

Effects of Rising Cost of Building Materials in Nigeria: A Case Study of Adamawa State

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Abstract : In recent years, there has been an alarming rate of increase in the costs of building materials in Nigeria, and this ugly phenomenon threatens the contributions of the construction industry in national development. The purpose of this study was to assess the effects of the rising cost of building materials in Adamawa State Nigeria. Four research questions in line with the purpose of the study were raised to guide the study. Two null hypotheses were formulated and tested at 0.05 level of significance. The study adopted a survey research design. The population of the study comprises registered contractors, registered builders, selected merchants, and consultants in Adamawa state. Data were collected using researcher designed instrument tagged effects of the rising cost of building materials questionnaire (ERCBMQ). The instrument was subjected to face and content validation by two experts, one from Modibbo Adama University of Technology Yola and the other from Federal Polytechnic Mubi. The reliability of the instrument was determined by the Cronbach Alpha method and yielded a reliability index of 0.85 high enough to ascertain the reliability. Data collected from a field survey of 2019 was analyzed using mean and percentage. The means of the prices were used in the calculations of price indices and rates of inflation on building materials. Findings revealed that factors responsible for the rising cost of building materials are the exchange rate of the Nigeria Naira with a mean rating (MR) = 4.4; cost of fuel and power supply, MR = 4.3; and changes in government policies and legislation, MR = 4.2, while fluctuations in the construction cost with MR = 2.8; reduced volume of construction output, MR = 2.52; and risk of project abandonment, MRA = 2.51, were the three effects. The study concluded that adverse effects could result in a downward effect on the contributions of the construction industries on the gross domestic product (GDP) in the nation's economy. Among the recommendations proffered include that the government should formulate a policy that will play down the agitations on the use of imported building materials by encouraging research in the production of local building materials.

Keywords : effects, rising, cost, building, materials

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