answer the research questions, However 50% was set as

bench mark to accept or reject an item statement and Chi-square was used to test the hypothesis at 0.05 level of significance.

# Research Question 1:

How does imported metal doors, metal doors, metal gates, metal door frames etc affect the frequency of patronage of indigenous metal fabricators?

TABLE 2: Percentage of Respondents Rating of the Extent Unrestricted and Unprohibited Importation of Metal Doors, Metal Gates, Metal Door Frames Etc. Affect the Frequency of Patronage of Indigenous Metal Fabricators. (N=78)

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Item statements	True	%	False	%	Remark
Importation of metal fabricated doors causes low patronage of locally fabricated doors.	49	62.9	29	32.2	True
2. The patronage of metal fabricated window frame is low because of the imported type.	41	52.6	37	47.5	True
3. I no longer produce metal fabricated door frame because of imported type that is mostly patronized.	43	55.2	35	44.9	True
4. Because of the importation of window burglary proof, the patronage of the locally produce type is low.	26	33.4	52	66.7	False
5. I experienced low patronage of metal gate because of imported type.	29	37.2	49	62.9	False
6. Corporate organization no longer patronize locally made office cabinet because of imported types	56	71.8	22	28.2	True
7. Importation of metal book shelves causes low patronage of locally fabricated types.	44	56.5	34	43.6	True
8. Importation of wheel barrows causes low patronage of locally fabricated types.	51	65.3	27	34.6	True
9. The patronage of imported metal boxes causes low patronage of locally fabricated types.	55	70.6	23	29.4	True
Average percentage		56.1		43.3	

Source: Computation from field work 2016

Table 2 showed that respondents agreed on the option of "true" on the item statements 1, 2, 3, 6, 8 and 9 because they were above the bench mark of 50%, while the respondents agreed on the option of "false" for item statements 4 and 5, because they fall below 50% bench mark. The table shows that item statements 6 has the highest parentage of 71.8% for "true" option and the same item statement has the lowest parentage 28.2% for " false" option respectably. The calculated mean average percentage for all the "true" responses is 56.1%, which is above the benchmark of 50% and the calculated average parentage for all the "false" responses is 43.3%. how much, this values showed the consensus of opinion by the respondents.

# Research Question 2

What effect does unrestricted and unprohibited importation of wooden furniture have on the frequency of patronage of indigenous wood furniture makers.

Table 3. Percentages of Respondents Rating on the Extent Unrestricted and Unprohibited Importation of Furnitures Affect the Frequency of Patronage of Indigenous Wood Furniture Makers. (N=102)

		Responses				_
S/N	Item Statement	True	%	False	%	Remark
10.	Importation of dining table causes low patronage of locally made dining table	85	83.4	17	16.7	True
11.	Importation of living room chairs causes low patronage of locally made living room chairs.	30	29.5	72	70.6	False
12.	Patronage of locally made dining chairs is low because of the importation of dining chairs	65	63.9	37	36.3	True
13.	Corporate organization no longer patronage locally made office desk because of the imported types	73	71.6	29	28.5	True
14.	Client patronage of locally made kitchen cabinet is very low because of imported types	21	20.6	81	79.5	False
15.	Patronages of locally made stools are low because of imported type.	63	61.8	39	38.3	True
16.	Patronage of locally made wooden book shelves is low because of imported metal book shelves	62	60.8	40	39.3	True
17.	Sales of locally made wooden racks for magazines and newspapers is low because of imported types	61	58.9	41	40.1	True
18.	Because of imported doors, the patronage of locally made doors is low	83	81.4	19	18.7	True

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19.	Wine racks are no longer patronized because of the	59	57.9	43	42.1	True
	imported types					
20.	Importation of centre table causes low patronage of	74	26.6	28	27.5	True
	locally made centre tables					
21.	Patronage of electronics shelves is low because of	69	67.7	33	32.4	True
	imported electronics shelves					
22.	The patronage of enamel plate wooden rack is low	63	61.8	39	38.2	True
	because of imported enamel racks					
23.	Sales of locally made office chairs is low because of	87	85.3	15	14.7	True
	imported types					
24.	Kitchen vegetable rack are no longer patronized because	55	53.9	47	46.1	True
	of imported types					
	Average Percentage		62.7		37.93	<u>'</u>

Table 3 shows that respondents agreed on the option of true on item statements 10, 12, 13, 15, 16, 17, 18, 19, 20, 21, 22, 23 and 24 because they exceeded the benchmark of 50%, while the respondents agreed on the option of false for item statements 11 and 14 respectively because the true options falls below the benchmark. The table showed that item statement 23 has the highest percentage 85.3% for true response and it has the most of 14.7% for false option respectively. The set benchmark, while, the calculated mean percentage for all the false responses is 39.2 and this fall below the benchmark. However, the calculated figure of 62.07% showed a consists of opinion by the respondents.

# Hypothesis

Ho: There is no significance difference on the perception of indigenous metal fabricators and wood furniture makers on the effect of patronage as a result of unrestricted and unprohibited importation of metal fabricated products and wooden furnitures.

Table 4: Chi-Square of the Perception of Indigenous Metal Fabricators and Wooden Furniture Makers on the Effect of Patronage as a Result of Unrestricted and Unprohibited Importation of Metal Fabricated Products and Wood Furniture.

	Indigenous Practitioners	Technical					
	Metal	Furniture	Total	_	Chi-square	Chi-square	
Towns	fabricators	makers		Df	Cu	cui	Decision
Warri	37(45.9)	44(35.1)	81		1.35	5.99	Retain
Asaba	24(22.1)	27(28.9)	51	2			
Benin	17(20.8)	31(27.2)	48				
Total	78	102	180				

Table 4 shows that there is no reason for rejecting Ho since the t-cal of 1.35 is less that t-table of 5.99 at 2 degree of freedom at 0.05 level of significance. Therefore, the null hypothesis is retain. Therefore, the conclusion is that there is no significance difference on the perception of indigenous metal fabricators and furniture makers on the effect of patronage as a result of unrestricted and unprohibited importation of metal fabricated products and wood furniture makers.

#### **DISCUSSION AND FINDINGS**

The findings of this study with respect to table 2 shows that majority of the indigenous metal fabricators are of the true opinion that the importation of metal fabricated products such as doors, windows, door frames, burglary proof, wheel barrows, head pans etc causes low patronage to metal fabricators. They asserted that corporate organization do not patronize locally made office cabinet instead they prefer the imported ones. This development Abiodu (2014) opined that the fabricated metal product subsector is with great potentials and resounding expectation to Nigeria economy. But the subsector is troubled by a lots of factors of which indiscriminate importation of metal products is one of them. The findings of the study in table 3 shows that majority of the indigenous furniture makers uphold the option of true that

importation of glass dining table has really cause low patronage of locally made dining table, they also uphold that it is true that the patronage of locally made dining chairs is low, and that corporate organization no longer patronage locally made office furniture. Because of the imported types. They further stressed that the importation of doors has affected the patronage of locally made doors. This development Akpan (2012) asserted that the National Union of Civil Engineering, Construction and wood workers warned that the importation of wooden furniture into the country has caused a serious damage to wood workers as a career and Nigeria economy in general. According to him, many of these imported wooden furniture can be produced in the country as they are many capable wood furniture makers that can favorably compete and beat some of the imported ones. However, because of the importation of wooden furniture many indigenous wood furniture makers has close-up their shops while the remaining ones are struggling for survival. Hence, Aighobahi (2016) asserted that Nigeria has great entrepreneurs that can compete with those we patronize abroad. Therefore, the Government should device a campaign strategy which could change the thirst of Nigerians from foreign products so that Nigerians should embrace made-in-Nigeria product.

In table 4, the findings further showed that there is no significant difference on the perception indigenous metal fabricators and wood furniture makers on the frequency of patronage as a result of unrestricted and unprohibited importation of metal fabricated products and wood furnitures.

This revealed that the opinion of metal fabricators and furniture makers did not differ with respect to low frequency of patronage as a result of importation without restriction and prohibition. On the basis of the data collected and analyzed, the following major findings were made:

1. Importation of wheel barrows has caused the low patronage of locally fabricated types.

- 2. Importation of doors has caused the low patronage of locally made doors by metal fabricators and furniture makers.
- 3. The importation of glass dining table has affected the patronage of locally made dining table.
- 4. The patronage of locally made dining chairs is very low as a result of the imported types.
- 5. Corporate organizations no longer patronize locally made office desks and chairs.
- 6. Patronage of locally made stool is very low because of imported glass type.
- 7. Corporate organizations no longer patronize locally made office cabinet.

### **CONCLUSION**

Based on the findings of this study, the following conclusion were made.

The study has shown that metal fabricators and wooden furniture makers has been experiencing low patronage as a result of unrestricted and unprohibited importation of metal fabricated products and wooden furnitures. These group of technical practitioners constitute the small and medium scale enterprise which the Federal Government has always encouraged for the creation of employment, poverty reduction, wealth creation and technological advancement of the nation. However, the findings of the study has a negative effect on the economic and technological advancement of the nation. The result of this study can also serve as a data base for the Federal Government because of the death of empirical data. Therefore, it is expected that appropriate laws and enforcement to check the inflow of these products will enhance the economic and technological development of this nation.

#### **RECOMMENDATIONS**

The following recommendations are made based on the findings and conclusion of this study.

1. The Federal Government of Nigeria should prohibit the importation of all types of wooden furnitures into the country.

- 2. Corporate organizations should be encouraged to patronize locally made office cabinets.
- 3. The Government should encourage indigenous metal fabricators and wood furniture makers by way of organizing exhibitions to display their products. This will create awareness and increase the taste of Nigerians for locally produced products.
- 4. The Federal Government should enlighten the public through print and electronic media with appropriate jingles on the need and importance of patronizing locally made metal fabricated products and wooden furnitures.

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