



# NIGERIA LABOUR CONGRESS

Motto: Labour Creates Wealth

29th January 2016

## COMMUNIQUE ISSUED AT THE END OF THE MEETING OF THE NATIONAL EXECUTIVE COUNCIL [NEC] OF THE NIGERIA LABOUR CONGRESS HELD ON FRIDAY, JANUARY 29, 2016 AT AIRPORT HOTEL, IKEJA, LAGOS

*The National Executive Council of the Nigeria Labour Congress (NEC) met at Airport Hotel, Lagos on Friday, January 29, 2016 to discuss core Labour issues and the state of the of the nation. After an exhaustive deliberation, the NEC observed as follows:*

### **1) Corruption**

The Congress continues to express its strong and unalloyed support for government's war on corruption. Corruption is not just a national malaise that afflicts virtually every fabric of our national life, it has all but crippled the nation and accordingly requires a national action.

Congress observes that the list of the corrupt as expressed in the \$2.1 arms contract scandal underscores the extent of the rot in the system. Congress notes that this could just be the tip of the iceberg.

Accordingly, Congress resolved that those on the list of \$2.1 billion scandal should apologize to Nigerians for their shameful act. In spite of the fact that corruption is fighting back, government should explore all lawful means to ensure that the looted funds are recovered and the culprits prosecuted in accordance with the law.

Congress also resolved that government should beam its searchlight on other sectors of the economy such as road contracts etc. with a view to recovering every kobo not accounted

Similarly, Congress resolved that state governments and local governments should join the war on corruption. On their volition, they should demonstrate requisite interest and commitment to this war.

Congress resolved that corruption laws should be strengthened and corruption cases speedily dispensed with as is the case with election petition cases.

## **2) Economy**

Congress notes that a combination of the after-effect of years of fiscal indiscipline, mismanagement of resources, unacceptable electioneering spending, corruption, policy reversals, unproductive borrowing, falling crude oil prices and serious issues of internal security has dealt a blow to the economy. Inflation is needling double digit. The Naira has collapsed against the major international currencies. As an import-dependent country, the implications for the ordinary Nigerian are enormous. The cost of living has risen, the purchasing power has dropped and jobs are being lost.

Congress observed that in most states, salaries and pensions are not being paid regularly in spite of the well-thought-out bail-out fund program by the federal government. This has thrown workers and their families into great hardship and embarrassment.

Congress noted that as a response to this economic downturn, the IMF, World Bank and neo-liberal Economists are putting pressure on the government to further devalue the Naira as well as raise the VAT. Governors and some private-sector employers on their part are considering mass retrenchment with Imo state leading the negative way.

Congress believes that neither non-payment of salaries nor mass retrenchment is an acceptable option in the circumstance. Congress holds the view that at difficult moments like this, reflationary measures should be adopted to empower workers and stimulate the economy.

Congress urged government to take measures that will stimulate production, develop infrastructure and boost aggregate demand. Congress urged government to take urgent steps to diversify the economy with an emphasis on agriculture, solid minerals and manufacturing.

## **3) Non-payment of Salaries, Pensions and Gratuities**

The incidence of non-regular payment of salaries, pensions and gratuities is acquiring an alarming dimension states increasingly are showing an unwillingness

to pay salaries, pensions and gratuities. Congress is worried that governors are singling out workers for punishment in the circumstance of economic downturn while it is rewarding political appointees even when the Revenue Mobilisation Allocation and Fiscal Commission has declared such payments as illegal.

Accordingly, Congress urged governors and private sector employers to toe the path of honour and not retrench workers. It urged governors to do all that is necessary to pay salaries and pensions regularly as non-payment of salaries, pensions and gratuities will be catastrophic not just for workers and their families but the entire country.

Congress resolved that any state governor who violates the sacred duty of regular payment of salaries, gratuities and pensions will incur the wrath of workers.

Congress also resolved to mobilize to any state that retrenches workers because workers should not be made the scape goats of the downturn in the economy. The benefits of political employees are not touched. They are paid regularly huge sums that are not even approved by the Revenue Mobilisation Allocation and Fiscal Commission.

In line with the Congress' philosophy of an injury to one is an injury to all, Congress also resolved to mobilize to Imo state to shut it down as a response to Governor Okorochoa's consistent anti-labour policies, impunity and retrenchment of workers, in spite of his promises to the leadership of the Congress that he would not take such decisions. Congress also resolved to take a national action in respect of Imo if necessary.

Congress notes that Governor Okorochoa has raised a private militia which he has armed to the teeth and they are presently inflicting injuries on innocent workers. Congress considers this as illegal and resolved to make a report to the IGP, warning that in the event that Okorochoa violates the law by unleashing the militia again on workers, that would be consequences.

#### **4) Removal of Subsidy**

Congress observed that in spite of government's promise to Nigerians that it would not remove subsidy on petroleum products, if any at all, government is

attempting to remove subsidy through the back doors in the form of price modulation.

Congress rejects attempts to remove subsidy on petroleum product, noting that it is illegal and unjustifiable as due process is not being followed.

Congress said subsidy removal will not add any value to the economy. Rather, it will create more hardship for Nigerians, especially the poor and the weak.

Accordingly, Congress resolved as follows:

- All moneys recovered from looters of our national treasury should be invested in building new refineries and revamping the existing ones.
- Our refineries must be made to work to optimal capacity in order to meet local need;
- Nigerians should not be made to suffer for the sins of those who mismanaged the economy by way of imposing higher prices through subsidy withdrawal and other anti-people policies;
- To embark on an immediate programme of sensitization and mobilization of Nigerians across the country for a better Nigeria;
- To work with and engage in struggle in partnership with all the stakeholders, particularly the Civil Society allies;
- To commence the process of strategic sensitisation and advocacy through the publication of the papers presented at the stakeholders meeting on the removal of subsidy on petroleum products, simplifying and abridging the papers for circulation to the public;
- To engage government based on the information availed to it on this subject matter.

### **5) Increment in Electricity tariff**

Congress considers as illegal, unfair, unjustifiable and a further exploitation of the already exploited Nigerians, the 45 per cent increase in electricity. Congress rejects the increase on the following grounds:

- Due process in the extant law for such increment was not followed in consonance with Section 76 of the Power Sector Reform;
- There has been no significant improvement in service delivery;
- Most consumers are not metered in line with the signed Privatisation Memorandum of Understanding (MoU) of November 1, 2013 which

stipulates that within 18 months gestation period, all consumers are to be metred;

- There is a subsisting court order dated May 28, 2015 by Justice Mohammed Idris of the Federal High Court, Ikoyi, Lagos in the case of Toluwani Yemi-Adebiyi versus NERC and others;
- The increment compounds the present economic recession.

## **6) Budget 2016**

Congress commends the 2016 budget , especially in consideration of the fact that 30 percent of the budget is allocated to capital projects and for making available funds for the recruitment of 500,000 graduates and NCE holders. Government is also deserving of commendation for making a substantial percentage of the budget not dependent on oil revenue.

**Comrade Ayuba Wabba, *mni***  
**President**

**Dr. Peter Ozo-Eson**  
**General Secretary**