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# Regulation and Statutory Flavoured Employment Contracts in the Downstream Oil and Gas Firms in South-South, Nigeria

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**ABSTRACT**
This study examined the relationship between regulations and employment contracts with statutory flavour in downstream oil and gas firms in South-South Nigeria. The main objective was to determine the extent to which regulations influence the formation, performance, and termination of employment contracts with statutory flavour in the sector. The study adopted a cross-sectional survey design. A structured questionnaire was used to collect primary data from the entire population of twenty registered and functional downstream oil and gas firms in South-South Nigeria. Since the population was small, a census method was applied, making the sample size equal to the population. The final analysis was based on responses from fifty-seven participants. Spearman's rank order correlation coefficient was used to test the relationship between the variables, while partial correlation analysis was conducted with the aid of SPSS. The findings revealed that regulations have a strong positive and significant relationship with the formation, performance, and termination of employment contracts with statutory flavour. The study concludes that the application of labour regulations, particularly Regulation 15A, has brought greater order and stability to employment relationships in the downstream oil and gas sector by reducing arbitrary practices in areas such as contract formation, discipline, and termination. Based on the findings, the study recommends that directors, executives, and human resource managers in these firms should maintain close familiarity with relevant statutory and regulatory frameworks, especially Regulation 15A and the guidelines for the release of workers. Proactive compliance with these provisions, rather than leaving them solely to the legal department, can help prevent disputes, save time, and reduce long-term costs.
**Keywords:** Regulations, Statutory Flavoured Employment Contracts, Formation, Performance, Termination of Employment Contracts

## INTRODUCTION

The evolution of employment regulation in the Nigerian oil and gas sector has brought increasing focus on the function of legislation and guidance in the formation of statutory flavoured contracts of employment. Statutory rules offer the legal basis for such interactions. Regulations give the technical processes that regulate the actual execution of employment relationships. The industry has seen a major increase in the workforce in the last several years, including mass layoffs due to economic difficulties and shifts in global oil prices. According to Joel (2016), the big oil corporations sacked a large number of

workers as part of cost-cutting initiatives, with Nigerian workers being among the most hit. This led to a rise in unemployment and people were even more worried about the security of their jobs.

In view of these issues, legislative frameworks have been established to give more clarity on the management of employment relationships, especially in areas of disengagement and redundancy. The rules for staff release in the oil and gas sector released according to Regulation 15A of the Petroleum (Drilling and Production) Amendment Regulations in 2015, are a major step in this direction. These rules provide statutory flavour to all forms of employment in the industry and ensure termination processes are followed as per established procedures rather than discretionary practices. This move is part of a general trend to shield employees from arbitrary measures and to provide companies with a framework for managing their personnel changes.

When we look at the wider implications of employment conflicts on the economy and industry, we should see the need for regulatory involvement. Terence (2020) argues that work interactions may become quite problematic when contractual processes are not correctly followed and this often leads to litigation beyond the immediate parties. The worldwide problem of employee disengagement, typically associated with insecurity of job situations, is also mentioned by Gallup (2013). Hence, laws are very important in regulating the performance and termination of employment contracts in Nigerian oil and gas industry, ensuring that both procedures comply with the requirements. Common law and statutory rules have built foundations and these regulatory mechanisms continue to grow in tandem, leading to a more coordinated approach to the management of employment relationships in a sector that remains essential to the national economy.

**Conceptual Framework**

The predictor variable is regulations. Whereas the criterion variable is statutory flavoured employment contract with measures as: Formation, performance and termination as shown in figure 1 below.

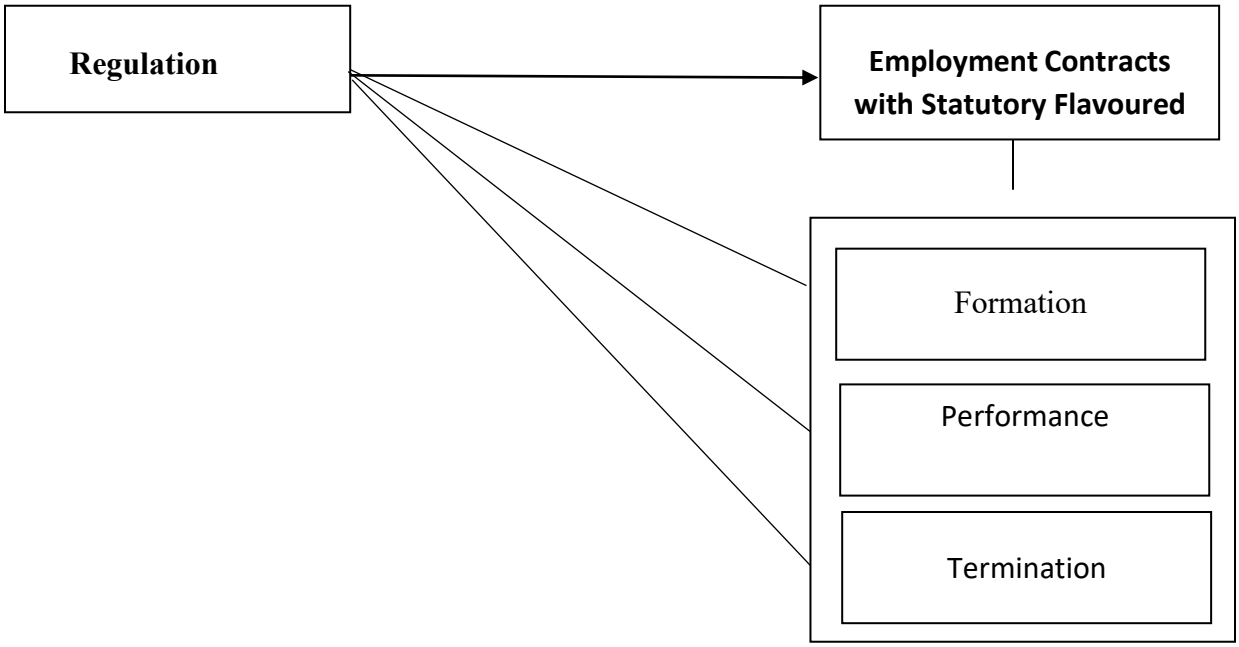


**Figure 1:** Conceptual framework showing the relationship between regulation and statutory flavoured employment contracts**.**

**Source:** Researchers Desk (2026). The criterion and its measures from the works of Sagay (2001).

**Purpose of the Study**

The purpose of this study was to examine the relationship between regulation and statutory flavoured contract of employment in the Nigerian oil and gas sector. Therefore, this study will attempts to do the following objectives:

i. Ascertain the relationship between regulations and formation of statutory flavoured employment contracts in the downstream oil and gas Firms in South-South, Nigeria.
ii. Examine the relationship between regulations and performance of statutory flavoured companies in South-South, Nigeria's and determination Reemployment contracts in downstream oil and gas companies in South-South, Nigeria.
iii. Evaluate the relationship between regulations and termination Employment Contracts with Statutory Flavour in the downstream oil and gas companies in South-South, Nigeria.

**Research Question**

This study will be guided by the following research questions:

1. What is the relationship between regulation and formation of statutory flavouredemployment contracts in the downstream oil and gas Firms in South-South, Nigeria?
2. What is the relationship between regulation and performance of statutory flavoured companies in South-South, Nigeria's and determination Reemployment contracts in downstream oil and gas companies in South-South, Nigeria?
3. What is the relationship between regulation and termination Employment Contracts with Statutory Flavour in the downstream oil and gas companies in South-South, Nigeria?

## LITERATURE REVIEW

### Theoretical Foundation

In reviewing literature, it is noteworthy to look at theoretical foundation relevant to the study. These theories are in terms of baseline social theories. This study is anchored on the system Theory.

### Systems Theory

The Systems Theory advanced by Dunlop (1958) views industrial relations as a subsystem within the wider national system, made up of different actors operating within specific environmental conditions that shape their relationships and interactions. According to the theory, employers, employees, trade unions, and government agencies exist within economic, technological, and political environments that influence their conduct and determine the degree of power exercised within the workplace. Dunlop further explains that industrial relations are governed through rules and shared values that regulate behaviour and maintain order within the employment relationship. These rules emerge from the interaction of the actors and are shaped through prevailing conditions such as market forces, technological advancement, and regulatory controls. The theory consequently describes industrial relations as a system with a framework where the conduct of individuals in the workplace is controlled by internal and external forces. Thus, Dunlop (1958) described industrial relations as the process of developing and implementing rules in the workplace, while Flanders (1965) defined it as the study of the institutions that control labour. This idea is extremely relevant to the present investigation since these beliefs are strongly rule orientated. This is more so since, as the predictor variable of the research, labour rules, statutes and regulations. These legal instruments are the regulations that regulate employment relationships in the Nigerian oil and gas sector and define the establishment, performance and termination of statutory flavoured contracts of employment. The theory consequently provides a suitable framework for examining the influence of regulatory frameworks on employment practices and the preservation of order within industrial relations systems

Dunlop's Systems Theory of Industrial Relations (1958) provides a lens through which to analyse the role of rules in shaping relationships in the workplace, particularly within complex sectors like oil and gas. Dunlop (1958) drew his theory from the earlier ideas of Talcott Parsons and conceptualised industrial relations as a system of actors, surroundings, ideology and norms that impact conduct at the workplace (Fajana, 2000). The key players in the system are employers, trade unions and government. The interaction of these components leads to restrictions on work interactions. These rules are imbedded in an environment ordered by market conditions, technological realities and distribution of power among stakeholders. Regulatory procedures in the Nigerian oil and gas sector are required to govern conduct and guarantee that employment ties are maintained within limits where the state has a strong effect. Dunlop's

paradigm is very significant in understanding the development and maintenance of such rules in industrial relations systems (Ayim, Ikemefuna and Ekwoaba, 2012).

Regulations are a fundamental layer of rule making in this framework which directs how contracts of employment created by legislation are managed in reality. Dunlop (1958) contrasts between substantive rules that establish the terms and conditions of employment, and procedural rules that provide for dispute resolution and enforcement, both of which are included in regulatory standards that regulate employment in the oil and gas sector. Flanders (1965), Clegg (1980) and Zeb-Obipi (2018d; 2022) further point out that industrial relations deals with the creation and administration of rules, including norms created outside the organization by legislative and regulatory processes. Regulations are external processes which regulate the creation, performance and termination of employment contracts in line with pre-determined legal standards. The relevance of this perspective to the present study is that it is concerned with the impact of these regulatory rules on employment relationships, especially in a sector in which the need for compliance rules and procedural clarity are a must for the reduction of disputes and the maintenance of stability within the workplace.

**Conceptual Review**

**Regulations**

Regulations are a significant part of the legal regime controlling employment relationships in the Nigerian oil and gas industry particularly as it relates to contracts with statutory character. Statutes typically empower the executive branch of government and its agencies to adopt rules that put legislative provisions into practical effect in certain areas. Any rule imposed with such legislative power is enforceable by law as Obidinma (2016) puts it. Implementation is often helped via the problem of guidelines and processes are clarified. As Bimbo and Declan (2018) pointed out, the legal standing of these instructions relies on whether they are derived from authorities provided by law. The Labour Act, the Petroleum Industry framework, and other legislation in Nigeria permit the Minister of Labour and other agencies to make laws governing employment practices in the oil and gas industry. One important example is Regulation 15A of Petroleum (Drilling and Production) Amended Regulations, including standards and procedures for personnel release. These mechanisms have given statutory character to the employment contracts across the whole industry. If such clearance is not obtained, any termination carried out may result in the reinstatement of the affected worker (Bimbo & Declan, 2016). It is a big change, since statutory flavour, which was previously mostly restricted to the public sector, now applies to the oil and gas business too.

These regulations have substantial significance for the creation and termination of employment contracts. The rules clearly identify who is an employer and a worker and they apply to firms operating in upstream, downstream, service and refining areas under the Petroleum Act. They cover Nigerian workers of all kinds casual, junior, senior and outsourced personnel but often exclude expats. Employers are expected to provide employee information to a competent body within certain times and must seek clearance before discharging any worker. The staff release processes require that the job history be properly documented, the reason for disengagement justified and the proposed remuneration detailed. Non-compliance may result in significant consequences such as financial fines and suspension of operating licenses or revocation of licences. These regulations maintain procedural discipline and make sure that employment practices are in accordance with statutory requirements so reinforcing the structure and functioning of statutory flavoured contracts in the Nigerian oil and gas industry.

**Employment Contract**

Statutory flavor is a concept which describes the interference or protection by a statute. An employment is said to have statutory flavour when their appointment and termination of such contract is protected by statute or laid down regulations made to govern the procedure for employment and discipline of an employee, any other employment outside that category is governed by the terms under which parties agreed to be bound. This type of employment enjoys a special status higher than the ordinary type of employment. The general principle is that where the contract of employment or of service is created by a statute and procedure for the removal of the employee is defined in the said statute, non-compliance with

that statutory provision renders the determination of such contract unlawful and a nullity (Ibukun and Olumuywa (2018). A contract of employment has been defined as a specie of the general contract and therefore to the effective will contain all the ingredients of a simple and ordinarycontract.

**Measures of Employment Contract with Statutory Flavour**

**Formation**

Formation represents the point at which a statutory flavoured contract of employment comes into existence through the satisfaction of the elements that make a contract valid. As Okene (2019) explains, a contract of employment remains a form of general contract, and therefore must contain essential elements such as offer, acceptance, consideration, and intention to create legal relations. Sagay (2000) and Nicki Tobi (1997) affirm that the absence of any of these elements renders a contract void or voidable. The beginning of the procedure is a distinct and certain offer and the end is a definite and unconditional acceptance, showing the agreement of the parties. In the form of services given by the employee and payment received by him there is a flow of consideration between the employer and the employee. Intention creates the desire on the part of both parties to be bound by law. They also guarantee that the job relationship is not just informal, but based on enforceable duties.

to well to such basic needs, statutory flavoured employment offers extra procedural standards that need to be met during formation. The provisions of Section 7 of the Labour Act (2004) formalise the agreement and oblige employers to communicate in writing the particulars of employment within a set time. In the oil and gas industry, the regulation stipulates that the employer is compelled to provide certain information relating to newly engaged personnel to the competent authorities within a specified period (Bimbo & Declan, 2018). In case of non-compliance, the penalties might impact the status of the employer. These standards improve the process of forming an employment contract, so that it is correctly recorded and meets legal expectations. Formation in this situation thus reflects both the principles of contract law and the procedural obligations imposed by statutory and regulatory regimes.

**Performance**

Performance is the execution of commitments stipulated under the contract of employment as expressed in the rights and duties of the employer and employee. Dewan (2020) explains the provisions of a contract as the framework that controls this connection, detailing the expectations that shape behaviour in the workplace. Such terms may be explicit, in that they are set out in the written agreement, or implicit, by tradition or practice or legislative requirements. As Nwosu (2017) puts it, statutory provisions cannot be waived by private agreement and thus further reinforces the protective function of the law in the work relationship. Sagay (2018) further categorises contractual terms into basic terms, warranties and intermediate terms, each of which has various repercussions if duties are not performed.

In the oil and gas industry, statutory flavoured contracts are performed inside a statutory framework established under regulatory regulations. These include the Petroleum framework Regulation 15A and the recommendations thereto which lay out certain requirements affecting the manner in which the contractual duties are to be performed. While parties are free to establish the particular conditions of their relationship, this freedom occurs within bounds specified via legislation. Nicki Tobi (1997) observes that the law does not overreach in terms of control of contractual terms but adds protections that benefit the contracting parties. Therefore, performance is a balance between contractual freedom and legislative guidance with an aim to meet responsibilities in a way that is in line with the set legal standards.

**Termination**

Termination is the termination of the job relationship, and may be voluntary or involuntary. In ordinary employment, parties are able to terminate their relationship according to agreed conditions, often by notice. The traditional master and servant relationship, as pointed out by Olumuyiwa (2018), provides that damages are payable for unlawful termination of employment, often in the form of payment in place of notice, with no requirement to re-instate the employee. The legal rationale in the cases of Opene (1969) and Oguntade (2011) supports this viewpoint since it is said that courts cannot impose an employee on an unwilling employer. This implies that termination under this regime is still flexible with remedies being mostly restricted to financial compensation.

Flavoured employment under statutory is a deviation from this strategy, in which the termination is placed in a framework controlled via statutory requirements and regulatory criteria. Olumuyiwa (2018) states that these contracts are not determinable at whim but must follow established processes and any departure would declare the termination worthless. In the oil and gas sector, there are detailed guidelines on staff release under Regulation 15A that require prior approval from the appropriate authority, submission of relevant documentation and compliance with specified timelines (Bimbo & Declan, 2016; Harrison, 2017). Failure to abide by these processes will be subject to repercussions including monetary fines, suspension of operating licenses, and potential reinstatement of the affected worker. Termination is more than just notice and is a planned procedure which enhances the protection associated with legally regulated contracts of employment in this scenario.

**Empirical Review**

Labour laws have brought one of the harshest kinds of interference into contracts of employment in the Nigerian oil and gas industry via Regulation 15A of the Petroleum (Production and Drilling) Amendments Act enacted under the Petroleum Act. This supports the Guidelines and Procedures for the Release of Staff in the oil and gas industry. Bimbo and Declan (2016) in their study on the implications of these rules and processes, discovered favourable and substantial link between labour laws and employment contracts in the industry. Their study demonstrates how statutory flavoured employment contracts are established and governed by such rules. Ogunseye (2018) Examined the termination of contracts of employment with statutory flavour and the remedy of reinstatement with special reference to restricting summary and illegal dismissal. The research concludes that legislation does not only affect these contracts, but it is in fact the basis on which such contracts are created and terminated. In the same vein, Obidinma (2016) discussed the issue of unjust dismissal in Nigeria and argued for a shift from common law norms. The study used cross sectional research methodology and had a population of 120 management and operational workers. Spearman rank order correlation was used in the study and the study revealed a positive link between labour laws and statutory flavoured contracts of employment in the public sector. The study observed that conferring employment statutory character helps to mitigate the tensions arising out of arbitrary dismissals that common law has hitherto permitted.

Olumujiwa (2018) carried conducted an exploratory research on the effect of statutory laws on contracts of employment in Nigeria and utilised regression analysis to understand the relationship. The findings indicated that legislation and regulations had the most influence on the duration of service of workers. Bimbo Atitola and Harrison Declan (2016) have studied the legal effects of labour laws and regulations on statutory flavoured contracts in the oil and gas industry. They established a substantial association between labour laws, regulations and these contracts by using questionnaires and multiple regression analysis in a sample of 50 from 183 workers. at his survey of workers at 31 universities, Okene (2019) in his research of labour laws and the right to strike in Nigeria also discovered a favourable association between labour laws and the right to strike.. The research emphasised that without the ability to strike or seek court redress, trade unions would remain vulnerable, and recommended that the right to strike be available to workers, though only as a last resort. These scholarly contributions clearly show the central place of labour laws in shaping employment relationships. On this basis, the following hypotheses have been developed. Hence the following hypotheses are formulated.

**$H_{O1}$**: There is no significant relationship Regulation and formation of employment contracts with statutory flavour in the downstream oil and gas firms in south-south Nigeria.

**$H_{O2}$:** There is no significant relationship between regulation and performance of employment contracts with statutory flavour in the downstream oil and gas firms in south-south Nigeria

**$H_{O3}$:** There is no significant relationship between Regulation and termination of employment contracts with statutory flavour in the downstream oil and gas firms in south-south Nigeria.

**METHODOLOGY**

The study adopted a positivist philosophical foundation, emphasizing the systematic observation and measurement of phenomena within indigenous oil and gas companies in South-South Nigeria. This approach facilitated the use of quantitative methods to examine relationships between the study variables. A

correlational and cross-sectional survey research design was employed to establish the strength, direction, and significance of these relationships. The population of the study were twenty registered and functional oil and gas firms in the downstream sector of the oil and gas industry in South-South, Nigeria. The study was carried out using census method where all elements of the population was adopted as the sample size thus the sample size is same as the population. The final analysis of the study was based on data collected from population (fifty seven) respondents. Data collection was conducted using a structured questionnaire. The validity test for this study was carried out using face and content validity. The reliability test for this study was carried out using the Cronbach alpha coefficient. This study adopted the quantitative method of data analysis, which means that the data collected were analyzed statistically and in two phases namely univariate analysis and bivariate analysis. The Spearman Rank Order Correlation was adopted to conduct bivariate analysis and test hypotheses with the aid of SPSS version 27.0.

## DATA ANALYSIS AND FINDINGS

The detailed report on the distribution for the questionnaire administration, retrieval and use in line with the indigenous oil and gas companies in South-South Nigeria in this study is shown on table 1.

**Table 1: Distributions and Retrieved Copies of Questionnaire**

| S/N | Detailed Response Rate | Distributed Copies | Retrieved Copies | Not Retrieved Copies | Used Copies |
|---|---|---|---|---|---|
| | **Total** | **60 (100%)** | **57 (97%)** | **3 (11.1)** | **57 (97%)** |

**Source**: Field Survey**,** 2026

From Table 1, it is observed that 60 questionnaires were administered to respondents. 57 questionnaires representing 97.00 percent, were returned. 3 questionnaires representing 3.00 percent, were returned but not suitable for data analysis. 57 questionnaires representing 97.00percent were correctly filled and thus suitable for data analysis.

**Bivariate Data Analysis**

The secondary data analysis employed the use of bivariate inferential statistics of Spearman Rank Order Correlation tool which was used at a 95% confidence level. Specifically, the tests covered hypotheses $H_{01}$ to $H_{03}$ which were bivariate at all, stated in the null manner. The probability criterion of 0.05 significance level was adopted for accepting the null hypotheses at (P> 0.05) or rejecting the hypotheses at (P<0.05).

### 4.6.4 Regulation and Statutory Employment Contracts Measures

Table 2; shows the result of correlation matrix obtained for Regulation and measures of statutory employment contracts. Also displayed in the table is the statistical test of significance (p - value), which makes us able to answer our research question and generalize our findings to the study proportion.

**Table 2: Correlations for Regulation and Statutory Employment Contracts**

| | | | Regulation | Formation | Performance | Termination |
|---|---|---|---|---|---|---|
| Spearman's rho | Regulation | Correlation Coefficient | 1.000 | .548** | .603** | .668** |
| | | Sig. (2-tailed) | . | .000 | .000 | .000 |
| | | N | 57 | 57 | 57 | 57 |
| | Formation | Correlation Coefficient | .548** | 1.000 | .509** | .514** |
| | | Sig. (2-tailed) | .000 | . | .000 | .000 |
| | | N | 57 | 57 | 57 | 57 |
| | Performance | Correlation Coefficient | .603** | .509** | 1.000 | .587** |
| | | Sig. (2-tailed) | .000 | .000 | . | .000 |
| | | N | 57 | 57 | 57 | 57 |
| | Termination | Correlation Coefficient | .668** | .514** | .587** | 1.000 |
| | | Sig. (2-tailed) | .000 | .000 | .000 | . |
| | | N | 57 | 57 | 57 | 57 |

**. Correlation is significant at the 0.01 level (2-tailed).

**Source**: SPSS Output, 2026

The correlation results presented in Table 2 were used to address research questions one, two, and three. For the first question, the Spearman rank order correlation coefficient stood at 0.548. This figure points to a moderate positive relationship between regulation and the formation of statutory flavoured employment contracts among managers in downstream oil and gas firms in South-South Nigeria. The findings demonstrate that, in practice, higher compliance with regulatory regulations tends to promote more creation of these contracts. The first null hypothesis is that there is no substantial association between regulatory law and the development of employment contracts with statutory character in downstream oil and gas businesses in South-South Nigeria. The level of significance computed was far lower than the criterion ($p = 0.000 < 0.01$). From this the null hypothesis was rejected in favour of the alternative indicating there is a substantial link between the two variables.

Table 2 also shows a Spearman rank order correlation coefficient of 0.603 between regulation and the execution of employment contracts with statutory character. This score indicates a significant positive association. The results indicate that the uniform implementation of the legislation governing regulatory practices in the downstream oil and gas industry of South-South Nigeria often results in enhanced performance of such contracts. The second null hypothesis was that there is no substantial association between regulatory legislation and the execution of employment contracts with statutory character in the same industry and location. Again, the p-value was 0.000 in Table 3 which was less than 0.01 threshold. This resulted in rejecting the null hypothesis and accepting the alternative hypothesis, so demonstrating a substantial positive connection.

In the same table a Spearman rank order correlation coefficient of 0.668 is seen for the relationship between statutory law and the determination or termination of employment contracts with statutory flavour. Again the data shows a substantial positive association. The more formalised methods of terminating these contracts in the downstream oil and gas companies in the area seem to be associated with increased levels of regulation. The same results were recorded for the significance test for the third null hypothesis which states that there is no significant association between the regulatory legislation and the termination of employment contracts with statutory flavour ($p = 0.000 < 0.01$). The null hypothesis was therefore rejected while the alternative was sustained. This means that there is a definite and substantial association in the downstream oil and gas industries in South-South Nigeria. The last language of the original section seems to have been in mistake, referring to "common law" as opposed to regulatory or statutory law, and the conclusion has been matched with the consistent context of the previous analysis..

## DISCUSSION OF FINDINGS

### Regulations and Employment Contracts with Statutory Flavour in the Downstream Oil and Gas Companies in South-South Nigeria.

The data reveal that there is a very substantial positive link between rules and employment contracts with statutory flavour in downstream oil and gas businesses in South-South Nigeria. In particular, these policies assist to secure workers' tenure and limit the issue of wrongful termination, so supporting stable growth in the industry. This provides workers with more security and stability via explicit standards for the creation, execution and termination of contracts. Regulations here refers to the laws and guidelines produced by the executive branch of government or its agencies to put legislation into effect in certain industries. Such regulations are not enacted directly by the legislature but when created under powers provided by legislation, they have the force of law (Obidimma, 2016). Of particular interest to this research are the Regulation 15A and the recommendations to implement this regulation to protect employment in the oil and gas industry. Secure employment lead to improved production and increased income for the state. The provisions of the statute are in the interest of fair procedures and also promote the larger interest of economic and political stability in Nigeria by giving workers of all kinds statutory flavour.

The findings also suggest that enforcement of these restrictions has decreased the incidence of wrongful termination and the associated court proceedings for reinstatement. Employees are given fair hearing and

reasonable reasons to act via clear grounds for punishment and termination and participation of the Director of Petroleum Resources and Minister of Labour. This equilibrium promotes the mutual responsibility and progress. The results are consistent with prior studies by Bimbo and Declan (2016) who found that rules constitute the basic foundation on which statutory flavoured contracts are created and abolished. They also correspond to the ideas of certain industrial relations experts who consider regulations to be one of the important norms of employment relations. This is a major change in the oil and gas business since statutory flavour is now applicable to all levels of employment in the private sector, a practice formerly exclusive to the public sector.

## CONCLUSION AND RECOMMENDATION

The current analysis shows that a substantial positive link exists between rules and employment contracts with statutory character in downstream oil and gas businesses in South-South Nigeria. These rules are essential in safeguarding the tenure of workers and minimising unlawful terminations by explicit requirements on the establishment, execution, and termination of contracts. This means better security for employment connections in all staff categories, support for the sector's growth and contributions to the broader economic and political system of the Nigerian state via improved production and revenue creation. Regulation 15A and enforcement guidelines have contributed to reducing the number of arbitrary dismissal and reinstatement cases in the courts by providing specific grounds for discipline and termination and also ensuring fair hearing by involving the Director of Petroleum Resources and the Minister of Labour. The results are consistent with previous research indicating that rules serve as the framework for the creation and termination of statutory flavoured contracts. Failure to comply with these conditions may result in significant repercussions including reinstatement orders, damage awards and loss of licenses or leases. Statutory flavour now applies across all levels and kinds of employment in the private sector, a major step for the oil and gas industry. Based on the findings, the following recommendations are made:

1. 1. Downstream oil and gas firms in South-South Nigeria should ensure full conformity to Regulation 15A and accompanying guidance at the time of recruiting and contract drafting in order to strengthen the design of statutory flavoured employment contracts. Compliance with these legislative requirements when forming contracts will provide a firm legal foundation, greater job security from the outset and reduce future issues arising from badly worded employment agreements.
2. 2. Management will implement the principles of Regulation 15A into work practices and performance management systems on a daily basis to improve the performance of statutory flavoured employment contracts. Regular training on legal obligations, clear explanation of employee rights and responsibilities and ongoing monitoring of contract performance will help to maintain stability, boost employee commitment and allow for better efficiency across the industry.
3. 3. Organisations should have internal procedures which fully reflect the requirements of Regulation 15A including proper documentation, specified grounds for the termination and the involvement of relevant authorities such as the Director of Petroleum Resources and the Minister of Labour where necessary to ensure that statutory flavoured employment contracts are terminated in an orderly and fair manner. This technique will reduce unjust dismissal cases, limit court reinstatement proceedings, encourage fair hearings, and encourage a shared sense of responsibility to foster long-term growth in the downstream oil and gas sector of South-South Nigeria.

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