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Original Research Article

Corporate Social Responsibility Compliance among Manufacturing Firms in Nigeria

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Abstract

The study assessed the trend of compliance of manufacturing firms in Nigeria to Corporate Social Responsibility (CSR). This is done with a view to assess the ratio of funds committed to CSR from Total Income (TI) and the explanatory power of the latter on the former. The population of the study comprisedof 74 manufacturing firms quoted on the Nigerian Stock Exchange. A sample size of 25 firms was selected using purposive sampling technique so as to capture only firms that are in existence consistently within the time frame of this study. Data were collected from annual reports of the selected firms for the period of 2002-2016. Data collected were analysed using tables, graphs and cross-sectional regression trend analysis with the aid of E-view statistical package. The findings of this study revealed that the rate of compliance of Nigerian manufacturing firms to CSR is more than the rate of non-compliance. However, it was found that the firms' engagement in CSR was unstable over the period under review and statistically insignificant at certain point in time. It was also found that the ratio of funds committed to CSR is relatively small compared to the total income derived in a given year even though TI largely explained cross-sectional changes in CSR. Hence, as a matter of policy, this study advances that government should put monitoring agency in place to track corporate compliance on CRS,using aspecified threshold (or rate) of the entity's total income that should be set aside for CRS purpose.

JEL Classification Codes: M14

1. INTRODUCTION

The debate on the significance of corporate social responsibility (CSR) to the performance of firms began since the early 1960s (Kenan, Vincent &Muhaheranwa, 2015). It however gained prominence in Nigeria in the 1990s with the internationalization of the conflict between oil and gas companies and their host communities (Oguntade&Mafimisebi, 2011). The subject of argument according to the stakeholder theory is that the success of every business depends largely on the impact of the company on the stakeholders and the environment of the host community (Freeman, 2004; Omodero & Ihendinihu, 2016). Studies have been conducted in the developed and developing countries including Nigeria; and the findings of most of the studies reveal that CSR has significant positive effect on the financial performance of companies (Asaolu & Enahoro, 2011; Ayoola, 2011; Afzal, 2012; Kotler & Lee, 2005; Lewis, 2003; Carroll, 1991). Although there are still some divergent opinions regarding CSR because it increases operational cost, the benefit of cost incurred will be derived in the long run (Carroll, 1979; Fodio, 2013: Odetayo, Adeyemi & Sajuyigbe, 2014).

The opinion of scholars on CSR is that since business organisations do not exist in isolation, business organisations need to contribute positively to the development of thecommunity in which they operate. Igbekoyi (2017) stated that organisational responsibility now goes beyond producing goods and services but encompasses public welfare. Tsoutsoura (2004) submitted that

CSR is necessary as it is a way by which companies give back to the society they operate. Ganescu (2012) however stated that in as much as CSR is beneficial, businesses should also be aware that the inclusion of social responsibility objectives in the strategy of the organization must be triggered not only by the desire to build a positive image, operational efficiency or the prospect of competitive advantage, but as a condition of building sustainable business.

In Nigeria, the implementation and recognition of CSR is comparatively new, but it has become prominent in some accounting reports today (Akinlo & Iredele, 2014). The concept is given attention now due to the increasing hazards such as disruption of business activities by host communities, abuse of workers, kidnapping of workers occasioned by the various companies in the country. Although most companies, especially those listed on the Nigerian stock exchange disclose CSR activities in their annual reports to show that they are socially responsible,but there are still agitations by host communities that companies are not socially responsible to them.These agitations most times come with hostility such as kidnapping, destruction, and assaults, especially in the Niger Delta region of Nigeria; and these have made some firms to cease business operations in these regions ((Igbekoyi, 2015; Omodero & Ihendinihu, 2016).

In previous studies conducted,it was submitted that the reason for discrepancies between the submission of companies and the host communities is that; though

companies engage in the provision of social infrastructure to host communities, most times these social responsibilities are not done in line with the needs of the communities but rather engage in CSR that will increase their popularity and/or competitive edge (Alabi & Ntukekpo, 2012; Ejumudo, Avweromre & Sagay, 2012; Adeyemo, Oyebamiji & Alimi, 2013).Other studies stated that it is because integrated reporting has not been adopted in Nigeria as a mandatory statutory disclosure item; and as such companies are not under any regulation regarding their social responsibility in a given year (Oguntade & Mafimisebi, 2011).

The focus of this study is to assess the extent of commitment of the Nigerian manufacturing firms to CSR. It is important to look in this direction because, if in the event that firms decide to be socially responsible and the ratio of fund committed to CSR is small compared to total income made, the economic unrest problem may only be solved for a short period of time. That is, if the margin of CSR to total income is insignificant, the agitation and economic unrest will persist after a short while, retarding firm performance and tax income to the government. The extent of social responsibility by companies is important because itpromotes sustainable development of the nation. This study therefore assessed the trend of compliance of manufacturing firms in Nigeria to corporate social responsibility; with focus on the ratio of funds committed to corporate social responsibility from total income earned within the period under review.

2. LITERATURE REVIEW
Concept of Corporate Social Responsibility (CSR)
CSR is an aspect of study that has gained attention in the academia. Much has been done in this area about the importance of corporate social responsibility to the company. Friedman (2006), says that social responsibility of business is to increase profit. This therefore means that any business that wants to survive must be socially responsible. According to El-Ghoula, Guedhamib, Kwok, and Mishrac (2011) as defined by World Bank Council for Sustainable Development that CSR is the continuing commitment by business to behave ethically and contribute to economic development while improving the quality of life of the workforce and their families as well as of the local community and society at large. The concept of CSR is underpinned by the idea that corporations can no longer act as isolated economic entities operating in detachment from broader society (Odetayo, Adeyemi & Sajuyigbe, 2014; Van Marrewijk & Verre, 2003) and the traditional views about competitiveness, survival and profitability are being swept away.

Corporate Social Responsibility Development in Nigeria
Nigeria is one of the Nations together with Azerbaijan, Ghana and Kyrgyzstan thathave showncommitment to the UK-led Extractive Industries Transparency Initiative, where they have committed to making public all their revenues for oil, gas and mining. Building on the United Nations declarations, conventions and efforts of constituents especially the International Labour organisation, the ISO have continued a process towards a harmonized approach under the leadership of both the Swedish Standard Institute and the Brazilian Association of Technical Standards (World Bank, 2008). This process has active participation of Nigeria where the National Mirror Committee on Social Responsibility is working to contribute towards the completion of ISO26000 by 2008. The aim

is to encourage voluntary commitment to social responsibility that will lead to common guidance on concepts, definition and methods of evaluation (Keblusek, 2010).

The Nigerian government has also through its National Economic Empowerment and Development Strategy (NEEDS) set the context by defining the private sector role to be proactive in creating productive jobs, enhancing productivity, and improving the quality of life by investing in the corporate and social development of Nigeria. Further a Global Compact network was officially launched in Nigeria during the 12th Annual Nigerian Economic Summit in Abuja in 2006 where some Nigerian companies have already signed on to the Global Compact. The Nigerian oil sector is dominated by multinational companies; to compensate for the government's governance failures and to protect their own business interests, the companies often engage in corporate social responsibility. The history of formalized corporate social responsibility in Nigeria can be traced back to the corporate social responsibility practices in the oil and gas multinationals which focused on remedying the effects of their extraction activities on the local communities. The companies provide pipe-borne waters, hospitals and schools. Many times these initiatives are ad-hoc and not always sustained (Amaeshi, Adi, Ogbechie & Amao, 2006).

In a study on corporate social responsibility in Nigeria, Amaeshi, Adi, Ogbechie & Amao (2006) stated that it appears that Nigerian companies are engaged in one corporate social responsibility activity or the other but the impact is low. The study revealed that there is more emphasis on community involvement, less on socially responsible, employee relations and

almost none with regard to socially responsible products and processes (Amaeshi, Adi, Ogbechie & Amao, 2006).

Empirical Review
Babalola (2012) studied the impact of corporate social responsibility on firms' profitability in Nigeria. The study examined the impact of corporate social responsibility on the profitability of firms in Nigeria. Data were collected through secondary data sourced from 10 randomly selected firms' annual report and financial summary from 1999-2008. The study used ordinary least square to the analyse data collected. The findings show that the sample firms invested less than 10% of their annual profit to social responsibility. The co-efficient of determination of the result obtained depicts that the explanatory variable account for changes or variations in selected firms performance (PAT) are caused by changes in corporate social responsibility (CSR) in Nigeria.

Oko and Agbonifoh (2014) conducted a study on Corporate Social Responsibility in Nigeria: A Study of the Petroleum Industry and the Niger Delta Area. The study was aimed at assessing the extent, constraints and challenges to the adoption of the principles of corporate social responsibility in the Niger Delta Area. Data were collected and collated based on the use of sets of questionnaires, interviews and observations. Findings revealed that the area Niger Delta is poor in development given the unwillingness of the government to sacrifice expected high returns on petroleum exploration for the development of the area and lack its of knowledge of and will power to make and execute uninformed decisions concerning the exploration and management of the activities of multi-national companies operating in the area.

Igbekoyi (2017) conducted a study on thecausal effect of corporate social responsibility on value drivers in the Nigerian manufacturing sector. The study examined the causal effect of corporate social responsibility (CSR) on value drivers in the Nigerian manufacturing sector.The study was conducted using data from secondary sources, which was obtained from 30 manufacturing firms that are listed in the Nigerian Stock Exchange. The unit root test, co-integration test and the Granger causality test were used to examine the causal effect of social responsibility on value drivers. The results show that there is long run relationship between CSR and the value drivers. It was also revealed that shareholders and employee have link with CSR.

Hirigoyen and Poulain-Rehin (2015), studied the relationship between cooperate social responsibility and firms performance based on 329 listed companies in the United State, Europe and Asia-Pacific region for 2009-2010 using linear regression analysis and the granger causality test. The study used various definition of social responsibility which include; human resources, human rights in the workplace, social commitment, respect for the environment, market behaviour and governance to proxy CSR. The finding of the study is that not only that greater social responsibility does not result in better performance; it negatively impacts corporate social responsibility.

Keffas and Olulu-Briggs (2011) conducted a study on corporate social responsibility: how does it affect the financial performance of banks? An empirical evidence from US, UK and Japan. The objective of the study was to examine the financial performance of CSR and non CSR banks using financial ratios and frontier efficiency analysis. They included 38 financial and economic ratios based on variables such as asset quality, capital operations and liquidity; that captured major scope of financial performance. In addition, they use a non-parametric linear programming technique known as data envelopment analysis to create a piecewise linear frontier that helps to determine the efficiency levels for both a common and separate frontier analysis. First it was found that there is positive relationship between corporate social responsibility and financial performance. Banks that incorporate CSR have better asset quality; capital adequacy and are more efficient in managing their asset portfolios and capital. Second, it was also found that geographic location regulates the relationship between CSR and FP during economic contraction, such that the relationship differs across relationship and transactional banking models.

Orlitzky, Schmidt and Rynes (2003) studied Corporate Social Performance (CSP) and Corporate Financial Performance (CFP): A Meta-analysis. The study was aimed at providing a methodologically more rigorous review than previous efforts, we conduct a meta-analysis of 52 studies (which represent the population of prior quantitative inquiry) yielding a total sample size of 33,878 observations. The meta-analytic findings suggest that corporate virtue in the form of social responsibility and, to a lesser extent, environmental responsibility is likely to pay off, although the operationalisations of CSP and CFP also moderate the positive association. For example, CSP appears to be more highly correlated with accounting-based measures of CFP than with market-based indicators, and CSP reputation indices are more highly correlated with CFP than are other indicators of CSP. This meta-analysis establishes a greater degree of certainty with respect to the CSP–CFP

relationship than is currently assumed to exist by many business scholars.

Ibrahim and Garba (2015) conducted a study on Corporate Social Responsibility and Financial Performance in the Nigerian Construction Industry. The study aimed at assessing corporate social responsibility and financial performance of listed companies in Nigerian construction industry. The study employed both ex-post facto and survey designs, the research generates data from the annual reports and accounts of sampled construction companies and also from questionnaire administered using a five point Likert Scale. Data obtained was analysed using multiple regression analysis and chi-square test. The result of the analysis show that financial performance of the companies in the Nigerian construction industry is impacted more by non-philanthropic activities than by philanthropic services.

Hilda, Hope and Nwoye (2015) carried out a study on Corporate Social Responsibility and performance of selected firms in Nigeria. The study was aiming at examining the relationship between corporate social responsibility and performance of selected firms in Nigeria. Exploratory research design was employed with the use of time series data. Product moment correlation was used to test the hypothesis and to determine whether there is any significant relationship between social responsibility cost and corporate profitability in the selected firms. Findings revealed a significant relationship between social responsibility cost and corporate profitability.

Adamu, Andah and Sa'adiya (2015) conducted a study on Corporate Social Responsibility and performance of Dangote industries limited. The main objective is to examine the impact of CSR on the performance of manufacturing company in Nigeria. The study used survey research design and collected data from the annual reports of Dangote industries limited. The data used include corporate social responsibility expenditure, selling and distribution expenditure, Turnover and Return on Assets for the period of 2007-2014. Data relating to cost/investment/expenditure as the case may be was used to construct ordinary least square (OLS) Model of regression to which was analysed using E-views 8.0. The result shows that corporate social responsibility significantly influenced the performance of company.

Evidence from the empirical studies reviewed showed that most studies conducted on corporate social responsibility in Nigeria and other countries covered the significance of CSR to performance of companies; the problems of CSR in Nigeria, and CSR activities in Nigerian companies. It was also discovered that most studies conducted focussed mostly on the Niger Delta region and the oil and gas sector. These studies did not consider the trend of compliance of companies to CSR and the extent of fund committed to CSR by Nigerian manufacturing companies. There is need to explore these aspect in the assessment of CSR in Nigeria and consider the manufacturing sector holistically, hence this study.

3. METHODOLOGY
The study used ex-post facto research design to obtain information about the rate of compliance with corporate social responsibility by Nigerian Manufacturing firms. Data were collected from secondary sources the annual reports of selected manufacturing firms and Nigerian Stock Exchange (NSE) Factbook for period of 2002-2016. Data collected was analysed

using descriptive statistics and cross-sectional trend analysis. This was done using the E-view statistical package.

The population of this study consist of 74 manufacturing companies listed on the Nigeria Stock Exchange as at 2016. The population consist of three (3) sectors, namely; consumer goods, basic material and industrials goods sector. These sectors were selected because of their high dominance among the listed manufacturing companies. A sample size of 25 companies was selected using Purposive Sampling Technique. The technique was adopted in order to purposively select firms that were fully functional and have adequate and available data from year 2002-2016, leading to 375 firm-year observations.

Deterministic linear trend modelwas used for the cross-sectional analysis. The study adopted model employed by Adeoye and Atanda (2009) in a study conducted to examine the trend of oil prices within the period of 2008 – 2016. This model was however modified to suit this study and presented in equation 1 as follow;

$Z_t=\beta_0+\beta_1X_t$……………………………… *eqn. i*
Where:
Z_t= the cross-sectional variable (Total income earned) at time *t*
β_0= constant or intercept terms
β_1 = the estimated coefficient
t = period of the study (2002, 2003, 2004 …2016)
X_t = amount expended on CSR at time *t*

In order to achieve the objective of the study, information obtained were analysed using descriptive statistics and graphs were used to analyse the trend using the E-view statistical package. The findings were further supported with cross-sectional regression analysis based on

heteroscedasticity and autocorrelation-consistent (Newey-West) standard errors and covariance.

4. ESTIMATION RESULTS AND DISCUSSION OF FINDINGS
Trend of relationship between Total Incomeand CSR by the Nigerian manufacturing firms
Figure 1 shows the descriptive trend of the relationship between Total Income (TI) earned by the sampled Nigerian manufacturing firms and the amount expended on CSR during the period under study using the average values (Appendix 1). Generally, the chart unveiled steady growth in the firms' TI which failed to translate to proportionate increase in the amount the firms expended on CSR except between 2002 → 2003, 2003 → 2004, 2004 → 2005, 2006 → 2007, 2008 → 2009, 2010 → 2011, 2011 → 2012 and 2014 → 2015. Whereas, between 2005 → 2006, 2007 → 2008, 2009 → 2010, 2012 → 2013, 2013 → 2014 and 2015 → 2016, noticeable (slight) reduction in the amount invested on CSR cannot be justified by increasing TI realised by the firms. This evidence suggests inconsistent commitment of the Nigerian manufacturing firms to CSR. The finding can also imply a signal of lack of absolute trust of the people in the communities where the firms are established on the concerned firms. This can consequently arouse anti socio-economic well-being acts of the people in form of militancy, vandalism, disruption of production processes etc against the smooth running of the business. Rather, improved commitment of the firms to CSR would have been socially more beneficial in the short and long run.

Furthermore, un-tabulated analysis of the 375 firm-year observations revealed that 58 observations had no record of CSR expended. That is, about 15.5% of the

observations covered in this study showed no record that CSR was incurred. Hence, it can be concluded from the trend observation that the rate of compliance to social responsibilities in this regard is more than the non-compliance rate. Nevertheless, stable increase in the firms' TI did not translate to consistent increase in the amount expended on CSR.
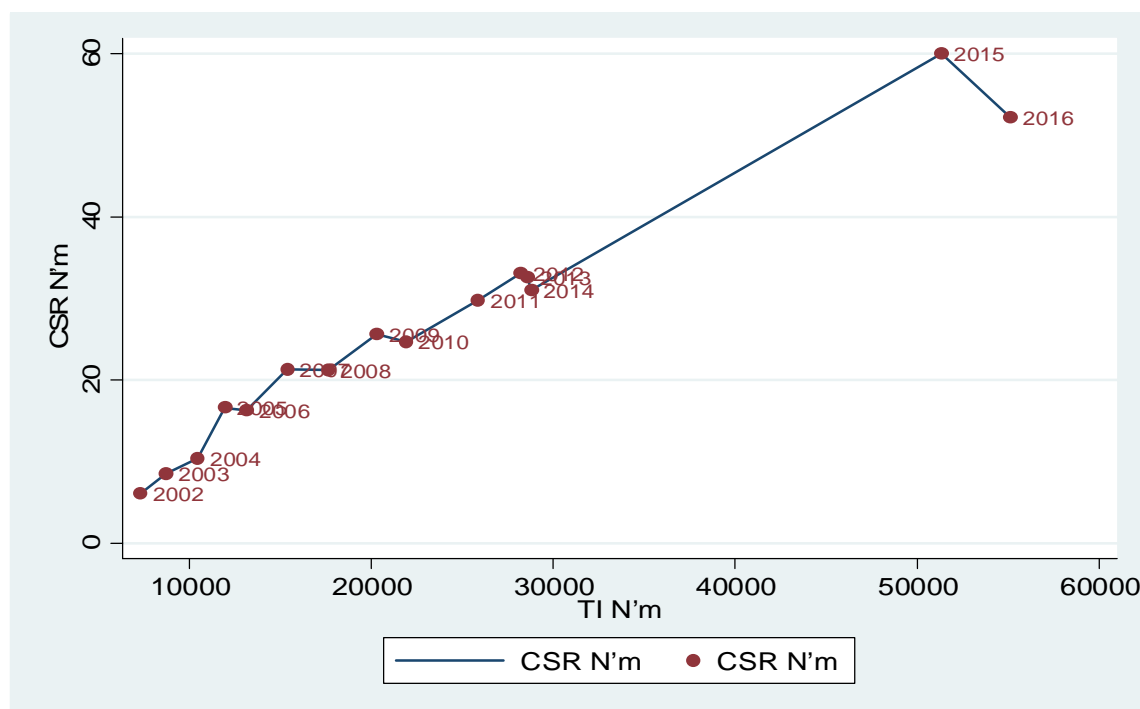
Figure 1: Trend Analysis showing the proportion of Total Income expended on CSR by the Nigerian manufacturing firms.
Source: Authors' Computation, 2018.

Trend of the Sectoral based CSR ofNigerian Manufacturing Firms

Figure 2 displays trend of CSR expended based on each sector that the sampled manufacturing firms belong. The chart revealed that there is no wide gap in the amount expended by the consumer and industrial sectors until after 2012 till 2016. One would have expected that industrial sector should have spent much more than other sectors as palliative for the effect of their waste on the environment. All through the period under review, contribution of the basic material sector was between a little above ₦4 million (2002) to ₦74 million (2015), unveiling that consumer and industrial firms categories majorly contributed to CSR expended by manufacturing firms in Nigeria.

Figure 2: Trend Showing CSRof the Manufacturing firms base on Sectors
Source: Authors' Compilation, 2018.

Extent of Commitment of Nigerian Manufacturing Firms to CSR

The graphs in Figure 3shows the descriptive and trend analysis of the ratio of funds committed to CSR by Nigerian manufacturing firms. The percentage distribution reveal that funds committed to CSR is within the range of one percent of Total income derived by the companies in a given year. A graphical presentation shows that the ratio of CSR to total income is grossly insignificant. This is evident in the wide gap range between the variables and as depicted through the chart. The implication of this finding is that the host communities can never feel the impact of the extent of CSR committed to the environment relative to amount realised from the firms operations as the impact will be minimal.
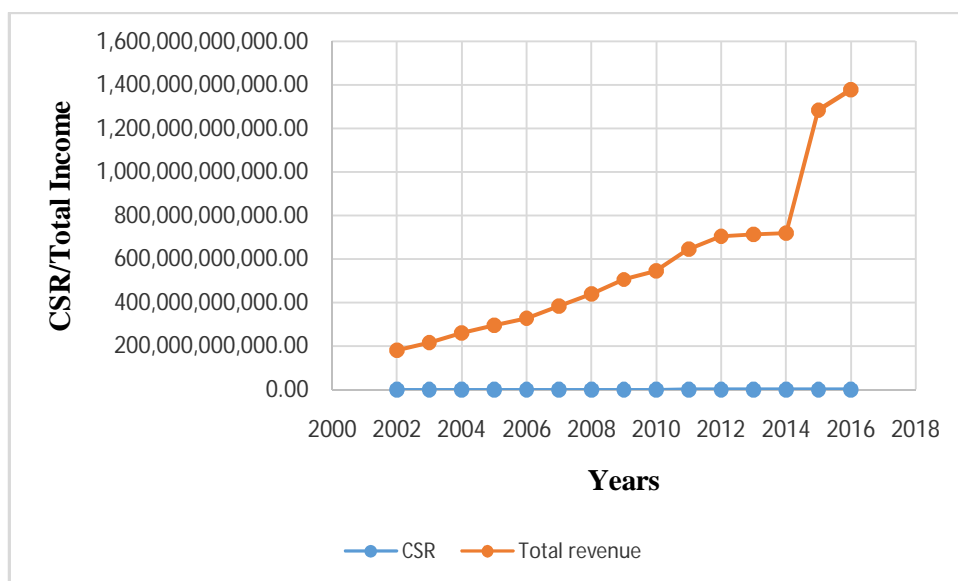
Figure 3: Trend Analysis of CSR Expended to Total revenue generated by the Nigerian manufacturing firms
Source: Authors' Compilation, 2018.

Cross-sectional Regression Trend Analysis

Table 1: Yearly Cross-sectional Regression Showing the Trend of the Relationship between CSR and firm Performance (TI)

| Year	β_1	Adj. R^2	F-Stat.
2002	0.000732** (3.892885)	0.370979	15.15456
2003	0.000675 (1.570065)	0.057534	2.465103
2004	0.001969** (51.23076)	0.990935	2624.591
2005	0.002958** (35.62248)	0.981424	1268.961
2006	0.002034** (4.139015)	0.401965	17.13145
2007	0.004169** (19.03382)	0.937709	362.2863
2008	0.003948** (24.51023)	0.961523	600.7515
2009	0.003346** (24.06078)	0.960128	578.9209
2010	0.001355** (14.61363)	0.898545	213.5583
2011	0.000589 (1.553314)	0.055593	2.412785
2012	0.002272** (18.85771)	0.936611	355.6133
2013	0.000910* (2.571609)	0.189550	6.613172
2014	0.000497 (2.044880)	0.117048	4.181536
2015	0.002096** (8.810963)	0.761510	77.63306
2016	0.002364** (5.130124)	0.513364	26.31818
2002-2016	0.001823** (12.07979)	0.293224	156.1632

**, * indicate significant at 0.01 and 0.05 level respectively (2-tailed), t-Stat in parenthesis. The estimations are based on Newey-West HAC standard errors and covariance.

Source: Author'sCompilation, 2018.

As shown in Table 1, generally the explanatory power of Total income over CSR of the selected firms crisscrossed throughout the period under review. For instance, there is noticeable declined in the explanatory power from about 37% to nearly 6% between 2002 and 2003 which is further confirmed by its slightly reduced coefficient that is found statistically insignificant in 2003 at 0.05 level. The trend improved sharply in 2004 but declined in 2006. The Total income largely explained variation in CSR better in 2007 and remained slightly stable until 2011 when the 6% explanatory power the predicting value became statistically insignificant (t-Stat = 1.5533). Succinctly, CSR expended was well explained by TI in 2004, 2005, 2007 – 2010, 2012, 2015 and 2016 with positive but very weak relationship all through the period under investigation in line with Igbekoyi (2017) only that the impact could

not be statistically established in 2003, 2011 and 2014. In overall, TI explained about 29% (adjusted R^2) of variability in CSR which is statistically significant at 0.05 level ($\alpha = 0.000 <$ p-value $= 0.05$).

The result of the descriptive trend analysis shows that a very larger proportion of the firms comply with engaging in CSR is in conformity with evidence obtained by Ogbodo (2010) using manufacturing companies in Enugu metropolis of Nigeria, Amaeshi, Adi, Agbochie and Amao (2006) who found that indigenous Nigerian companies perceive and practice CSR as corporate philanthropy aimed at addressing socio-economic development challenges in Nigeria and Adamu, Ruth and Sa'adiya (2015).It also in tandem with the opinion of Oguntade and Mafimisebi (2011) who found out that organizations operating in Nigeria have not done enough to improve

the social welfare of the host communities where they are operating despite the huge amount of profits they are realizing. This finding suggests a need for urgent government intervention by putting regulatory agency in place to ensure adequate compliance. Further inference is that, there should be a minimum threshold of TI (or net profit) that should be expended on CSR yearly just like education tax in Nigeria. Further, less than 1% of TI spent on CSR obtained in this study corroborate the finding of Hilda, Hope and Nwoye (2015) that organizations in Nigeria banking sector commit less than 2% of their net returns to CSR depicting a very low level of commitment to social responsibility issues by listed firms in Nigeria. As regards cross-sectional regression result, the position of this study align with that of Hilda, Hope and Nwoye (2015) who reported a statistically significant and positive relationship between CSR and TI.

However, the result of this investigation contradicts the submission of Alabi and Ntukekpo (2012) that most businesses in Nigeria do not engage in social activities but rather are only concerned with making profits. Although the submission of this study revealed that less than 1% of total earnings was expended on CSR, this position is a bit distanced from less than 10% documented by Babalola (2012).Also, finding of this study through trend regression analysis is at variance with Hirigoyen and Poulain-Rehin (2015) who obtained negative impact on CSR.

In summary, this study documents around 86% commitment to CSR by the sampled Nigerian manufacturing firms as there was no (zero) evidence of amount expended by the remaining 14% of the firm-year observations used. As such, this study submits that larger proportion of the sampled firms complied with CSR engagement. The trend analysis revealed that less than 1% of Total income realised by the firms was invested on CSR which could be adjudged as very meagre. Consumer and industrial goods sectors emerged as key sectors that invest most on CSR while a little amount was expended by basic material sector. And this could signal a practice where companies can pollute the environment and yet appear more economically efficient than others which incur cost to protect the environment and this makes companies not to engage in social activities. Overall trend regression analysis showed that Total income is positively related to CSR and statistically significant but not for 2003, 2011 and 2014. Also, the variability in CSR that was predicted by Total income did not show a specific direction all through the period under review.

5. CONCLUSION AND RECOMMENDATIONS

Corporate social responsibility activities of the Nigerian firms is expected to be an area of focus to government and policy makers because the impact of the relationship between these firms and their immediate environment will have significant effect on the ecological and economic sphere of the country. Most activities of the manufacturing sector affect the host communities adversely and as such their relationship with these communities should be paramount in the agenda of the firms and government. It is based on this backdrop that this paper assessed the level of compliance of the Nigerian manufacturing firms to CSR and the extent at which they comply by assessing the ratio of funds committed to CSR from their total income. The findings of this study revealed that the rate of compliance is more than the rate of non-compliance in corporate social responsibility by Nigerian manufacturing

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firms, but their engagement in corporate social responsibility is unstable over the period of the study. It was also found that the ratio of funds committed to CSR from total income is very low and grossly insignificant. The study therefore conclude that although Nigerian manufacturing firms are complying with CSR as reported in their annual reports despite the fact that there is no regulation put in place in Nigeria, the extent of fund commitment is still relatively low. The implication of this is that the menace of host communities' agitations may not end if the communities do not feel the impact of CSR of companies significantly.

The study recommends that companies should make effort to increase funds committed to CSR significantly. Although these might lead to increased cost in the short run, the positive impact in the long run have been established in previous studies. To further support this proposal, government should establish monitoring agency that will ensure improve commitment and compliance by the firms. In addition, a threshold of certain proportion of the firms' Total income (or net profit/earnings) should legalized just like education tax in Nigeria. This is expected to boost corporate commitment to CSR and as a way to palliate environmental disruption and appease to agitation of the members of the community.

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Appendix

Appendix 1: Data Employed showing Aggregate, Total and Ratio Value

	Consumer G. Sector		Industrial G. Sector		Basic Mat. Sector		Total Values		Average Values		Ratio
Year	CGcsr	CGTI	INDcsr	INDTI	BMcsr	BMTI	FsTCSR	FsTTI	FACSR	FAvTI	T_{CSR}/T_{TI}
	₦'m	₦'m	₦'m	₦'m	₦'m	₦'m	₦'m	₦'m	₦'m	₦'m	
2002	56	144,493	92.80	29,049	4.12	9,077	153.34	182,619	6.1	7,305	0.00084
2003	56	172,908	151.30	33,495	4.79	11,557	212.44	217,961	8.5	8,718	0.00098
2004	118	202,764	133.60	47,057	7.96	11,386	259.34	261,207	10.4	10,448	0.00099
2005	208	230,768	191.49	56,196	14.83	11,526	414.41	298,490	16.6	11,940	0.00139
2006	159	243,779	230.03	72,592	17.40	12,262	406.82	328,633	16.3	13,145	0.00123
2007	280	292,556	231.68	78,185	20.77	13,903	532.93	384,643	21.3	15,386	0.00139
2008	278	337,505	240.18	84,783	35.94	18,453	554.22	440,741	21.2	17,630	0.00126
2009	341	400,785	271.20	85,672	26.82	20,934	639.13	507,391	25.6	20,296	0.00126
2010	256	437,564	314.54	84,917	46.98	25,342	617.36	547,823	24.7	21,913	0.00113
2011	332	496,123	375.80	115,825	37.97	34,641	745.70	646,589	29.8	25,864	0.00115
2012	408	527,003	375.42	141,729	44.30	36,851	827.95	705,583	33.1	28,223	0.00117
2013	281	517,622	489.27	154,563	44.58	42,477	814.94	714,662	32.6	28,587	0.00114
2014	225	510,009	497.29	164,744	53.09	45,078	775.04	719,831	31.0	28,793	0.00108
2015	261	578,679	964.61	660,553	74.32	44,635	129.98	128,387	60.0	51,355	0.00101
2016	326	606,942	917.48	725,929	60.21	45,539	1,304.15	1,378,411	52.2	55,136	0.00095
SUM=	3,587	5,699,499	5,476.69	2,535,290	494.06	383,662	9,557.57	8,618,451	382.3	344,738	0.00111