MEDIATION AS AN EFFECTIVE LEGAL MECHANISM FOR RESOLVING EMPLOYMENT DISPUTES IN NIGERIA*

Abstract

This article critically examines mediation as a legally recognized and practical mechanism for resolving employment disputes in Nigeria, drawing from the author's doctoral research to explore its theoretical and practical dimensions. Employment disputes, such as wrongful termination, unpaid entitlements, and collective bargaining conflicts, are increasingly common in Nigeria's evolving labour landscape, necessitating accessible, efficient, and fair resolution methods. While traditional litigation through the National Industrial Court of Nigeria (NICN) and the Industrial Arbitration Panel (IAP) offers redress, these processes are often delayed, adversarial, and costly, undermining industrial peace. Consequently, Alternative Dispute Resolution (ADR), particularly mediation, has gained global prominence for its confidentiality, cost-effectiveness, speed, and ability to preserve workplace relationships. The article evaluates Nigeria's legal framework for mediation, including the Arbitration and Mediation Act 2023, Trade Disputes Act, and Labour Act, alongside the roles of institutional actors like the Ministry of Labour, NICN, and trade unions. Despite mediation's advantages, its underutilization persists due to low awareness, weak institutional capacity, lack of enforcement mechanisms, and a litigation preference among lawyers. Using doctrinal, comparative, and socio-legal analysis, the article draws insights from successful mediation systems in Rwanda, South Africa, and Ghana, proposing reforms such as statutory enhancements, standing mediation panels, mediation clauses in employment contracts, and mediator training. The article argues that mainstreaming mediation in Nigeria's employment dispute framework aligns with global best practices and is vital for fostering social justice, industrial harmony, and economic sustainability.

Keywords: Mediation, Effective Legal Mechanism, Employment Disputes, Nigeria

1. Introduction

Employment relationships form the backbone of modern economies, and the stability of these relationships significantly impacts industrial peace, productivity, and economic growth. In Nigeria, employment disputes are a recurring challenge, often arising from issues such as unfair dismissal, discrimination, workplace harassment, breach of contract, and disputes over terms and conditions of service. These conflicts may be individual (between an employee and employer) or collective (involving unions and management), and they occur across both public and private sectors.[1] Over the years, the dominant method for resolving employment disputes in Nigeria has been adversarial litigation through the National Industrial Court of Nigeria (NICN) or, in some cases, arbitration through the Industrial Arbitration Panel (IAP).[2] While these judicial and quasi-judicial avenues are constitutionally and statutorily recognised, they are often fraught with procedural technicalities, protracted timelines, high legal costs, and adversarial postures that typically leave one party disgruntled.[3] These limitations undermine efforts to sustain employment relationships and contribute to workplace instability. In recognition of these shortcomings, there has been a growing legal and policy emphasis on Alternative Dispute Resolution (ADR) mechanisms, particularly mediation, as a more appropriate approach to handling employment conflicts.[4] Mediation—unlike arbitration or litigation—is collaborative, interest-based, informal, and focused on preserving relationships rather than apportioning legal blame. In an employment setting, where parties are often expected to continue working together after a dispute, mediation is a practical and strategic option.[5]

Recent legislative reforms in Nigeria have significantly enhanced the legitimacy of mediation as a dispute resolution method. The Arbitration and Mediation Act 2023, which replaced the Arbitration and Conciliation Act Cap A18 LFN 2004, explicitly provides for the legal recognition, enforcement, and institutional support of mediation agreements.[6] Likewise, the Trade Disputes Act (Cap T8 LFN 2004), which governs the resolution of industrial disputes, provides for conciliation and mediation through the Minister of Labour and the IAP, especially in collective labour conflicts.[7] Furthermore, the Labour Act 1974 contains provisions that encourage peaceful resolution of individual and collective disputes, albeit with minimal implementation mechanisms.[8] Additionally, the 1999 Constitution of the Federal Republic of Nigeria (as amended), though silent on mediation per se, guarantees the right to fair hearing and promotes access to justice-principles that align with the objectives of mediation.[9]

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[1] See generally O., Fagbohun, *Employment Law and Practice in Nigeria*, 2nd edn. (Lagos: Wunmi Publishing, 2022), p. 84.
[2] National Industrial Court Act 2006, s. 7(1); Trade Disputes Act Cap T8 LFN 2004, Part I.
[3] O.V.C., Okene, 'The Nigerian Labour Law and Alternative Dispute Resolution,' (2018) 5(1) *Nigeria Labour Law Journal*, pp. 34–36.
[4] Arbitration and Mediation Act 2023, s. 67(1).
[5] A. A., Akinwale, 'ADR and the Future of Employment Dispute Resolution in Nigeria,' (2020) 12(3) *African Dispute Resolution Review*, p. 41.
[6] Arbitration and Mediation Act 2023, ss. 68–72.
[7] Trade Disputes Act Cap T8 LFN 2004, ss. 3–9.
[8] Labour Act Cap L1 LFN 2004, s. 25.
[9] Constitution of the Federal Republic of Nigeria 1999 (as amended), ss. 6(6)(b) and 36(1).

Institutionally, the National Industrial Court of Nigeria has taken steps to promote ADR by establishing ADR Centres within its divisions and mandating pre-trial mediation conferences.[10] Similarly, the Ministry of Labour and Employment, through its Industrial Relations Department, facilitates conciliation and mediation processes, particularly in large-scale industrial disputes. Notwithstanding these efforts, actual uptake and implementation of mediation remain low. Several factors contribute to this limited adoption. Firstly, there is a general lack of awareness among employers, employees, trade unions, and even legal practitioners about the availability and effectiveness of mediation. Secondly, many parties are reluctant to consider non-litigious resolutions due to mistrust, lack of enforcement frameworks, or perception of mediation as "soft" justice. Thirdly, institutional actors such as the Ministry of Labour and the NICN often lack the trained personnel and resources to drive mediation at scale.[11] Despite the above challenges, the potential of mediation in transforming Nigeria's employment dispute landscape remains immense. Mediation can reduce the caseload burden on the NICN, enhance industrial harmony, reduce the cost of justice, and contribute to the protection of workers' rights in a more humane and context-sensitive manner. It also supports the broader goals of access to justice and alternative remedies as espoused by global conventions such as the ILO Recommendation No. 92 (1949) on voluntary conciliation and arbitration.[12]

This article is structured to explore these issues comprehensively. Following this introductory overview, the article provides conceptual clarifications of key terminologies such as mediation, ADR, and employment disputes. It then examines the Nigerian legal and institutional framework governing mediation in employment relations. Thereafter, the article critically analyses the challenges hindering the effective application of mediation, followed by a comparative review of selected African models, and concludes with policy recommendations to promote mediation as a core mechanism for employment dispute resolution in Nigeria.

2. Conceptual Clarification

Alternative Dispute Resolution (ADR) refers to structured methods of resolving disputes without recourse to formal judicial proceedings. The most common forms of ADR include negotiation, mediation, conciliation, and arbitration. These methods offer parties the opportunity to resolve conflicts in a more flexible, cost-effective, confidential, and time-efficient manner compared to conventional litigation. ADR mechanisms are particularly valuable in contexts where parties desire to preserve long-term relationships.

Mediation is a core component of ADR and involves a neutral third party-the mediator-who facilitates dialogue between disputing parties to help them reach a mutually acceptable agreement. The process is voluntary, non-adjudicative, and confidential. Unlike arbitration or court proceedings, the mediator does not impose a decision but guides parties toward a resolution that reflects their interests and circumstances.[13] Employment disputes generally arise from perceived or actual violations of the employment contract or breach of workplace rights and obligations. Such disputes include wrongful or unlawful termination, underpayment or non-payment of salaries and benefits, workplace harassment, breach of collective bargaining agreements, redundancy without consultation, and unsafe working conditions.[14] These issues may involve individual employees, groups of employees, or trade unions, and may be directed against employee. The use of mediation in labour disputes is supported by a multi-layered legal framework in Nigeria. At the apex is the 1999 Constitution of the Federal Republic of Nigeria (as amended), which vests exclusive jurisdiction over employment and labour-related matters in the National Industrial Court of Nigeria (NICN).[15] Recognising the need for alternatives to litigation, the NICN has established Alternative Dispute Resolution (ADR) Centres to promote amicable resolution of employment disputes before cases a...

The most recent legislative development in this area is the Arbitration and Mediation Act 2023, which repeals the Arbitration and Conciliation Act Cap A18 LFN 2004.[16] This Act formally recognises mediation as a distinct legal process, sets out rules for the conduct of mediation, appointment of mediators, and registration and enforcement of mediated settlement agreements.[17] Section 74 of the Act provides *that where parties reach a mediated settlement and sign an agreement, such an agreement is binding.* However, the Arbitration and Mediation Act 2023 is notably silent on employment-related mediation. It does not contain provisions that specifically reference labour or industrial disputes. This gap limits its application in employment contexts unless adopted contractually by parties.[18] As such, statutory reliance for labour mediation continues to rest on the Trade Disputes Act Cap T8 LFN 2004, which provides mechanisms for conciliation and mediation in collective disputes through the Ministry of Labour and Employment.[19] In addition, the Labour Act 1974 supports voluntary resolution of disputes at the workplace level through internal grievance channels, though its enforcement has been largely weak in practice. International best practices, such as those articulated in ILO

[10] National Industrial Court (ADR Centre) Practice Direction 2022, r. 3.
[11] Author's field interviews with Ministry of Labour officials (2024), on file with the author.
[12] International Labour Organization, *Recommendation No. 92* (Voluntary Conciliation and Arbitration), 1949.
[13] Ibid (n.10)
[14] A. A., Akinwale, 'ADR and the Future of Employment Dispute Resolution in Nigeria,' (2020) 12(3) African Dispute Resolution Review, p. 42.
[15] O., Fagbohun, *Employment Law and Practice in Nigeria*, 2nd edn. (Lagos: Wunmi P ublishing, 2022), pp. 118–122.
[16] Constitution of the Federal Republic of Nigeria 1999 (as amended), s. 254C (1).
[17] Arbitration and Mediation Act 2023, Preamble.
[18]Ibid., ss. 66–74.
[19] Ibid., s. 74(1); see also s. 67(1) on general applicability.

Recommendation No. 92 (1949), promote the use of voluntary conciliation and mediation in resolving employment grievances, reflecting the global shift towards less adversarial models.[20]

In practical terms, mediation in employment contexts ensures confidentiality, fosters collaborative resolution, and preserves the employment relationship-where such preservation is possible. It allows for faster outcomes compared to litigation and reduces tension, particularly in matters involving personal grievances or reputational risks.[21] Moreover, mediation offers an environment where emotional, psychological, and relational dynamics of workplace conflict are more constructively addressed.

Despite the above advantages, uptake of mediation in employment disputes in Nigeria remains low. This is largely due to a combination of factors, including lack of awareness, insufficient institutional capacity, and absence of widespread training of mediators in employment law. Nonetheless, the establishment of NICN ADR Centres and growing judicial recognition of mediated agreements indicate a shifting tide in favour of ADR within Nigeria's labour law system.[22]

3. Legal and Institutional Framework for Mediation in Nigeria

The legal and institutional framework for mediation in Nigeria's employment dispute system is shaped by constitutional provisions, statutory enactments, institutional innovations, and evolving jurisprudence. This multi-tiered structure reflects Nigeria's gradual but increasing commitment to the use of Alternative Dispute Resolution (ADR) mechanisms in labour relations, particularly mediation. The 1999 Constitution of the Federal Republic of Nigeria (as amended) provides the foundational legal authority for the resolution of labour and employment disputes. Section 254C (1) vests exclusive jurisdiction in the National Industrial Court of Nigeria (NICN) over all civil causes and matters relating to or connected with labour, employment, trade unions, and industrial relations.[23] While the Constitution does not explicitly mention mediation, the NICN's mandate to promote amicable settlement of labour disputes allows for the integration of ADR into the court's procedures.

The NICN has taken proactive steps to institutionalise ADR within its judicial process. By virtue of its ADR Centre Practice Direction, the NICN established ADR Centres across several of its divisions to promote non-adversarial mechanisms for dispute resolution. These Centres facilitate mediation sessions either voluntarily or upon referral from the court during pre-trial proceedings.[24] The Practice Direction empowers judges to refer parties to mediation and sets out guidelines for conducting sessions and recording outcomes. In addition to constitutional and judicial innovations, Nigeria has developed statutory frameworks that provide for mediation in employment matters. The Trade Disputes Act (Cap T8 LFN 2004) is the primary statute governing collective labour disputes in Nigeria. Sections 3 to 9 of the Act mandate the use of mediation and conciliation through the offices of the Minister of Labour and the Industrial Arbitration Panel (IAP) before disputes can proceed to the NICN.[25] The Minister is empowered to appoint a conciliator to mediate between the disputing parties and resolve the matter amicably. If unsuccessful, the matter may be referred to the IAP and ultimately the NICN. Another relevant statute is the Labour Act Cap L1 LFN 2004, which regulates individual employment contracts and general employment conditions. Although the Labour Act makes no detailed provisions for mediation, it encourages peaceful settlement of disputes between employers and employees.[26] In practice, however, there is limited institutional infrastructure for enforcement under this Act.

Furthermore, the Arbitration and Mediation Act 2023 provides a unified legal framework for arbitration and mediation in Nigeria. The Act formally recognises mediation as a legal process and outlines its conduct, enforceability, and administrative support.[27] However, as noted earlier, the Act is silent on employment-specific mediation. Its general provisions may only apply to employment matters where parties voluntarily incorporate mediation clauses into employment contracts. This limits the effectiveness of the Act in standardising mediation practices within the labour sector.[28]

From an institutional perspective, several governmental and quasi-governmental bodies play crucial roles in labour mediation. The Ministry of Labour and Employment remains central to the administration of mediation under the Trade Disputes Act. Its Labour Inspectorate and Industrial Relations Departments facilitate interventions in disputes affecting wages, trade union activity, and workplace safety.[29] The Industrial Arbitration Panel (IAP), established under the same Act, provides conciliatory and mediatory services, especially in cases involving unions or federations of trade unions. The National Industrial Court of Nigeria (NICN), as the apex adjudicatory body on employment matters, plays a dual role-resolving disputes through litigation and promoting mediation. With the establishment of ADR Centres and referral powers under its Practice Directions, the Court has shown institutional commitment to ADR. Judges of the NICN also

[20] Trade Disputes Act Cap T8 LFN 2004, ss. 3–9.
[21] International Labour Organization, *Recommendation No. 92* (Voluntary Conciliation and Arbitration), 1949.
[22] O.V.C., Okene, 'Labour Relations and ADR in Nigeria: A Legal Perspective,' (2018) 5(1) *Nigerian Labour Law Journal*, p. 36.
[23] Constitution of the Federal Republic of Nigeria 1999 (as amended), s. 254C (1).
[24] National Industrial Court (ADR Centre) Practice Direction 2022, rr. 3–10.
[25] Trade Disputes Act Cap T8 LFN 2004, ss. 3–9.
[26] Labour Act Cap L1 LFN 2004, s. 25.
[27] Arbitration and Mediation Act 2023, ss. 66–74.
[28] Ibid., s. 67(1), 74(1).
[29] Ministry of Labour and Employment, Departmental Functions and Activities, <https://labour.gov.ng.> Accessed 14 May 2025

increasingly encourage parties to explore settlement through mediation before trial commences.[30] In terms of policy direction, Nigeria's commitment to international labour standards further strengthens the institutional framework for mediation. The country is a signatory to several International Labour Organization (ILO) conventions, including ILO Recommendation No. 92 (1949), which promotes voluntary conciliation and arbitration. These instruments inform Nigeria's labour policy and shape the expectations for fair, efficient, and non-adversarial dispute resolution.

Despite the institutional and statutory efforts, several challenges continue to undermine the effective operation of the mediation framework. These include lack of awareness among stakeholders, limited training and certification of professional mediators, bureaucratic delays in referral systems, and lack of enforceable post-mediation outcomes in the absence of registration. Moreover, many employers and trade unions remain resistant to mediation due to mistrust of neutrality or fear of appearing weak in negotiations. To address these gaps, targeted reforms are necessary. These may include clearer legislative integration of mediation into employment law, dedicated budgetary support for NICN ADR Centres, capacity building for mediators and judicial officers, and public sensitisation on the benefits of mediation. Institutional synergy between the Ministry of Labour, NICN, and ADR organisations can also help streamline mediation processes. Finally, while the legal and institutional framework for mediation in Nigeria has made notable progress, particularly through the NICN and Trade Disputes Act, its full potential in employment dispute resolution remains underutilised. A coherent and proactive legal regime, supported by institutional commitment and stakeholder education, is essential for embedding mediation as a mainstream tool in Nigerian labour relations.

4. Challenges Affecting the Use of Mediation in Employment Disputes

Despite its potential to promote industrial peace and reduce judicial burdens, mediation in the resolution of employment disputes in Nigeria faces a myriad of practical, institutional, legal, and socio-cultural challenges. These obstacles have significantly slowed the mainstreaming of mediation into Nigeria's labour relations framework, despite supportive statutes and court practice directions. One of the foremost challenges is the lack of awareness and understanding of mediation as a dispute resolution mechanism. Many employees and employers are unfamiliar with mediation's purpose, process, and benefits. Workers often perceive mediation as biased or ineffective, while employers may see it as a concession of weakness.[31] As a result, parties in conflict frequently default to litigation or industrial action instead of exploring collaborative options. This knowledge gap is worsened by the absence of widespread advocacy, education, and policy messaging on ADR processes within the labour sector. A second challenge is the weak legal enforcement and statutory gaps in employment-related mediation. While the Trade Disputes Act mandates mediation for collective labour disputes, it is largely silent on individual employment grievances.[32] Likewise, the Arbitration and Mediation Act 2023 does not explicitly address employment disputes, meaning that its mediation provisions do not automatically extend to labour matters unless voluntarily adopted by the parties.[33] This legal ambiguity undermines the systematic inclusion of mediation as a standard procedure in workplace disputes.

Institutional inefficiencies also hinder the practical application of mediation in employment matters. Many of the ADR Centres established by the National Industrial Court of Nigeria (NICN) are under-resourced and lack sufficient trained mediators, administrative personnel, and infrastructure.[34] Additionally, the mediation referral process is not always seamless. Judges, lawyers, and labour officers may lack the specialised knowledge or motivation to encourage mediation effectively. Some court-connected ADR processes are seen as formality rather than substance, weakening the system's credibility. Another significant barrier is mistrust and perception bias. Many employees, particularly those in unionised settings, view mediators as agents of the employer or government and thus question their neutrality. Employers, on the other hand, often fear that engaging in mediation might set a precedent or encourage similar claims from other workers.[35] This cultural mistrust affects the willingness of parties to participate in the process or to adhere to mediated agreements. The perception of bias undermines the spirit of voluntary cooperation that is essential to effective mediation.

Power imbalance between employers and employees is another critical concern. In many cases, especially involving vulnerable or low-income workers, the employer may wield disproportionate economic and social power. Such imbalance can create coercion or intimidation during mediation, preventing the employee from negotiating freely or understanding the implications of a mediated agreement.[36] Without legal safeguards or representation, such mediations risk becoming one-sided and unjust. Employees without representation may also sign away valuable rights without fully appreciating the consequences. The absence of regulatory oversight and post-mediation enforcement also presents a systemic challenge. Even when parties reach a mediated agreement, there is often no formal mechanism to monitor compliance unless the agreement is submitted to court for registration and enforcement. This extra procedural step discourages parties from following through. In situations where one party defaults, the aggrieved party may have to initiate fresh litigation, thereby defeating the purpose of mediation.[37] This lack of a binding enforcement infrastructure creates doubt about the effectiveness and finality of mediated outcomes.

[30] NICN *ADR Centre Handbook* (2022), pp. 15–19.
[31] A. A., Akinwale, 'ADR and the Future of Employment Dispute Resolution in Nigeria,' (2020) 12(3) *African Dispute Resolution Review*, p. 46.
[32] Trade Disputes Act Cap T8 LFN 2004, s. 3.
[33] Arbitration and Mediation Act 2023, ss. 66–74.
[34] NICN ADR Centre Handbook (2022), pp. 11–14.
[35] O.V.C., Okene, 'Labour Relations and ADR in Nigeria: A Legal Perspective,' (2018) 5(1) *Nigerian Labour Law Journal*, p. 37.
[36] O., Fagbohun, *Employment Law and Practice in Nigeria*, 2nd edn. (Lagos: Wunmi Publishing, 2022), p. 129.
[37] Arbitration and Mediation Act 2023, s. 74(3).

Furthermore, the lack of mediator training and accreditation in employment matters reduces the quality and credibility of the process. Many mediators currently operating within court-connected ADR Centres or labour agencies are generalists and may not have sufficient knowledge of labour law, industrial relations, or workplace dynamics.[38] This gap affects the ability of mediators to navigate complex workplace grievances or to inspire confidence in disputing parties. It also weakens the perceived legitimacy of the mediation outcome, leading to challenges in enforcement or compliance. Another limitation is the absence of a unified national mediation policy. While various laws and agencies support ADR, Nigeria does not have a centralised national framework or strategy guiding the development, implementation, and oversight of mediation in the labour sector. This policy vacuum has led to fragmentation, inconsistent practices, and poor coordination between institutions such as the Ministry of Labour, the NICN, and independent ADR providers. Cultural attitudes toward dispute resolution also play a role in the underutilisation of mediation. In many Nigerian communities, disputants often see formal legal resolution—either through courts or traditional authority structures—as more authoritative than negotiated outcomes. The culture of litigation and the perceived prestige of "winning in court" sometimes discourages parties from embracing compromise-based solutions such as mediation. Overcoming these deep-seated preferences requires targeted sensitisation campaigns, especially within professional bodies and trade unions.

Addressing these challenges requires a combination of legislative, institutional, and cultural reforms. Legislatively, the Arbitration and Mediation Act should be amended to expressly recognise employment-related disputes within its scope. The Trade Disputes Act should also be reviewed to accommodate individual employment grievances. Institutionally, the NICN ADR Centres should be expanded, properly funded, and staffed with specialised mediators. Labour officers and judges should receive continuous training on ADR procedures. Public education and awareness campaigns can help dispel cultural bias and promote trust in the process. Although Nigeria has made commendable progress in laying the legal and institutional foundation for mediation in employment disputes, its practical utilisation remains constrained by systemic and cultural barriers. Bridging the gap between legal potential and practical implementation is key to making mediation a dependable, fair, and accessible tool for resolving workplace conflicts in Nigeria.

5. Comparative Jurisdictions and Lessons for Nigeria

The use of mediation as an effective mechanism for resolving employment disputes is increasingly recognised across the globe. Various jurisdictions have institutionalised mediation as a primary tool for labour dispute resolution, often achieving significant benefits in terms of reduced caseloads, quicker dispute settlement, improved employer-employee relations, and enhanced workplace stability. Nigeria, while making progress, can learn from both African and non-African jurisdictions that have successfully mainstreamed mediation into their labour law regimes. A compelling example within the African continent is Rwanda. Rwanda's labour relations framework has witnessed substantial development, particularly with the introduction of decentralised dispute resolution mechanisms. Under its Labour Law No. 66/2018, the country mandates that employment disputes must first be referred to mediation committees at the workplace level before escalating to labour inspectors and the Labour Court.[39] This tiered system reduces pressure on the courts and promotes prompt, localised dispute resolution with community-level legitimacy. The workplace committees consist of both employer and employee representatives, ensuring balanced engagement and transparency. Similarly, South Africa offers a model worthy of consideration. The Commission for Conciliation, Mediation and Arbitration (CCMA), established under the Labour Relations Act 66 of 1995, is a cornerstone of South Africa's dispute resolution framework. The CCMA provides free, accessible mediation and conciliation services to employees and employers, handling thousands of disputes annually.[40] The CCMA's statutory independence, specialist capacity, and compulsory pre-litigation conciliation model have led to high resolution rates without needing to proceed to labour courts. The body is well funded, respected by trade unions and employers, and regularly updates its rules and services to reflect emerging trends in industrial relations.

In East Asia, Singapore's Tripartite Alliance for Dispute Management (TADM) represents another innovative approach to mediation in employment relations. Established in 2017, the TADM offers advisory, mediation, and conciliation services targeting employment disputes-particularly those involving salary claims, unfair dismissal, and retrenchment.[41] The TADM's success is rooted in government support, strong legal backing under the Employment Claims Act 2016, and integration with the Employment Claims Tribunal (ECT). The process is digitised, user-friendly, and guided by trained tripartite mediators representing employers, workers, and the state. From North America, Canada provides further insight. Provinces like Ontario operate government-supported Labour Relations Boards, which offer conciliation and mediation services under the Labour Relations Act.[42] The Canadian system is unique for its balanced approach, offering both voluntary and compulsory mediation depending on the nature of the dispute and the stage of the collective bargaining process. Mediators in Canada are often career professionals with deep subject-matter expertise, and their involvement is regulated by well-defined procedural and ethical rules. In the United Kingdom, the Advisory, Conciliation and Arbitration Service (ACAS) offers another instructive model. Established under the Trade Union and

[38] Centre for Labour Mediation and Dialogue, 'Training Gaps in Nigerian Mediation Practice,' *Policy Brief* (2021), p. 4.
[39] Labour Law No. 66/2018 (Rwanda), ss. 102–105.
[40] Labour Relations Act 66 of 1995 (South Africa), s. 115; see also CCMA Annual Report 2022.
[41] Employment Claims Act 2016 (Singapore), ss. 5–15.
[42] Labour Relations Act, R.S.O. 1995 (Ontario, Canada), ss. 19–21.

Labour Relations (Consolidation) Act 1992, ACAS plays a central role in dispute resolution. It provides statutory and non-statutory mediation, often resolving disputes before they escalate to Employment Tribunals.[43] ACAS mediators are neutral professionals trained in employment law, industrial relations, and human behaviour. The system emphasises early intervention, informal resolution, and enforceable outcomes via COT3 agreements, which are legally binding. In the United States, the Federal Mediation and Conciliation Service (FMCS) stands out as a robust institutional model. Established in 1947 under the Labor Management Relations Act, the FMCS is an independent agency that provides mediation and conflict resolution services in labour-management disputes across both the private and public sectors.[44] Its primary goal is to prevent or minimise work stoppages by facilitating negotiation and mediation during collective bargaining. FMCS mediators are full-time professionals with deep experience in industrial relations, and the agency also offers preventive training, grievance mediation, and systems design support. Its nationwide reach and long-standing credibility have made it a trusted platform for maintaining industrial peace. The FMCS is particularly noteworthy for its emphasis on voluntary mediation, pre-emptive engagement, and capacity-building among labour and management stakeholders. It has been instrumental in averting nationwide strikes and assisting during high-profile disputes. The FMCS's digital infrastructure also supports remote mediation and dispute prevention training—an innovation Nigeria could replicate, especially in rural areas.

6. Conclusion and Recommendations

The preceding analysis has demonstrated that mediation holds considerable promise as a legal and institutional mechanism for resolving employment disputes in Nigeria. While the country has made significant progress through the establishment of ADR Centres by the National Industrial Court of Nigeria (NICN) and the enactment of the Arbitration and Mediation Act 2023, the full potential of mediation remains largely untapped in the employment sector. The persistence of adversarial litigation, limited awareness, institutional weaknesses, and legislative ambiguities continue to undermine the widespread adoption of mediation as a preferred dispute resolution mechanism. Mediation offers a structured but flexible platform that prioritises dialogue, confidentiality, mutual respect, and creative problem-solving. These values are essential in employment relationships where ongoing interaction and goodwill are crucial. As shown in the comparative case studies-ranging from the decentralised Rwandan model and the institutional autonomy of South Africa's CCMA, to the highly professionalised FMCS in the United States-Nigeria can achieve a more stable industrial environment by adopting proven global strategies and tailoring them to its local context. However, achieving these benefits will require more than legislative amendment. It demands a paradigm shift in the attitudes of employers, employees, unions, legal professionals, and the judiciary. Mediation must no longer be viewed as a 'soft' or inferior method of dispute resolution but rather as a robust, enforceable, and principled process capable of delivering sustainable outcomes. Public trust must be earned through training, awareness, transparency, and consistent outcomes. Additionally, a key area of reform should involve amending the Trade Disputes Act to limit the excessive discretionary powers of the Minister of Labour and Employment in referring, supervising, or approving mediation processes. As it stands, the Minister plays a gatekeeping role that can delay or politicise dispute resolution. For mediation to operate credibly and independently-like the judiciary-it is crucial that the institutional process be shielded from executive interference. The establishment of an independent mediation authority or commission would ensure that employment dispute resolution is guided by law and practice, not political expediency. The implementation of a National Labour Mediation Commission, combined with investment in mediator accreditation, digital platforms, monitoring and evaluation, and community-level sensitisation, would address many of the structural and cultural barriers currently impeding progress. Importantly, employment contracts and collective agreements must increasingly incorporate mediation clauses as a preferred first step in grievance redress. Ultimately, mediation's strength lies in its ability to promote harmony without compromising justice. It allows disputing parties to retain agency over outcomes, reduces delays and costs, and preserves relationships critical to workplace productivity. These benefits are particularly urgent in Nigeria's contemporary labour environment, which is characterised by rapid economic changes, rising industrial tensions, and overburdened court systems. The future of mediation in Nigeria's employment relations depends on strategic commitment from all stakeholders. A harmonised legal framework, strengthened institutions, informed practitioners, and a rights-conscious public are the bedrock of a sustainable dispute resolution system. With sustained reform and visionary leadership, mediation can evolve from an underutilised option to a transformative force for justice, fairness, and economic stability in Nigerian workplaces.

Building on comparative lessons and a contextual understanding of Nigeria's labour relations landscape, it is imperative to propose actionable recommendations aimed at strengthening the use of mediation in employment dispute resolution. This section outlines legislative, institutional, administrative, and socio-cultural reforms necessary to promote the effective use of mediation as a credible alternative to litigation in Nigeria's employment sector.

Legislative Reform and Harmonisation: The current legal framework, while supportive of mediation, remains fragmented and inadequate in fully integrating mediation into employment dispute resolution. The Arbitration and Mediation Act 2023 should be amended to specifically include employment-related disputes within its scope. Doing so would eliminate ambiguity and encourage employers and employees to embed mediation clauses within employment contracts and collective agreements. In addition, the Trade Disputes Act Cap T8 LFN 2004 should be updated to expand its mediation provisions beyond collective disputes to include individual employment grievances. Labour laws should

[43] Trade Union and Labour Relations (Consolidation) Act 1992 (UK), ss. 209–210.

[44] Labor Management Relations Act 1947 (United States), 29 U.S.C. §§ 171–180; see also Federal Mediation and Conciliation Service, Annual Report 2022, available at <www.fmcs.gov.> Accessed 10 May 2025

be harmonised to provide a single, coherent legal framework on employment-related mediation, incorporating references to NICN's ADR Centres, workplace mediation, and enforceable settlements.

Institutional Strengthening of NICN ADR Centres: The National Industrial Court of Nigeria has established ADR Centres across some of its divisions. These centres must be expanded, adequately funded, and equipped with physical and digital infrastructure. More importantly, they must be decentralised to enable localised mediation, particularly in regions with limited access to legal support. Specialist employment mediators should be recruited, trained, and accredited in collaboration with professional bodies such as the Chartered Institute of Arbitrators (CIArb) and the Institute of Chartered Mediators and Conciliators (ICMC). Continuous professional development programmes should be mandated for mediators handling employment matters to ensure competence and credibility.

Establishment of an Independent National Labour Mediation Commission: Inspired by international models like the FMCS (U.S.) and CCMA (South Africa), Nigeria should consider establishing an autonomous National Labour Mediation Commission. This body would be responsible for providing pre-dispute advisory services, mediating large-scale disputes, setting mediation standards, publishing data on dispute resolution outcomes, and offering workplace conflict prevention training. Such a commission should be statutorily empowered to intervene in potential strike situations, conduct compulsory mediations, and register mediated settlements. It would also serve as a central training hub for both mediators and workplace stakeholders.

Mandatory Pre-litigation Mediation Framework: Just as seen in the UK (via ACAS) and South Africa (via CCMA), Nigeria should introduce a statutory requirement for parties to attempt mediation before initiating employment-related litigation. The NICN Practice Direction should be revised to make mediation not just a discretionary referral but a precondition for formal adjudication in eligible cases. This reform would not only decongest the courts but also encourage earlier resolution, preserve relationships, and reduce litigation costs for both employers and employees.

Integration of Workplace Mediation Committees: Employers should be legally encouraged to establish internal mediation or grievance redress committees to resolve disputes before external intervention becomes necessary. These committees should include equal representation from management and employees and be trained in basic conflict resolution skills. Such internal mechanisms will reinforce trust, ensure early intervention, and reduce adversarial proceedings. This approach aligns with the Rwandan model, where workplace mediation is the first line of conflict resolution.

Awareness Campaigns and Cultural Sensitisation: Mediation's effectiveness in Nigeria is also hindered by cultural resistance and public ignorance. The Federal Ministry of Labour, in collaboration with NICN and professional ADR bodies, should launch nationwide campaigns to sensitise workers, employers, HR professionals, union leaders, and legal practitioners about the benefits of mediation. Mass media platforms, social media, professional associations, and labour unions can be leveraged to promote mediation awareness. Community-based outreach and training for SMEs, especially in the informal sector, should be prioritised.

Digitalisation of Mediation Processes: Given Nigeria's vast geography and limited court access in some areas, digitising mediation platforms is essential. NICN ADR Centres and the proposed Labour Mediation Commission should offer online mediation services, digital filing of disputes, and virtual sessions with mediators. Adopting technology will reduce time and travel costs, encourage participation, and widen access to justice for remote workers and employers.

Monitoring, Evaluation, and Data Transparency: Finally, any successful reform must be evidence-based. NICN and related bodies should be mandated to collect, analyse, and publish data on mediation referrals, resolution rates, duration, compliance, and user satisfaction. This data should inform policymaking, training needs, and institutional performance evaluation. Feedback mechanisms should be created for parties to rate mediation sessions, raise concerns, and suggest improvements. Annual ADR performance reports should be publicly accessible and presented to the National Assembly, Ministries, and civil society organisations. Mediation represents a valuable tool for transforming Nigeria's employment dispute resolution culture from adversarial confrontation to cooperative dialogue. However, for this potential to be fully realised, coordinated reforms across legislative frameworks, institutions, employer practices, and public consciousness are essential. With sustained investment and commitment, Nigeria can evolve a world-class labour mediation system that promotes social justice, industrial harmony, and economic growth.

Amending the Role of the Minister of Labour and Employment: The Trade Disputes Act Cap T8 LFN 2004 grants the Minister of Labour and Employment substantial powers under sections 5 and 6 to refer disputes for settlement, appoint conciliators, and decide whether disputes proceed to arbitration or the Industrial Arbitration Panel. While intended to ensure administrative control, this discretionary power may delay or politicise the mediation process, reducing public trust. For mediation to be effective and credible, it must be independent of political oversight. The Minister's role should be redefined through legislative amendment, and such administrative control transferred to a neutral, autonomous Labour Mediation Commission. This would ensure that dispute referrals, conciliations, and mediated outcomes are managed based on law and professional standards, not political expediency or executive discretion. Nigeria must follow the example of independent institutions such as the CCMA in South Africa and FMCS in the United States, where ministers do not control operational mediation structures.